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<u>Revised STAFF REPORT AND RECOMMENDATION</u> TO THE DESIGN COMMISSION

CASE FILE:	LU 16-111127 DZM AD
	PC # 15-229299
	SW 3 rd & Salmon
REVIEW BY:	Design Commission
WHEN:	June 16, 2016 @ 1:30pm
	(Continued from May 5, 2016)
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.

Note: This staff report is revised from the staff report dated April 25, 2016. Changes are underlined. Deleted text has been deleted for clarity.

Bureau of Development Services Staff: Hillary Adam 503-823-3581 / Hillary.Adam@portlandoregon.gov

GENERAL INFORMATION

Brad Bane, Architect Ankrom Moisan Associated Architects 6720 SW Macadam Ave. Portland, OR 97219
House Of Gold Inc, Owner 3604 Agate St Eugene, OR 97405-4489
Jack Onder, Party of Interest Jeff Arthur, Party of Interest 3rd & Taylor Development LLC 1100 NE Glisan, Ste 2a Portland, OR 97209
930 SW 3 rd Avenue & 939 SW 2 nd Avenue
BLOCK 23 LOT 3 EXC PT IN ST E 93.5' OF LOT 4 EXC PT IN ST LAND ONLY SEE R245991 (R66770-3541) FOR IMPS, PORTLAND; BLOCK 23 LOT 3 EXC PT IN ST E 93.5' OF LOT 4 EXC PT IN ST IMPS ONLY SEE R245990 (R66770-3540)FOR LAND, PORTLAND; BLOCK 23 W 1.5' OF LOT 4 LOT 5, PORTLAND R667703540, R667703541, R667703560

State ID No.: Quarter Section:	1S1E03BA 04000, 1S1E03BA 04000A1, 1S1E03BA 06400 3129
Neighborhood: Business District: District Coalition:	Portland Downtown, contact Rani Boyle at 503-725-9979. None Neighbors West/Northwest, contact Mark Sieber at 503-823- 4212.
Plan District: Zoning:	Central City - Downtown CXd – Central Commerical with Design overlay
Case Type:	DZM AD – Design Review with Modification and Adjustment request
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 applicant proposes a new 20-story hotel building with an FAR of 11.7:1; the additional 2.7:1 FAR above the 9:1 base allowed is achieved via the locker room bonus (33.510.210.C.8). The building is proposed to feature ground level retail, with restaurants at both corners and a central lobby facing SW Salmon. A secondary entrance at SW 2nd would lead to a rooftop bar with rooftop terraces, including a shallow pool. One loading space is proposed at SW 2nd Avenue. Exterior materials include dark burgundy brick, warm gray metal panel, dark gray spandrel glass, and glass curtain wall. The proposal will require the demolition of the existing Albion Hotel (Lotus Cardroom & Café).

A Modification is requested to:

• 33.266.220 – to reduce the width of required long-term bicycle parking spaces from 2'-0" to 1'-6".

An Adjustment is requested to:

• 33.266.310.C – to reduce the number of required loading spaces from 2 to 1 Standard A spaces.

<u>Note:</u> The previous proposal included a Modification request to 33.130.230 – to reduce the length of required ground floor windows from 50% to 43% on the SW 2nd Avenue façade. This has since been removed from the proposal.

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:

- Central City Fundamental Design Guidelines
- 33.825.040 Modifications That Will Better Meet Design Review Guidelines
- 33.805.040 [Adjustment] Approval criteria

ANALYSIS

Site and Vicinity: The subject property is located on the south half of the block bound by SW 3rd Avenue, SW Salmon Street, SW 2nd Avenue, and SW Taylor Street in the Downtown subdistrict of Central City. Both SW Salmon and SW 2nd are designated Transit Access Streets. The site is currently occupied with a three-story brick commercial building, constructed in 1906, known as the Albion Hotel. The ground floor of the building has operated as the Lotus Cardroom and Café since 1924. To the east of the building, also part of the subject property, is a ¹/₄ block surface parking lot with a small kiosk. At the northeast corner of the block is a 6-story brick building, constructed in 1892, known as the Ancient Order of United Workmen Temple. At the northwest corner are two 1-story commercial buildings constructed in 1919 for use as retail stores and an auto garage. These buildings are also intended for redevelopment through a separate land use process. Just north of the subject property and fronting on SW 3rd Avenue is the Landmarked Auditorium Building, designed by F. Manson White and constructed in 1894.

Across SW 3rd Avenue is a half-block 9-story parking garage with ground floor retail; directly to its north is a 1/8-block gated courtyard and 1-story retail buildings. To the southwest across 3rd and Salmon is Lownsdale Square with Chapman Square to its south. Across Salmon to the south is the United States Courthouse tower. Across Salmon and 2nd to the southeast is the One Main Place office tower. Across 2nd to the east is the World Trade Center office tower. Further north is the Yamhill Historic District. The site is located two blocks west of Waterfront Park, two blocks northeast of the Portland Building and two blocks northwest of the Morrison Bridge ramps.

