



City of Portland, Oregon
Bureau of Development Services
Land Use Services
FROM CONCEPT TO CONSTRUCTION

Dan Saltzman, Commissioner
Paul L. Scarlett, Director
Phone: (503) 823-7300
Fax: (503) 823-5630
TTY: (503) 823-6868
www.portlandoregon.gov/bds

STAFF REPORT AND RECOMMENDATION TO THE DESIGN COMMISSION

CASE FILE: LU 16-163126 DZM AD
PC # 15-221480
SW 3rd & Taylor
REVIEW BY: Design Commission
WHEN: August 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: Hillary Adam 503-823-3581 /
Hillary.Adam@portlandoregon.gov

GENERAL INFORMATION

Applicant: Matt Cindrich, Architect (503) 977-5245
Ankrom Moisan Architects
6720 SW Macadam Ave. Ste 100
Portland, OR 97219

Jack Onder, Owner (503) 973-5661
3rd & Taylor Development LLC
1100 NE Glisan, Ste 2a
Portland, OR 97209

Site Address: 915 SW 2nd Ave, 902-912 SW 3rd Ave

Legal Description: BLOCK 23 E 75' OF LOT 1&2 EXC PT IN ST, PORTLAND;
BLOCK 23 W 20' OF LOT 1&2 LOT 7&8 LAND & IMPS SEE
R245995 (R667703601) FOR BILLBOARD, PORTLAND

Tax Account No.: R667703520, R667703600

State ID No.: 1S1E03BA 04100, 1S1E03BA 06200, 1S1E03BA 04100,
1S1E03BA 04100

Quarter Section: 3129

Neighborhood: Portland Downtown, contact Rani Boyle at 503-725-9979.
Business District: None
District Coalition: Neighbors West/Northwest, contact Mark Sieber at 503-823-4212.

Plan District: Central City - Downtown

Zoning: CXd – Central Commercial with Design overlay

Case Type: DZM AD – Type III Design Review with Modifications and Adjustment requests

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 10-story office building with ground floor retail, a rooftop terrace, and two levels of below-grade parking. The north façade features fully glazed oriel windows above the ground floor. Exterior materials include glazed curtain wall, terra cotta rain screen, and pre-finished metal. The proposal will require the demolition of the existing Ancient Order of United Workmen Temple and the one-story building to the west.

Modifications are requested to:

1. 33.130.210 *Height* - to increase the amount of roof area dedicated to mechanical equipment and stair enclosures from 10% to 30% of the roof and to increase the height of mechanical equipment and stairwell enclosures from 10'-0" above the height limit to 15'-5" and 17'-4", respectively, and to increase the height of the elevator overrun from 16'-0" to 17'-4" over the height limit.
2. 33.266.220 *Bicycle Parking Standards* – to reduce the width of required long-term bike parking spaces from 24" to 18"; and
3. 33.130.242 *Transit Street Main Entrance* – to not have a main entrance face the adjacent transit street.

An Adjustment is requested to:

1. 33.266.310 *Loading Standards* – to reduce the number of required loading spaces from two Standard A spaces to one Standard A space.

Note: The Notice of Proposal, dated July 14, 2016, did not identify the Modification to Transit Street Main entrance requirements.

Design Review is required because the proposal is for new development within the Central City Plan District.

Relevant Approval Criteria:

In order to be approved, this proposal must comply with the criteria of Title 33. The relevant criteria are:

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

ANALYSIS

Site and Vicinity: The subject property is the north half block bound by SW 3rd Avenue to the west, SW Taylor Street to the north, and SW 2nd Avenue to the east. The site is currently developed with a one-story building on the west end

The subject property is located on the north 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 six-story brick and masonry building and two one-

story buildings. The six-story building was constructed in 1892, is known as the Ancient Order of United Workmen Temple, and was originally designed by Justus Krumbein. The building has been more or less vacant for several years while the one-story buildings, built in 1919, have served as a parking garage and retail. Immediately south of the subject property and fronting on SW 3rd Avenue is the landmarked Auditorium Building, designed by F. Manson White and constructed in 1894. Adjacent to the Auditorium is the Albion Hotel (Lotus Cardroom and Café), and to its east, a ¼-block surface parking lot. The Albion Hotel and parking lot were recently approved for redevelopment into a hotel.

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. Across 2nd to the east is the World Trade Center office tower. Across SW Taylor is the western and southern boundary of the Yamhill Historic District, the closest buildings being a three-story brick commercial building and a two-story commercial building. To their west is a new 13-story hotel building under construction, just outside the boundary of the Yamhill Historic District. Across SW 3rd and Taylor to the northwest is the four-story brick Gilbert Building, designed by Whidden & Lewis in 1893. Across SW 2nd and Taylor is the recently redeveloped two-story brick 2 and Taylor building. 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. To the south and southwest are Lownsdale Square and the United States Federal Courthouse.

Zoning: The Central Commercial (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 “d” overlay promotes the conservation and enhancement of areas of the City with special historic, architectural or cultural value. New development and exterior modifications to existing development are subject to design review. 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 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 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;
- EA 15-229299 DA – Design Advice Request for the current proposal.

Agency Review: A “Notice of proposal in Your Neighborhood” was mailed **July 14, 2016**.

The **Bureau of Transportation Engineering** responded, noting that additional information was required before the Driveway Design Exception to locate the garage gate closer than 20'-0" from the right-of-way could be approved. PBOT stated that,

based on the applicant’s Loading Demand Analysis, the request to reduce the number of required loading spaces from two to one was supportable. Please see Exhibit E-1 for additional details.

The **Bureau of Parks-Forestry Division** responded with the following comment: “Urban Forestry has no objections to the proposal subject to the following conditions of approval: 1. Street trees must be included in all proposed public works and building permit applications.” Please see Exhibit E-2 for additional details.