Zoning: The <u>Central Commercial</u> (CX) zone is intended to provide for commercial development within Portland's most urban and intense areas. A broad range of uses is allowed to reflect Portland's role as a commercial, cultural and governmental center. Development is intended to be very intense with high building coverage, large buildings, and buildings placed close together. Development is intended to be pedestrian-oriented with a strong emphasis on a safe and attractive streetscape.

The <u>Design Overlay Zone</u> [d] 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, development of design guidelines for each district, and by requiring design review. In addition, design review ensures that certain types of infill development will be compatible with the neighborhood and enhance the area.

The <u>Central City Plan District</u> 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 Central City Transportation management Plan. The Central City plan district implements portions of these plans by adding code provisions which address special circumstances existing in the Central City area. The site is within the Downtown Subdistrict of this plan district.

Land Use History: City records indicate that prior land use reviews include:

- EA 15-221480 PC Pre-Application Conference for the current proposal; and
- EA 15-229299 DA Design Advice Request for the current proposal.

Agency Review: A "Notice of proposal in Your Neighborhood" was mailed **April 13**, **2016**.

The **Bureau of Transportation Engineering** <u>originally</u> responded <u>on April 18, 2016</u>, noting support for the Adjustment to reduce the number of loading spaces from two Standard A spaces to one Standard A space. PBOT also noted that the initial utility plan showed a vault in the pedestrian through zone on SW 2nd Avenue, which was not supported and advised the applicant to work with PGE on a more acceptable vault design. Please see Exhibit E-1 for additional details. <u>On June 7, 2016, PBOT issued a</u> revised response, noting that the revised design for the transformer vault and lid in the

right-of-way was acceptable, however final location and lid material will be determined during the Public Works Permit process. See Exhibit E-1b.

The **Life Safety Division of BDS** responded, suggesting that the applicant request a Preliminary Life Safety Meeting. Please see Exhibit E-2 for additional details.

The following Bureaus have responded with no issue or concerns:

- Bureau of Environmental Services
- Water Bureau
- Site Development Section of BDS
- Bureau of Parks-Forestry Division
- Fire Bureau

Neighborhood Review: A Notice of Proposal in Your Neighborhood was mailed on **April 13, 2016**.

Two written responses have been received from either the Neighborhood Association or notified property owners in response to the proposal.

- Steven Martini, on May 4, 2016, wrote with concerns that the Auditorium Building currently has a fire escape on the east façade which exits onto the existing parking lot, an egress path which will be ineffective once the proposed building is erected. As such, he requested that the Design Commission not approve the proposal until the city has approved a new emergency access for the east side of the Auditorium Building. (See Exhibit F-1.)
- <u>Peggy Moretti, Restore Oregon, on June 6, 2016, wrote in response to the prior</u> staff report, stating that the proposal did not respond to its historic context with regard to material and color and suggested that the building should be something other than gray metal and gray glass. (See Exhibit F-2.)</u>

<u>Staff Response</u>: The applicant has been working with Steven Martini regarding the egress issues at the Auditorium Building. The applicant has applied for two separate Building Code appeals to resolve this issue and report the results of these appeals at the hearing on June 16, 2016. However, staff notes that approval of the current proposal is not subject to approval of either of these Building Code appeals. Staff has addressed issues relating to the color of the building in the findings below.

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), therefore the proposal requires Design Review approval. Because of the site's location, the applicable design guidelines are the Central City Fundamental Design Guidelines.

Central City Fundamental Design Guidelines

These guidelines provide the constitutional framework for all design review areas in the Central City.

The Central City Fundamental 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 City Plan Design Goals

This set of goals are those developed to guide development throughout the Central City. They apply within all of the 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 has addressed only those guidelines considered applicable to this project.

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 accessways for pedestrians that provide connections to the

Willamette River and greenway.

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.

B5. Make Plazas, Parks and Open Space Successful. Orient building elements such as main entries, lobbies, windows, and balconies to face public parks, plazas, and open spaces. Where provided, integrate water features and/or public art to enhance the public open space. Develop locally oriented pocket parks that incorporate amenities for nearby patrons.

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 for A1, A5, B5, and C1: The proposed building is located two blocks from Waterfront Park and has oblique views toward the river as well as direct views where the World Trade Center tower is justified to the north of its block. The applicant has responded to this opening in the neighboring block with a vertical architectural gesture which highlights the building's direct visual connection to the river at the southeast corner. The building has two rooftop terraces; one is oriented northeast and provides views to the east while the second is tucked into the rear of the building and is oriented north and northwest toward the river in the distance. The rear terrace includes a shallow pool, thereby providing a physical connection to water in addition to potential visual connections. The proposed primary entrance to the building is oriented to SW Salmon Street which has a direct visual and physical connection to the Salmon Street Springs water fountain 2¹/₂ blocks to the east.

In addition, while the applicant does not propose alterations in the right-of-way, the west side of the building is designed to highlight views to Lownsdale Square, which is cattycorner to the proposed development, via a glazed west façade and an open-air in-set balcony at the west end of the second floor on the south façade, which may indirectly encourage visits to the park. At the ground level, the west façade and southwest are also proposed to be primarily glazed with operable storefronts at the west. The proposed use of the ground level recessed area for outdoor dining will help foster interaction between the building and the park.

These guidelines are met.

A2. Emphasize Portland Themes. When provided, integrate Portland-related themes with the development's overall design concept.

Findings: While the symbolic "themes" noted in the Central City fundamental Design Guidelines as examples, are not explicitly proposed, the applicant intends to promote current Portland values through the incorporation of a green roof and sloped green wall. Staff had previously raised concerns about the sloped wall, which does not have an obvious architectural reference; however, the applicant has indicated that the intent of this wall is for it to be seen and experienced from different angles both in and around the building. The sloped angle of the wall continues the green roof at the western portion of the building into the lobby via a continuous landscape element which will provide visitors to the City with a tangible connection to a representation of contemporary Portland values, which are not often accessible as eco-roofs are typically located on a roof where access is limited. **A3. Respect the Portland Block Structures.** Maintain and extend the traditional 200-foot block pattern to preserve the Central City's ratio of open space to built space. Where superblock exist, locate public and/or private rights-of-way in a manner that reflects the 200-foot block pattern, and include landscaping and seating to enhance the pedestrian environment.

A7. Establish and Maintain a Sense of Urban Enclosure. Define public rights-of-way by creating and maintaining a sense of urban enclosure.

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.

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.

C6. Develop Transitions between Buildings and Public Spaces. Develop transitions between private development and public open space. Use site design features such as movement zones, landscape element, gathering places, and seating opportunities to develop transition areas where private development directly abuts a dedicated public open space.

Findings for A3, A7, B1, B4, and C6: The building is proposed to be built to the property line at the upper levels, however, the ground level is pulled back from the street lot lines 4 feet on the west, 2 feet on the south, and nearly <u>3</u> feet on the east, intended to provide additional sidewalk and outdoor seating area. While no benches are provided, the renderings indicate that the ground level restaurant will have seating which will provide an opportunity for stopping and resting. Main entrances are further recessed to provide a transition zone between the building and passing pedestrians. *These guidelines are met.*

A4. Use Unifying Elements. Integrate unifying elements and/or develop new features that help unify and connect individual buildings and different areas.
C4. Complement the Context of Existing Buildings. Complement the context of existing buildings by using and adding to the local design vocabulary.

Findings for A4 and C4: Nearby tower developments in the immediate vicinity are generally light in color or gray and feature either strong vertical elements or strong horizontal elements. The United States Courthouse to the south features both strong vertical and horizontal elements with limestone panels, metal, and glazing. The Standard Insurance Building two blocks west also has a strong vertical and horizontal expression with an elongated grid-like concrete façade. The recently approved AC Hotel, currently under construction one block to the north, will feature a strong vertical expression at the southwest corner; however it will be constructed of dark gray brick and metal panel. In contrast, the World Trade Center complex immediately east features strong horizontals in the form of ribbon windows and the primarily materials, other than glazing, is gray granite. The concrete One Main Place to the southeast also has a horizontal expression despite its height. Staff also notes that, while a few blocks further to the southwest, the Wells Fargo Center and PacWest Center are among the most architecturally distinct buildings in the vicinity and feature strong verticals and horizontals in marble and aluminum, respectively.

The proposed building has strong vertical elements, particularly at the east and west and is proposed to be clad primarily in <u>a warm</u> gray metal panel and glass curtain wall, <u>with a dark burgundy brick at the base and at the gasket adjacent to the Auditorium Building. Staff notes that the color of the brick as represented in the renderings and in the enlarged elevation drawings is more accurate than the brick represented in the full elevation drawings.</u>

The previous version of the building featured three façade articulations including a glazed curtain wall, a light gray metal panel window wall with a grid expression, and a dark gray metal panel window wall with a more vertical expression. Staff and the Commission expressed support for the use of metal panel and curtain wall on the tower but noted concern about the lack of cohesion across the tower and suggested the building should relate better to the adjacent Auditorium Building, a historic Landmark built in 1894 and immediately north of the subject property at the western frontage.

When the north half of the block is redeveloped, the Auditorium Building is likely to be the only vintage building on the block, and could potentially be surrounded by buildings constructed of metal and glass. The western portion of the proposed building is designed to be shorter so as to establish a relationship with the Auditorium Building, and some of the horizontal datums of the Auditorium Building are carried over to the proposed building to strengthen this relationship. The previous version of the building was lighter in color, was generally more complicated in its design, featured an eroded corner, illuminated laser-cut metal screen at the gasket, and large top floor louvers facing SW 3rd Avenue. The current proposal is much more simplified, particularly on this facade. The west facade is now organized in a single curtain wall element, wrapped in a beveled bronze metal frame and set apart from the Auditorium with a vertical brick gasket that is in the same continuous plane as the brick at the ground level. The datums are now more aligned, particularly between the first and second levels, and the west-facing louvers have been minimized. While the western volume is still taller than the Auditorium Building, the warm gray and bronze metal panel are more complementary to the richness of the red brick, and the simplified and elegant design will not detract from the articulation of the Auditorium facade. That said, staff does have concerns about the darkness of the vision glazing and the spandrel glazing; the darkness of these glass elements, combined with the darker gray metal panel has the potential to result in an overly dark building which could push the limits of complementing the context of existing buildings in the immediate vicinity.