The **Bureau of Environmental Services** has not yet responded; however a response is anticipated prior to the hearing on August 4, 2016.

The following Bureaus have responded with no issue or concerns:

- Water Bureau
- Life Safety Division of BDS
- Fire Bureau
- Site Development Section of BDS

Neighborhood Review: A Notice of Proposal in Your Neighborhood was mailed on **July 14, 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). Therefore the proposal requires Design Review approval. Because the site is within the Central City Plan District, the applicable approval criteria are listed in the Central City Fundamental Design Guidelines.

Chapter 33.825 Design Review

Section 33.825.010 Purpose of Design Review

Design review ensures that development conserves and enhances the recognized special design values of a site or area. Design review is used to ensure the conservation, enhancement, and continued vitality of the identified scenic, architectural, and cultural values of each design district or area. Design review ensures that certain types of infill development will be compatible with the neighborhood and enhance the area. Design review is also used in certain cases to review public and private projects to ensure that they are of a high design quality.

Section 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.

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.

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 A1 and C11: The building occupies a half-block along an east-west street (SW Taylor). The primary entrance faces north, justified to the west. The north façade is entirely clad with glazing and features angled oriels and provides unique opportunities to view the river to the east while perched over the sidewalk. At the roof level, is an expansive roof terrace located on the west side of the building, with mechanical equipment and enclosures located on the east side of the building. While there are some views provided to the river and Mt. Hood, the location of the terrace is not oriented to the river and seems to be a lost opportunity for expansive views toward the river as well as a lost opportunity for a more dynamic view of the Central City skyline from the east. Staff notes that the applicant is requesting a Modification to increase the amount of roof area dedicated to mechanical equipment and stair enclosures from the maximum 10% of the roof area to 30% of the roof area. This results in views toward the river and Mt. Hood to be decreased from potentially the full width of the roof to approximately one-third of the width of the roof.

These guidelines are not yet met; however with reorientation of the roof terrace and/or a reduction in rooftop area devoted to mechanical enclosures, these guidelines could be met.

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

Findings: The Central City Fundamental Design Guidelines were written in 2001 and updated in 2003; they identify incorporating specific symbols of Portland's identity and natural environment, such as the great blue heron, the rose, bridges, etc., as a way to meet this guideline. Staff contends that contemporary approaches to meet this guideline can be much more subtle than the incorporation of symbols. As such, rather than incorporating symbols of the natural landscape and Portland's identity, the proposed building instead includes significantly more long-term bicycle parking spaces than is required by the Code. Specifically, 127 spaces are provided while 17 are required. Because Portland has a high rate of bicycle commuters, providing a significant amount of space for bicycle parking is considered necessary to adequately accommodate those who will commute to the building by bicycle. The bicycle storage area is tucked into the center of the building while a bike commuter lounge will front on SW 2nd Avenue providing active space, including a bicycle maintenance area, at the street frontage. *This guideline is met.*

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.

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 for A3, A7, and C10: The proposed building is built nearly to the property lines with projecting oriels meeting the oriel window standards, thus the Portland block structure is reinforced and respected. *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: The applicant proposes to clad the west and east façades, as well as the primary entrance column, in terra cotta rain screen in a mix of colors, inspired by the adjacent landmarked Auditorium Building and the Yamhill Historic District immediately north across SW Taylor Street, and potentially the Ancient Order of United Workmen Temple to be demolished. At the west façade, a change in the façade articulation from rain screen to columns made of baguette screen is meant to acknowledge the Auditorium Building to the south in that the width of this differentiated area is comparable to the width of the Auditorium and it allows for the face of the building behind the baguette columns to be set back from the property line to accommodate the returned cornice of the Auditorium. *This guideline is met.*

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.

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.

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.

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 A5, B1, B3, B4, and C6: The standard sidewalk pattern and proposed street trees will continue the existing right-of-way patterns and help unify the proposed development with the rest of the downtown. The building is slightly set back from the street lot line allowing opportunities for the ground floor retail spaces to spill out onto the sidewalk without obstructing the path of passing pedestrians. While no seats are integrated into the architecture, the building setback allows opportunities for outdoor seating, depending on the retailers selected, in the building frontage zone. Also, primary entrances are further recessed ensuring users of the building entering and exiting will not interfere with the flow of passing pedestrians. *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, while initial proposals included retention of the existing building, the applicant proposes to demolish the existing Ancient Order of United Workmen Temple at the east end of the site, as well as the 1-story buildings at the west end of the site. While the applicant has indicated that reuse of the Temple building is not feasible, reuse of building elements may be feasible. Based on early information provided by the applicant early in the Early Assistance phase of the development process, staff notes that there may be architectural elements worthy of salvage. As such, staff suggests that any original or otherwise quality materials that can be salvaged should be salvaged. The applicant has indicated that the building will be “sensitively deconstructed” and important interiors will be salvaged. 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.

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

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: The majority of the ground level is devoted to active uses including retail, office lobby, and a bike commuter lounge. The ground level features large storefront windows separated via a consistent rhythm of terra cotta pilasters. The building is slightly set back from the street lot line allowing opportunities for the ground floor retail spaces to spill out onto the sidewalk without obstructing the path of passing pedestrians. The primary office entry is wide and generous with an illuminated sawtooth portal drawing people into the building. Other entrances are also recessed into the ground floor building wall with illuminated sawtooth portals and the locations of potential future entrance locations are identified. While entrances appear to be provided on each frontage, the SW 2nd Avenue entrance, which is a transit street, is shown to be a single solid metal door and therefore cannot be considered a primary entrance; as such, a Modification to 33.130.242 Transit Street Main Entrance is required. Staff does not believe that a Modification to this standard is justified as a primary entrance on this façade would provide convenient access to the corner retail space from SW 2nd Avenue and would balance the inactive area of the garage entrance. In addition, an entrance can be

accommodated relatively easily.