With the condition that the vision glazing and spandrel glazing be revised to a less dark color, these guidelines are met.

A6. Reuse/Rehabilitate/Restore Buildings. Where practical, reuse, rehabilitate, and restore buildings and/or building elements.

Findings: The proposed development seeks to maximize the development potential of the property. As such, the applicant proposes to demolish the existing Albion Hotel on site. While reuse of the building in its current form may not be feasible, reuse of building elements may be feasible. Because of the storied history of the building and the date of its original construction, staff notes that there may be architectural elements worthy of salvage, despite the relatively dilapidated state of the building. As such, staff suggests that any original or otherwise quality materials that can be salvaged should be salvaged. <u>The applicant has indicated that most of the quality elements worth saving are located in the Lotus Cardroom</u>

and Café and will be removed by the proprietor. Staff notes that this salvage, and any other potential salvage of interior or exterior building elements should be confirmed with a letter at the time of Permit.

<u>With salvage of any original or otherwise quality interior or exterior</u> <u>materials or building elements, to be confirmed with a letter at the time of</u> <u>Permit, this guideline is met.</u>

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: A healthy amount of glazing is proposed at the ground level. The west <u>façade</u> also features operable storefronts at the ground level where a restaurant is expected to occupy the space. This will provide the opportunity for activity to easily flow between the interior and exterior, contributing to a vibrant streetscape experience.

In the previous version, the applicant was requesting a Modification to ground floor windows requirements on the east façade. Staff and the Commission did not support this request and the applicant has since revised the ground floor program at the northeast corner of the building in order to increase the total window length and area and eliminate corridor redundancies in the design. The applicant has also eliminated the previously-proposed laser-cut metal screen which blocked views to the interior on the south façade and created concerns with overall coherency.

This guideline is met.

A9. Strengthen Gateways. Develop and/or strengthen gateway locations.

Findings: The subject property is not at an identified gateway location. *This guideline is not applicable.*

B3. Bridge Pedestrian Obstacles. Bridge across barriers and obstacles to pedestrian movement by connecting the pedestrian system with innovative, well-marked crossings and consistent sidewalk designs.

Findings: The proposal will maintain existing sidewalks or rebuild the sidewalks to City standards if they are damaged during the construction process. *This guideline is met.*

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.

Findings: As is noted elsewhere, significant canopies are proposed at the ground level, which will provide protection from sun, rain, and glare. Because the building is recessed <u>approximately 4'-0"</u> from the <u>western</u> street lot line, the 6'-0" deep canopies <u>primarily provide protection for those who are situated within the boundary of the property, such as restaurant patrons. At the May 5, 2016 hearing, the Commission suggested that the canopies should be deeper in order to provide more protection for pedestrians walking down the street, rather than</u>

primarily serving those who may be patronizing the restaurant. Staff notes that the building is located closer to the property line on the south and east so the 6'-0" canopies provide additional weather protection at these areas. The southwest canopy has also been extended along the south façade since the May 5, 2016 hearing, providing additional coverage. Staff notes that extending the depth of the canopy at the west façade would make it deeper than the majority of the canopies and approximately the same depth as the primary entrance canopy as well as potentially blocking views toward the Auditorium Building. As such, staff supports the amount and arrangement of canopies presently shown. This guideline is met.

B7. Integrate Barrier-Free Design. Integrate access systems for all people with the building's overall design concept.

Findings: Barrier-free access is provided at the majority of street entrances, with the exception being the southeast corner bar entrance, which has two other accessible entrances, one through the hotel lobby and one through the speakeasy entrance. *This guideline is met.*

C3. Respect Architectural Integrity. Respect the original character of an existing building when modifying its exterior. Develop vertical and horizontal additions that are compatible with the existing building, to enhance the overall proposal's architectural integrity.

Findings: The proposal is for a new building. This guideline is not applicable.

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

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 for C2 and C5: The building is comprised of two relatively distinct volumes including a southeast tower which holds the majority of the hotel rooms and a smaller volume at the southwest which is designed to generally reflect the scale of the adjacent landmark Auditorium Building. Staff supports the concept of a smaller volume at this location in order to respect the Auditorium Building <u>and</u> has noted the positive changes in the design from the previous version considered at the May 5, 2016 hearing.