This guideline is not yet met, however, with the introduction of a glazed door with the same treatment as other retail entrances on the SW 2nd Avenue façade, this guideline could be met.

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

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

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 B5 and C1: The proposed building does not directly face any public parks, plazas, or open spaces. However, entrances to different parts of the building are located on each façade, including to the retail and lobby spaces on the north and west façades and to the bike lounge on the east façade, providing access to the building from nearby parks including Lownsdale Square and Waterfront Park. The angled oriel windows that comprise the north façade provide views down the street toward Waterfront Park. As is noted above, the rooftop terrace provides minimal views toward the river and Mt. Hood which could be enhanced by reorienting the terrace to the east, the proposed orientation of the rooftop terrace provides views toward Lownsdale Square and downtown Portland. *These guidelines are met.*

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.

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 for B2 and B6: Two levels of underground parking for employees in the building is proposed, with access from SW 2nd Avenue. The applicant has request a Driveway Design Exception to allow a garage door closer than 20' to the property line; however, at the writing of this report, this request has not yet been granted by PBOT. As such, PBOT has not yet determined that pedestrians will be protected at this vehicle entrance. The applicant also proposes one Standard A loading space (to be Adjusted from the two spaces required) accessed from SW 3rd Avenue. Reducing the number of loading spaces will reduce potential conflicts between pedestrians and loading vehicles.

All mechanical equipment is located on the roof with louver vents proposed above the storefront glazing. The aesthetic of the louvers is carried down to the sidewalk at both the garage gate and the loading gate, resulting in a cold and unfriendly

ground level façade for approximately 28' on the east façade at the garage entrance and adjacent retail door and for approximately 20' on the west façade at the loading bay. A larger louver is proposed above the loading bay resulting in a rather large louver aesthetic immediately adjacent to the landmark Auditorium Building which has a well-established pedestrian-friendly aesthetic.

While oriels projecting over the street provide some potential rain protection, particularly at proposed entrances, and entrances are recessed from the street, no other weather protection is proposed. Appendix sheet #34 shows how little of the pedestrian realm is covered by building projections, two of which at the west end are two floors above grade and will provide little to no weather protection for pedestrians.

These guidelines are not yet met, however, with the introduction of canopies and a reduction of the ground floor louver aesthetic, these guidelines could be met.

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

Findings: The building is level with the sidewalk, providing barrier-free access into the building for all people. For elevators provide barrier-free access to all levels of the building, including the rooftop. *This guideline is met.*

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 applicant's primary proposed materials include terra cotta rain screen and curtain wall glazing system. These are quality materials that are intended to promote a sense of permanence. The terra cotta was selected as a means to relate to the historic brick buildings in the immediate vicinity, through color and the proposed pilaster articulation. While these materials are of good quality, staff does have some concerns about the application of the proposed materials in the proposed design with regard to promoting a sense of permanence.

The applicant has indicated that the terra cotta on the west and east façades is intended to act as a skin around a glass box; the glass box then expresses itself by breaking free of the terra cotta and ultimately projecting over the north property line via the oriels. The terra cotta grounds the building on all façades at the sidewalk level and then extends upward at the north façade entrance. Staff's concern with the terra cotta is primarily how this skin reveals itself as a façade treatment rather than an integral part of the building. The brick buildings identified as inspiration for the terra cotta treatment use brick as the structure of the building and thus give them a solid grounding. While there have been structural innovations since these buildings were built, the use of masonry on buildings typically gives them that same kind of gravitas. In this case, the terra cotta at the upper levels seems to act like more of a wallpaper, particularly since it does not have a significant return at the north ends of the building.

Staff also notes that the glass box, with its multi-angled oriels does not have a clear relationship with the terra cotta façades. As noted, the applicant described

the glass box as being inserted to the terra cotta skin; however, staff does not believe that this relationship is clearly conveyed. Also, while the angled oriels may be interesting with integrated linear lighting at their bases outlining their shape, they do not have a clear relationship with any other part of the building and therefore seem arbitrarily flashy. Lastly, the north façade with its relatively seamless glass wall does not have the same level of richness of material or detail as the terra cotta portions of the façades.

These guidelines are not yet met, however, with better integration of the proposed glazed curtain wall and terra cotta skin treatments, this guideline could be 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.*

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.

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

Findings: With the location of potential future entrances identified and large contiguous areas dedicated to ground floor retail, the ground floor has the ability to be flexible depending on the type and size of retailers selected. While entrances are not immediately located at the corners, the retail spaces are located at the corners of the building's ground floor and extend toward the middle of the building where the office lobby is located. Staff notes that the applicant originally proposed the entrances closer to the corners but shifted them inward to locate them under the deeper part of the oriels. Large storefront windows provide generous views into the ground floor retail, lobby, and bike lounge spaces. At the northwest corner, the ground floor extends for the height of two floors, highlighting this corner. At the upper levels, the north façade window wall features angled oriels that draw energy toward the center of the building. *These guidelines are 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 of the building is differentiated from the upper levels of the building through the use of large storefront windows and an alternate shade of terra cotta (brown) than is used on the majority of the upper levels (red). In addition, on the north façade, the ground level is clearly differentiated by the proposed continuous undulating glass curtain wall on the upper floors, which contrasts significantly with the terra cotta base. *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: The applicant proposes integrated lighting in various forms including tube lighting tucked into the sawtooth recessed entrance portal at the office lobby and linear LED lighting outlining the bottom edge of the projecting oriels. Integrated lighting is also proposed at the rooftop terrace through linear step lighting, linear LED lighting at the underside of planters and seating, illuminated sculptural elements (of which there are no details) and uplighting for trees. Staff has concerns that the uplighting on the trees may have negative impacts on the night skyline as it is not clear how many uplights, and in what concentration, are proposed.

This guideline is not yet met, however, with additional clarity that the proposed rooftop uplighting will not negatively impact the night skyline, this guideline could be 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: All signs indicated in Appendix sheets #37-39 appear to be 32 square feet or less and are therefore not subject to review. The ground level signs are indicated to be relatively permanent laser-cut metal integrated into the sawtooth recessed entrances or etched glass on the doors. The upper floor signage on the south façade is typically located and does not present any concerns; however, the proposed upper floor signs on the west and east façade are awkwardly located. While no section or plan details have been provided, the renderings on Appendix sheets #23-30 indicate that the terra cotta pilasters will be located slightly proud of the terra cotta spandrels. The west and east façade signs appear to cross these varying planes and, thus are not well integrated. As such, better integration or removal of these signs is recommended. *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.

Findings: The subject property is not located along or near the Park Blocks. *This guideline is not applicable.*

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.

Findings: The subject property is not located in the South Waterfront area. *This guideline is not applicable.*

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.

Findings: The subject property is not located in the Broadway Unique Sign District. *This guideline is not applicable.*

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 the New China/Japantown Unique Sign District. *This guideline is 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. **33.130.210 Height** – to increase the amount of roof area dedicated to mechanical equipment and stair enclosures from 10% to 30% of the roof and to increase the height of mechanical equipment and stairwell enclosures from 10'-0" above the height limit to 15'-5" and 17'-4", respectively, and to increase the height of the elevator overrun from 16'-0" to 17'-4" over the height limit.

Findings: The purpose of the standard reads as follows: "The height limits are intended to control the heights of buildings...Light, air, and the potential for privacy are intended to be preserved in adjacent residential zones. The CX zone allows the tallest buildings, consistent with its desired character." The applicant has indicated that the request to increase the height of the elevator overruns to 17'-4" is due to the heights required by the manufacturer. Staff believes that the

request to increase the height of the elevator overrun from 16'-0" to 17'-4" is relatively minimal. The request to then increase the height of the adjacent stair from 10'-0" to 17'-4" is intended to consolidate the heights of projections at this location. Likewise, the increase in height to the mechanical equipment enclosures from 10'-0" to 15'-5" is requested to hide the rather large equipment proposed to be located on the roof. The mechanical equipment and enclosures are located in the center of the roof and will not be visible from the adjacent streets, except from the rear, where the adjacent recently-approved building has fewer stories. Staff believes that the increased heights meet the purpose of the standard and better meets guideline C5 *Design for Coherency*.

With regard to the requested Modification to increase the area of the mechanical equipment and stair enclosure, however, staff has concerns that the request is rather significant, particularly with the orientation of the rooftop elements, as noted under guidelines A1 *Integrate the River* and C11 *Integrate Roofs and Use Rooftops*.

This Modification does not warrant approval; however, with a reduction in the area devoted to rooftop mechanical, or a reconfiguration in the layout of the mechanical and rooftop amenities, this Modification may merit approval.

2. 33.266.220 Bicycle Parking Standards – to reduce the width of required long-term bike parking spaces from 24" to 18".

Findings: The purpose of the standard reads as follows: "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." The standard states that all required bicycle parking spaces must be 2' x 6' with a 5' maneuverability area. 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 15 long-term bicycle parking spaces; however, in part due to the proposed width reduction, they are able to propose 124 long-term spaces in the same space that might otherwise only accommodate 95 spaces. Because Portland has a high rate of bicycle commuters, providing a significant amount of space for bicycle parking is considered necessary to adequately accommodate those who will commute to the building by bicycle, thus better meeting Guideline A2 *Emphasize Portland Themes*. *The purpose of the standard is met and the guidelines are better met by the proposal.*

3. 33.130.242 Transit Street Main Entrance – to not have a main entrance face the adjacent transit street (SW 2nd Avenue).

Findings: The purpose statement reads as follows: "Locating the main entrance to a use on a transit street provides convenient pedestrian access between the use and public sidewalks and transit facilities, and so promotes walking and the use of transit." The standard states that for portions of a building within the maximum building setbacks, at least one main entrance for each nonresidential tenant space on the ground floor must be within 25 feet of the transit street, and either face or be at a 25-degree angle to the transit street. Main entrances are later defined as the widest pedestrian entrance. The applicant currently

proposes a single opaque metal door on the SW 2nd Avenue façade leading to the corner retail space; this does not qualify as a main entrance, therefore, a Modification is required. Staff has noted above that because of the design of this entrance, unlike the other entrances which are highlighted with illuminated sawtooth portals and clear doors, this entrance is unlikely to be used except as an egress, and therefore guideline A8 *Contribute to a Vibrant Streetscape* is not met. Staff finds that neither the purpose of the standard is met nor are the guidelines better met by the proposal.

This Modification does not warrant approval; staff suggests that the SW 2nd Avenue entrance be redesigned so that a Modification is not required.

(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 Loading Standards – to reduce the number of required loading spaces from two Standard A spaces to one Standard A space.
- A. Granting the adjustment will equally or better meet the purpose of the regulation to be modified; and

Findings: The purpose of the regulation is stated 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 determined, based on a loading demand analysis provided by the applicant, that one Standard A loading space is sufficient to serve the anticipated needs of the proposed building. 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 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 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

Due to the outstanding concerns noted above, staff believes that additional design consideration is required. Staff’s primary concerns are related to the relationship between the glass box aesthetic with the west and east terra cotta façades, the impact of the requested Modification to increase the roof area devoted to mechanical equipment on the orientation of the rooftop terrace, the lack of weather protection and significant amount of metal louver at the ground level, and the lack of a main entrance on SW 2nd Avenue. In addition, PBOT cannot yet support the proposal as they require additional information before they can adequately assess the requested Driveway Design Exception to have a garage gate closer than 20’ to the right-of-way.