Staff previously noted concerns for the angled wall at the south façade, which was continued to the ground level via the main hotel canopy and an angled metal screen, the latter two elements have been removed from the proposal. As is noted above under A2, the applicant intends to utilize this angled wall in order to promote Portland values which will be expressed through a continuous green wall that extends from the roof into the lobby. Staff had previously noted that while the angled wall seemed to lack a meaningful architectural reference, it did add interest and with the elimination of the other angled elements, this single expression is now made stronger.

The building appears to be composed of quality materials, including <u>dark</u> <u>burgundy</u> brick at the base with 18 gauge metal panel and glazed curtain wall above. Louvers are integrated into the design in a relatively clean manner at the rooftop mechanical enclosures and above the ground level canopies, which will help minimize their impact on pedestrians. At the November 19, 2015 Design Advice Request, the Design Commission noted that the tower was relatively small and, as such, did not require multiple façade expressions. The previous version, considered on May 5, 2016, featured three distinct façade articulations on the tower, two of which were continued at the western volume. Staff and the Commission expressed concerns about the multiple articulations, as well as the relative flatness of the south façade and the lack of clarity at the north façade. Staff and the Commission suggested that greater cohesion was needed for the overall façade, with additional consideration toward adding texture to the window walls. The applicant has since eliminated the window wall pattern with the vertical expression and the building now features curtain wall set within a beveled frame and a window wall system with texture added through the various depths of vision glazing, spandrel glazing, and metal panel set within this system.

<u>As staff previously noted</u>, the proposed vertical frame at the south end of the tower responds to the south setback of the World Trade Center building and therefore adds a certain logic to the articulation of this façade. <u>Since the May 5, 2016</u> <u>hearing</u>, the applicant has refined the detailing of this vertical expression, which is repeated on the west façade, by adding a bevel and bronze accent color to the frame. This bronze is repeated at canopies and upper level louvers. Staff believes that the bevel adds a touch of elegance and interest while the change in color to warm gray with bronze accents helps the building relate better to the Auditorium which is a deep red brick.

While not indicated on the plans, the applicant has stated that the bronze metal panel is also 18 gauge. Staff believes that in order to be successful, the beveled bronze frames around the curtain wall have to be of the highest quality and suggests that composite metal panel may be more appropriate here in order to ensure clean flat lines within this frame. In addition, staff suggests that the frame element on the east façade should be closed at the bottom to match the frame on the west. Staff also suggests that adding the 8-inch fins to the lower floors of the curtain wall, at a length greater than is shown on the west, would also help achieve a more cohesive expression, while highlighting the additional height at the east end of the building.

The applicant has also noted that the metal panel located at the base of the wall adjacent to the speakeasy entrance and the metal panel at the loading bay is also 18 gauge. Staff believes that the metal panel at the speakeasy entrance should be revised to brick in order to be more durable and more coherent. In addition, the metal panel at the loading bay should also be revised to a composite metal panel or steel in order to ensure durability.

With the conditions of approval that:

- The beveled bronze metal accents shall be composite metal;
- <u>The east frame shall be closed on the bottom to match the condition</u> <u>on the west;</u>
- <u>8-inch deep fins shall be added to the east curtain wall, similar to the condition on the west, but for a greater length;</u>
- <u>The metal panel stem wall at the speakeasy entrance shall be revised</u> <u>to brick; and</u>
- <u>The metal panel at the loading bay shall be revised to composite metal</u> <u>panel or steel;</u>

These guidelines may be 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: Both ground level corners of the building feature significant glazing, canopies, and entrances. The interior program of the building will ensure that the ground level corners of the building will be activated. The southwest corner, which is slightly recessed from the rest of the ground floor, includes a restaurant that will be able to spill out onto the street and the southeast corner features a bar/market, while the mid-block portion of the building features the less intensely activated lobby space. *This guideline 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.

Findings: The ground level is differentiated from the upper levels of the building through materials and articulation. The ground level features <u>dark burgundy</u> brick and storefront systems whereas the upper levels are proposed to be metal panel and glazed curtain <u>and window</u> wall. The ground level also features a significant amount of canopy to provide human scale for pedestrians. *This guideline is met.*

C9. Develop Flexible Sidewalk-Level Spaces. Develop flexible spaces at the sidewalk-level of buildings to accommodate a variety of active uses.

Findings: The proposed building is for a hotel, the ground level of which is designed to be fairly free-flowing, with the central lobby connected to the adjacent bar/market at the east and the restaurant at the west. While the restaurant is designed to be somewhat separate, the ground floor is designed with a relatively open floor plan so that it can be easily divided if the program changes over time. *This guideline is met.*

C10. Integrate Encroachments. Size and place encroachments in the public right-ofway 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: No encroachments are proposed. This guideline is not applicable.

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.

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 stormwater management tools.

Findings for B2 and C11: The applicant proposes canopy and entry lighting,

further discussed below, which will provide for a safer pedestrian experience. Vehicular access to the site is limited to loading trucks and only one space is proposed which will further limit potential conflicts.