TENTATIVE STAFF RECOMMENDATION

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

Staff cannot yet support the proposal, due to the issues noted above and listed below and therefore must recommend denial.

Approval criteria not yet met include:

- A1 – Integrate the River
- C11 – Integrate Roofs and Use Rooftops
- A6 – Reuse/Rehabilitate/Restore Buildings
- A8 – Contribute to a Vibrant Streetscape
- B2 – Protect the Pedestrian
- B6 – Develop Weather Protection
- C2 – Promote Quality and Permanence in Development
- C5 – Design for Coherency
- C12 – Integrate Exterior Lighting
- Modification #1 – Increase of mechanical area from 10% to 30% of roof area
- Modification #3 – Transit Street Main Entrance

=====

Procedural Information. The application for this land use review was submitted on April 27, 2016, and was determined to be complete on June 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 April 27, 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 did not waive or extend the 120-day review period. Unless further extended by the applicant, the 120 days will expire on: October 15, 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.

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.

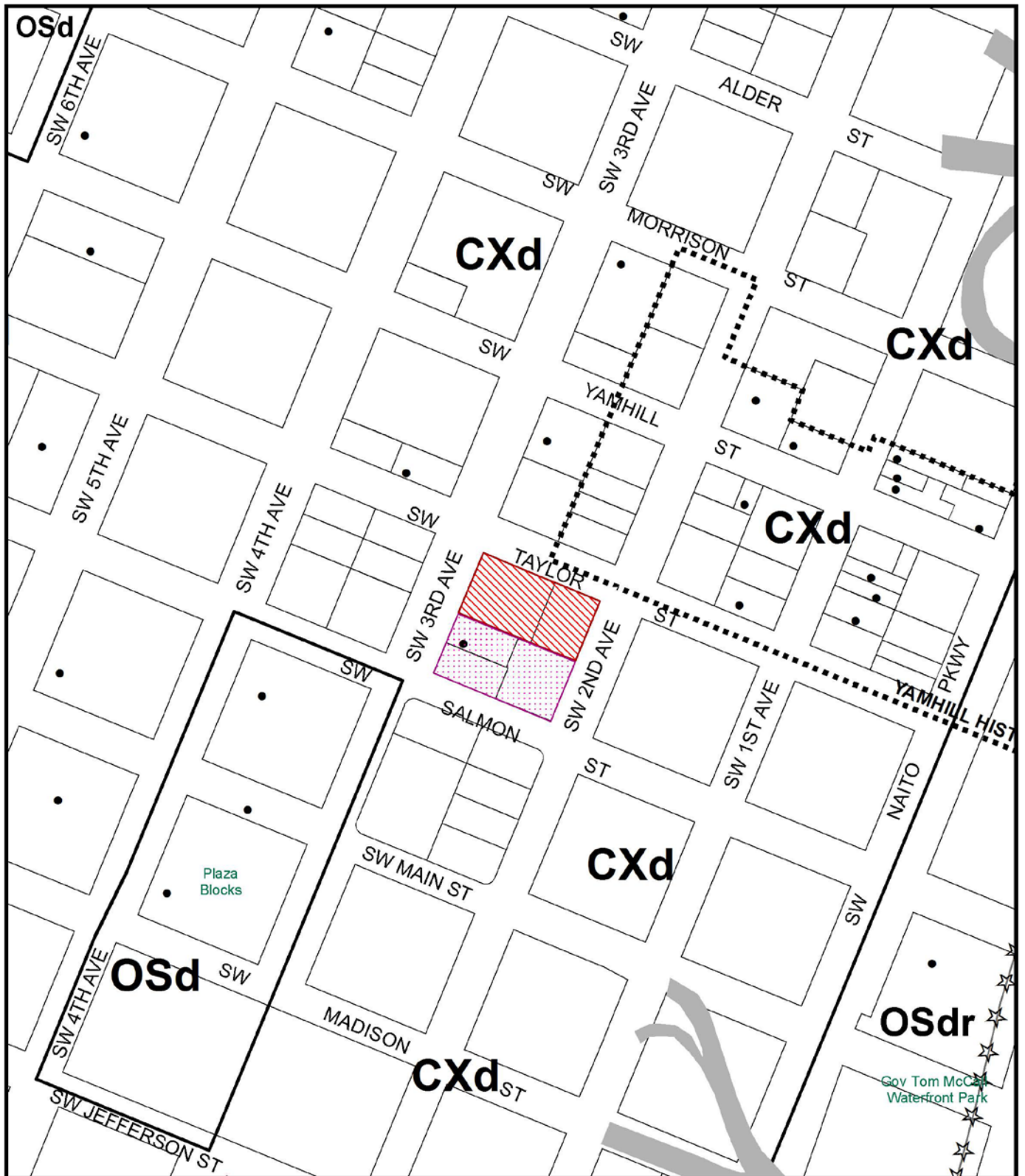
The Bureau of Development Services is committed to providing equal access to information and hearings. Please notify us no less than five business days prior to the event if you need special accommodations. Call 503-823-7300 (TTY 503-823-6868).

Hillary Adam
July 25, 2016

EXHIBITS – NOT ATTACHED UNLESS INDICATED

- A. Applicant’s Statement
 1. Original Narrative
 2. Original Drawing Set
 3. Revised Drawing Set, submitted May 19, 2016
 4. Geotechnical Report, submitted May 19, 2016
 5. Stormwater Management Report, submitted May 19, 2016
 6. Completeness Response Letter, submitted June 17, 2016
 7. Revised Narrative, submitted June 17, 2016
 8. Revised Drawing Set, submitted June 17, 2016
 9. Civil Engineering Drawings, submitted June 17, 2016
 10. Response to BES completeness, submitted June 24, 2016
 11. Response to PBOT completeness, submitted June 24, 2016
 12. Driveway Design Exception Request
 13. Revised Narrative, submitted July 19, 2016
- B. Zoning Map (attached)
- C. Plan & Drawings
 1. Drawing Set for August 4, 2016 (C.4, C.11, C.12, C.13, and C.14 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. Bureau of Parks, Forestry Division
 3. Not used
 4. Water Bureau
 5. Life Safety Division of BDS
- F. Letters: none
- G. Other
1. Original LUR Application
 2. Incomplete Letter, dated May 25, 2016



ZONING



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

-  Site
-  Also Owned Parcels
-  Recreational Trails
-  Historic Landmark

File No. LU 16-163126 DZM, AD
 1/4 Section 3129
 Scale 1 inch = 200 feet
 State_Id 1S1E03BA 6200
 Exhibit B (May 3, 2016)

3RD & TAYLOR / PORTLAND, OR
 FLOOR PLAN - LEVEL 1 C.4

- LOBBY
- OFFICE
- AMENITY
- OUTDOOR AMENITY
- AMENITY SUPPORT
- CORRIDOR
- RETAIL/RESTAURANT
- VERTICAL CIRCULATION
- MEP

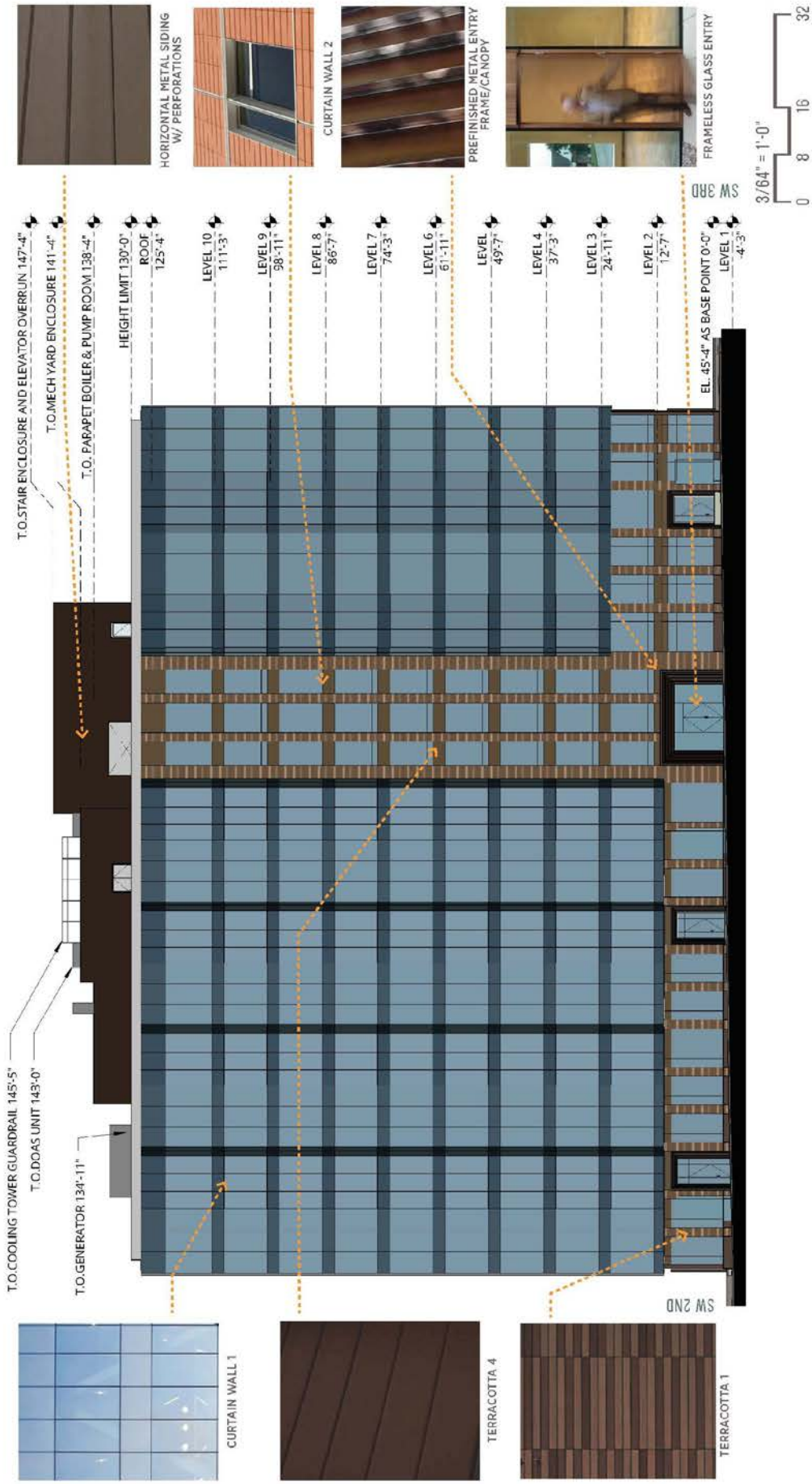


SW 3RD AVE.