The applicant proposes to enclose the rooftop mechanical equipment with extensions of the building's architecture within the east-west bar as seen on sheets C.32 and C.33, as well as at the lower portion of the building. <u>Staff had previously expressed concerns that the remainder of the rooftop mechanical equipment was not cohesively screened; this has been resolved with a simplified screen. Staff and the Commission also had concerns that the mechanical equipment at the 5th floor had the potential to negatively impact the pedestrian realm. Staff had noted that this mechanical equipment had the unfortunate consequence of resulting in a building height which is taller than the adjacent Landmark Auditorium Building, however with the revised design, this is no longer a concern. Staff notes that the louvers facing SW 3rd Avenue have been reduced in area and will be less visible while those on the south facade are articulated with bronze louver and back-lit screening, which is the same expression as at the top of the tower.</u>

These guidelines are 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: <u>Staff previously had concerns with the amount of lighting proposed</u> and the applicant has addressed these concerns by reducing the overall amount of lighting on the building.

Staff is comfortable with the proposed canopy down lights and additional lighting to highlight the main entry canopy. A soft wash at the green wall may also reasonable to highlight this roof treatment. Lantern lighting at the mechanical enclosure of the tower portion of the building is elegant and helps to obscure the function of the louvered vents, while the lighting at the lower mechanical enclosure is now limited to the south façade, thus no longer detracting from the adjacent Auditorium Building.

This guideline is met.

C13. Integrate Signs. Integrate signs and their associated structural components with the building's overall design concept. Size, place, design, and light signs to not dominate the skyline. Signs should have only a minimal presence in the Portland skyline.

Findings: No details were provided for the proposed signage, however it appears that the amount of proposed signage is within the total amount allowed and each sign appears to be less than 32 square feet, making them exempt from design review. Generally, signs are proposed to be typically located, above or at entrances, at corners, and at the parapet. Because the signs are all 32 square feet or much less, including the parapet sign, they will not dominate the skyline or the pedestrian experience. Staff suggests, however, that sign #2 be relocated to the north end of the window wall so that it does not disrupt the lantern feature.

With the condition of approval that sign #2 be relocated to the north end

of the east-facing window wall, this guideline is met.

D1. Park Blocks. Orient building entrances, lobbies, balconies, terraces, windows, and active use areas to the Park Blocks. In the South Park Blocks, strengthen the area's emphasis on history, education, and the arts by integrating special building elements, such as water features or public art. In the Midtown Park Blocks, strengthen the connection between the North and South Park Blocks by using a related system of right-of-way elements, materials, and patterns. In the North Park Blocks, strengthen the area's role as a binding element between New China/Japantown and the Pearl District.

D2. South Waterfront Area. Develop a pedestrian circulation system that includes good connections to adjacent parts of the city and facilitates movement within and through the area. Size and place development to create a diverse mixture of active areas. Graduate building heights from the western boundary down to the waterfront. Strengthen connections to North Macadam by utilizing a related system of right-of-way elements, materials, and patterns.

D3. Broadway Unique Sign District. Provide opportunities for the development of large, vertically oriented, bright, and flamboyant signs that add to the unique character of this Broadway environment. Size and place signs and their structural support systems so that significant architectural or historical features of the building are not concealed or disfigured. Ensure that all signs receive proper maintenance.
D4. New China/Japantown Unique Sign District. Provide opportunities for the development of suitably ornate signs, using motifs, symbols, bright colors, and celebrative forms that add to the atmosphere and character of New China/Japantown. Size and place signs and their structural support systems so that significant

architectural or historical features of the building are not concealed or disfigured. Ensure that all signs receive proper maintenance.

Findings: The subject property is not located in any of these special areas. *These guidelines are not applicable.*

(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. Section 33.266.220 – to reduce the width of required long-term bicycle parking spaces from 2'-0" to 1'-6".

Purpose Statement: These standards ensure that required bicycle parking is designed so that bicycles may be securely locked without undue inconvenience and will be reasonably safeguarded from intentional or accidental damage.

Standard: 33.266.220.C.3.b – 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.

Findings: The requested Modification to reduce bicycle parking standards has become fairly common and has been found to be approvable in many instances, provided a 6" vertical stagger is provided for adjacent bicycles. The 6" vertical stagger reduces the potential for conflicts between adjacent handlebars and pedals while still providing a reasonable space for storing bicycles within a reduced distance. The applicant is required to provide 16 long-term bicycle parking spaces in order to achieve the intended bike locker room bonus per 33.510.210C.8; however, as a result of the proposed width reduction, they are able to propose 27 long-term spaces. *The purpose of the standard is met and the guidelines are better met by the proposal.*

(3) ADJUSTMENT REQUESTS (33.805)

33.805.010 Purpose

The regulations of the zoning code are designed to implement the goals and policies of the Comprehensive Plan. These regulations apply city-wide, but because of the city's diversity, some sites are difficult to develop in compliance with the regulations. The adjustment review process provides a mechanism by which the regulations in the zoning code may be modified if the proposed development continues to meet the intended purpose of those regulations. Adjustments may also be used when strict application of the zoning code's regulations would preclude all use of a site. Adjustment reviews provide flexibility for unusual situations and allow for alternative ways to meet the purposes of the code, while allowing the zoning code to continue to provide certainty and rapid processing for land use applications.