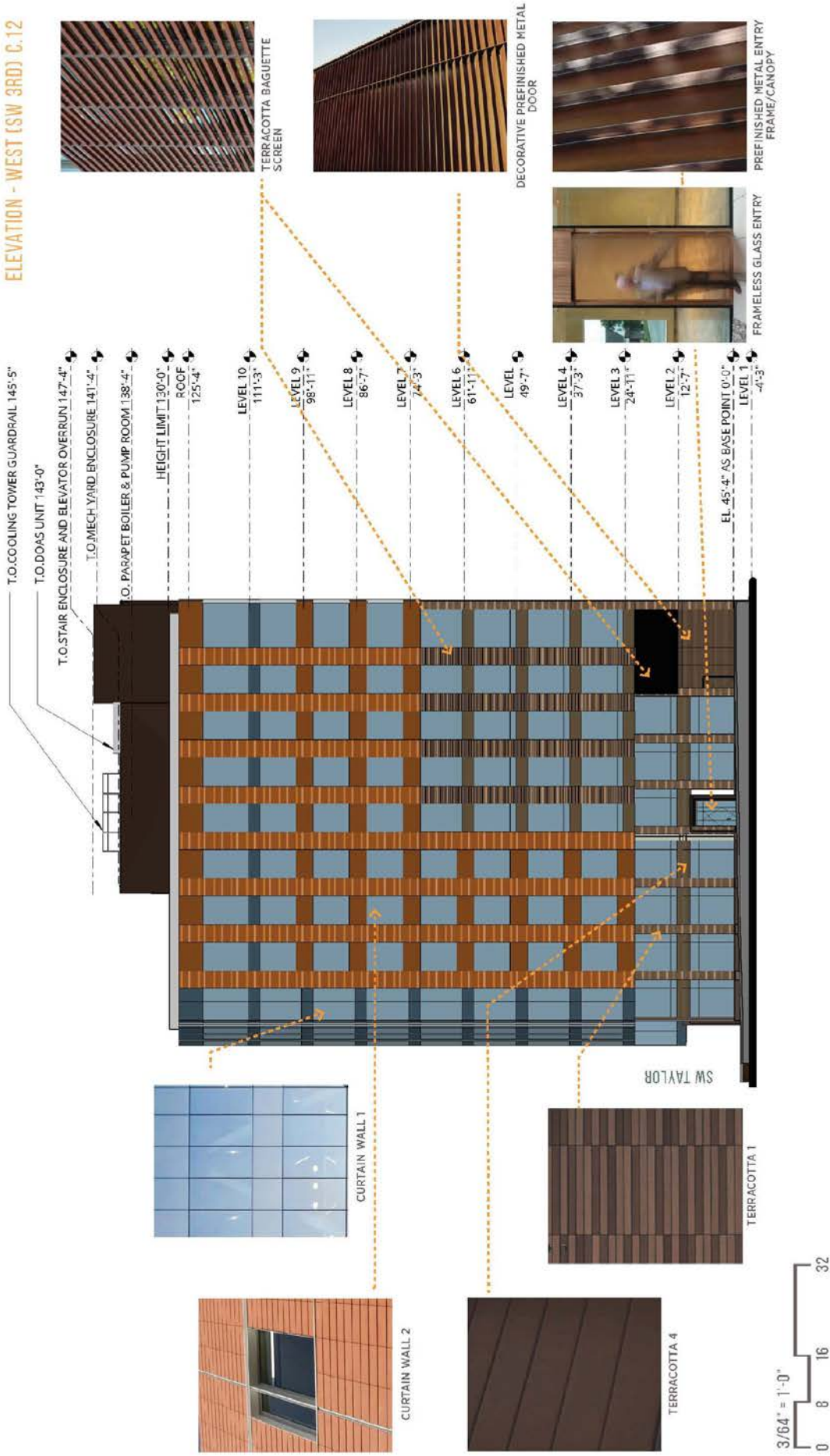


ANKROM MOISAN ARCHITECTS AND THIRD & TAYLOR DEVELOPMENT LLC.
 JULY 19, 2016 / LU-15-221480

3RD & TAYLOR / PORTLAND, OR
C.11 ELEVATION - NORTH (SW TAYLOR)