33.805.040 Approval Criteria

The approval criteria for signs are stated in Title 32. All other adjustment requests will be approved if the review body finds that the applicant has shown that either approval criteria A. through F. or approval criteria G. through I., below, have been met.

The following adjustments are requested:

- **1.** 33.266.310.C to reduce the number of required loading spaces from 2 to 1 Standard A spaces.
- A. Granting the adjustment will equally or better meet the purpose of the regulation to be modified; and

Findings: The purpose statement for the Loading Standards is as follows: "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."

The Bureau of Transportation has reviewed the applicant's loading analysis and has determined that the anticipated loading activities associated with the hotel can be accommodated in one Standard A space, as proposed. BDS staff defers to PBOT's expertise with regard to the adequacy of service, but notes that the reduced number of spaces will minimize conflicts between pedestrians and loading vehicles, thereby better protecting pedestrians. *This approval criterion is met.*

B. If in a residential zone, the proposal will not significantly detract from the livability or appearance of the residential area, or if in a C, E, or I zone, the proposal will be consistent with the desired character of the area; and

Findings: The proposal to reduce the number of loading spaces is consistent with the desired character of the C zone as it minimizes conflicts between pedestrians and loading vehicles and allows more space for on-street parking which helps to support commercial activities. *This approval criterion is met.*

C. If more than one adjustment is being requested, the cumulative effect of the adjustments results in a project which is still consistent with the overall purpose of the zone; and

Findings: Only one Adjustment is requested. This criterion does not apply.

D. City-designated scenic resources and historic resources are preserved; and

Findings: There are no city-designated scenic or historic resources on this site. *This criterion does not apply.*

E. Any impacts resulting from the adjustment are mitigated to the extent practical; and

Findings: No negative impacts requiring mitigation, as a result of the proposed Adjustment, have been identified by either BDS or PBOT staff. *This criterion does not apply.*

F. If in an environmental zone, the proposal has a few significant detrimental environmental impacts on the resource and resource values as is practicable;

Findings: This site is not within an environmental zone. *This criterion does not apply.*

This Adjustment warrants 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

The design team has resolved the majority of the previously stated concerns. The proposed building has resolved staff's major ground level concerns by adjusting the northeast corner program and eliminating the request to reduce ground floor windows on the east façade. The building façade articulation has been simplified into two major expressions – the framed glazed curtain wall and the textured window wall. The design of the western volume is now more coherent and the reduction in mechanical louvers on the west façade will not detract from the Auditorium Building will ensure that the new building will not significantly detract from the Auditorium Building. The revised colors of the proposed building are now more compatible with the adjacent Auditorium Building; however staff has highlighted concerns with the darkness of the vision glazing and the spandrel glazing. Some additional design suggestions are included via recommended conditions of approval.

Staff <u>also supports</u> the Modification to reduce bike parking stall widths and the requested Adjustment to reduce the number of required Standard A loading spaces from two to one.

TENTATIVE STAFF RECOMMENDATION

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

Staff recommends approval of a new 20-story hotel building in the Central City Plan District with an FAR of 11.7:1; the additional 2.7:1 FAR above the 9:1 base allowed is achieved via the locker room bonus (33.510.210.C.8). The building is proposed to feature ground level retail, with restaurants at both corners and a central lobby facing SW Salmon. A secondary entrance at SW 2nd would lead to a rooftop bar with rooftop terraces, including a shallow pool. One loading space is proposed at SW 2nd Avenue. Exterior materials include dark burgundy brick, warm gray metal panel, dark gray spandrel glass, and glass curtain wall.

This recommended approval is subject to the following recommended conditions:

- A. As part of the building permit application submittal, the following developmentrelated conditions (B through E) must be noted on each of the 4 required site plans or included as a sheet in the numbered set of plans. The sheet on which this information appears must be labeled "ZONING COMPLIANCE PAGE - Case File LU 16-111127 DZM AD". All requirements must be graphically represented on the site plan, landscape, or other required plan and must be labeled "REQUIRED."
- B. <u>The vision glazing and spandrel glazing shall be revised to a less dark color.</u>
- C. <u>Salvage of any original or otherwise quality interior or exterior materials or building</u> <u>elements, shall be confirmed with a letter at the time of Permit.</u>
- D. The beveled bronze metal accents shall be composite metal panel; the east frame shall be closed on the bottom to match the condition on the west; 8-inch deep fins shall be added to the east curtain wall, similar to the condition on the west, but for a greater length; the metal panel stem wall at the speakeasy entrance shall be revised to brick; and the metal panel at the loading bay shall be revised to composite metal panel or steel.
- E. Sign #2 be relocated to the north end of the east-facing window wall.

Staff recommends approval of a **Modification** to:

• Section 33.266.220 – to reduce the width of required long-term bicycle parking spaces from 2'-0" to 1'-6".

Staff recommends approval of an **Adjustment** to:

• 33.266.310.C – to reduce the number of required loading spaces from 2 to 1 Standard A spaces.

Procedural Information. The application for this land use review was submitted on January 26, 2016, and was determined to be complete on March 17, 2016.

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 January 26, 2016.

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 requested that the 120-day review period be extended 42 days (see Exhibit H-4). Unless further extended by the applicant, **the 120 days will expire on:** August 23, 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 self-addressed, 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.

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.

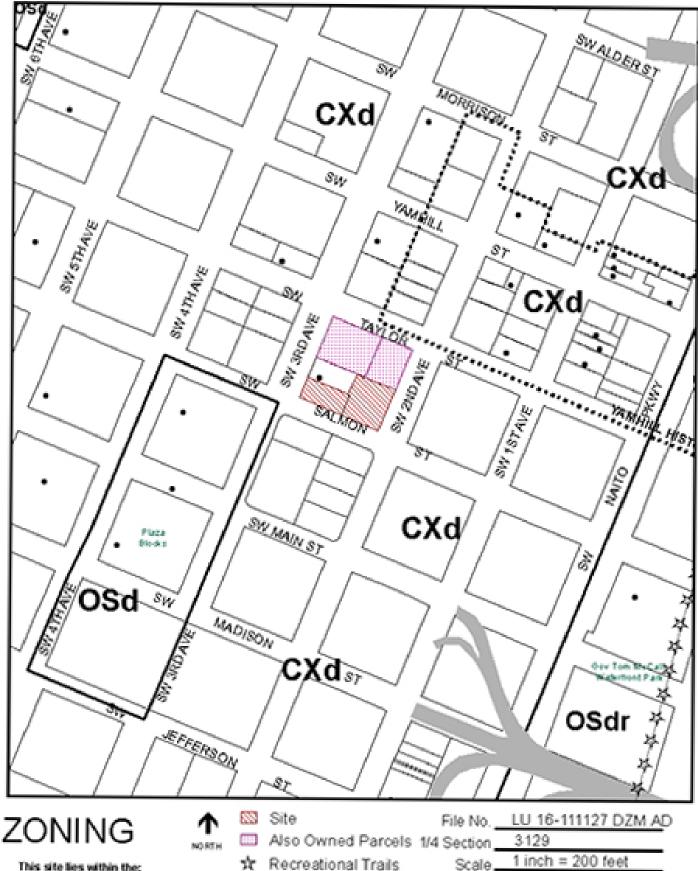
The Bureau of Development Services is committed to providing equal access to information and hearings. Please notify us no less than five business days prior to the event if you need special accommodations. Call 503-823-7300 (TTY 503-823-6868).

Hillary Adam June 9, 2016

EXHIBITS – NOT ATTACHED UNLESS INDICATED

- A. Applicant's Statement
 - 1. Narrative
 - 2. Original Drawing Set, dated January 26, 2016
 - 3. Revised Drawing Set, date February 16, 2016
 - 4. Stormwater Management Report, received February 16, 2016
 - 5. Supplementary Electrical and Mechanical Cutsheets, received February 16, 2016
 - 6. Completeness Response Letter, dated March 14, 2016
 - 7. Revised Narrative, dated March 14, 2016
 - 8. Supplementary Electrical and Mechanical Cutsheets, dated March 14, 2016
 - 9. Stormwater Management Report, received March 14, 2016
 - 10. Revised drawing Set, dated March 14, 2016
 - 11. Drawing Set for May 5, 2016 hearing
- B. Zoning Map (attached)
- C. Plan & Drawings
 - 1. Drawing Set (pp. ground floor plan and elevations 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 Transportation Engineering and Development Review
 - 2. Life Safety Division of BDS
 - 3. Bureau of Environmental Services
 - 4. Water Bureau
 - 5. Site Development Review Section of BDS
 - 6. Fire Bureau

- F. Letters:
 - 1. <u>Steven Martini, on May 4, 2016, wrote with concerns that the project not be</u> <u>approved until the egress for the Auditorium Building, which empties onto the</u> <u>subject property, can be resolved.</u>
 - 2. <u>Peggy Moretti, Restore Oregon, on June 6, 2016, wrote in response to the prior</u> <u>staff report, stating that the proposal did not respond to its historic context with</u> <u>regard to material and color and suggested that the building should be</u> <u>something other than gray metal and gray glass.</u>
- G. Other
 - 1. Original LUR Application
 - 2. Incomplete Letter, dated February 25, 2016
 - 3. Staff Report, dated April 25, 2016
- H. Hearing:
 - 1. Staff Presentation, dated May 5, 2016
 - 2. Applicant Presentation, dated May 5, 2016
 - 3. David Wark comments, dated May 4, 2016
 - 4. Extension Form, dated May 5, 2016



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

Historic Landmark State_Id . Exhibit.

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(Mar 16, 2016)

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