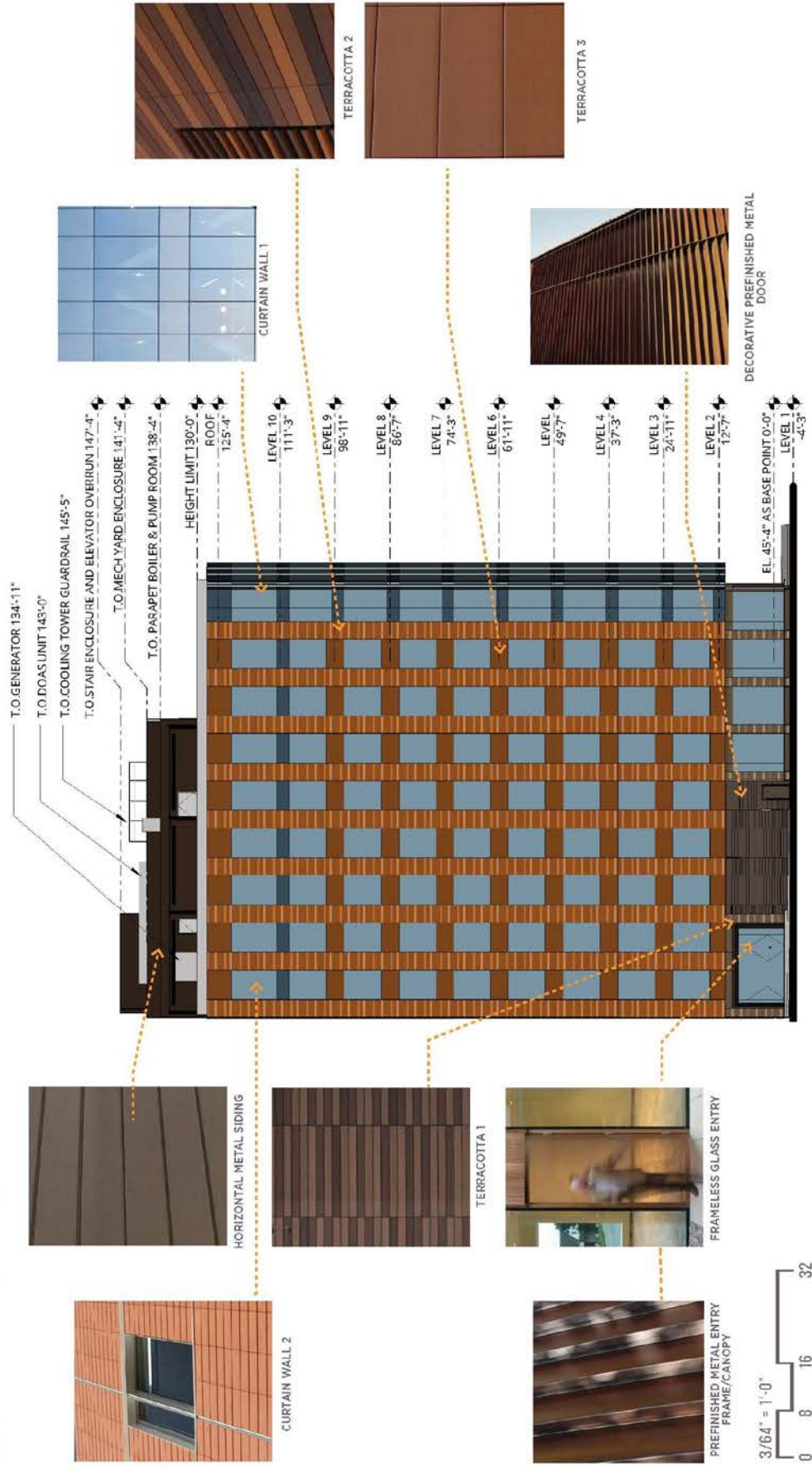


3RD & TAYLOR / PORTLAND, OR
ELEVATION - WEST (SW 3RD) C.12



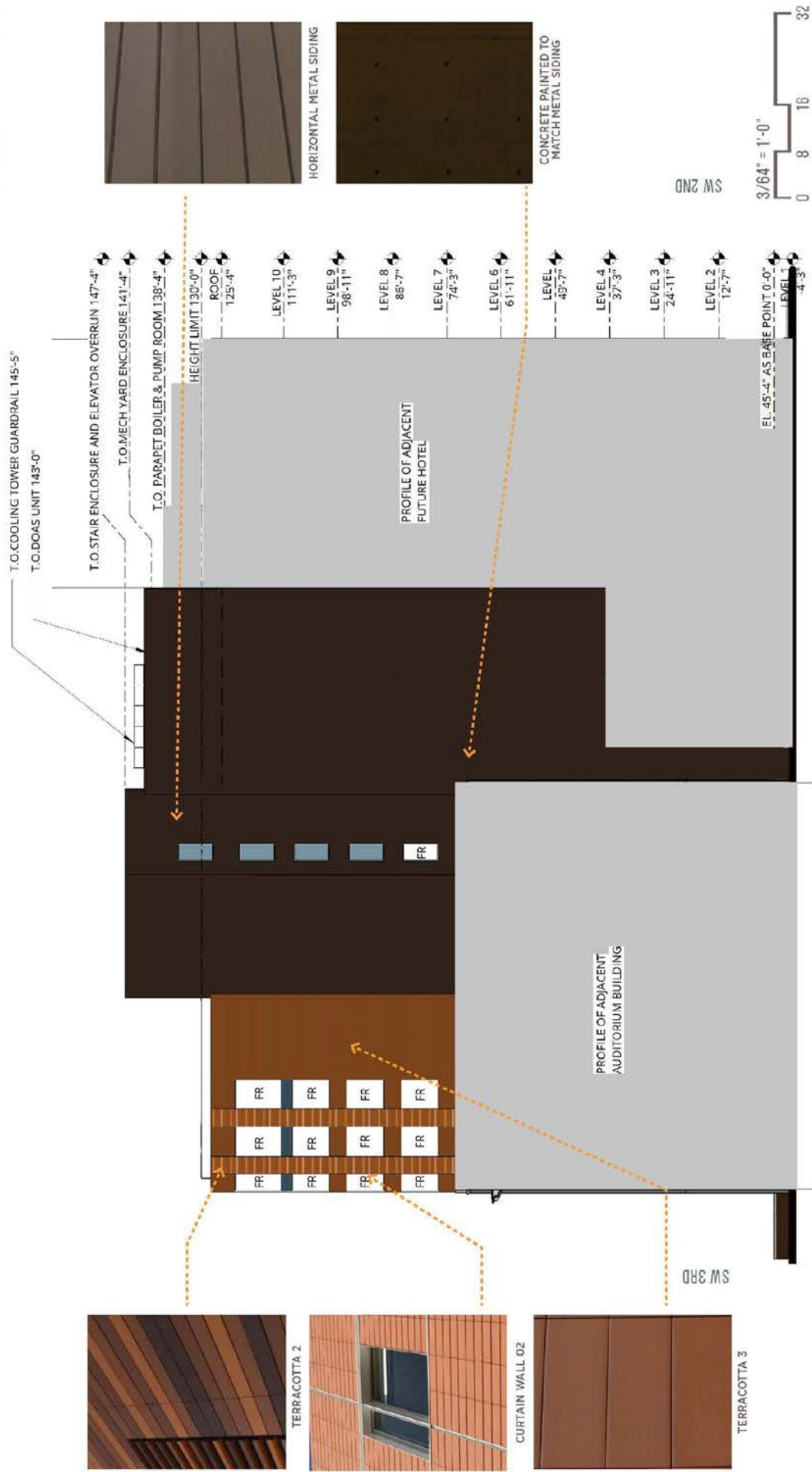
ANKROM MOISAN ARCHITECTS AND THIRD & TAYLOR DEVELOPMENT LLC.
JULY 19, 2016 / LU-15-221480

3RD & TAYLOR / PORTLAND, OR
C.13 ELEVATION - EAST (SW 2ND)



ANKROM MOISAN ARCHITECTS AND THIRD & TAYLOR DEVELOPMENT LLC
 JULY 19, 2016 / LU-15-221480

3RD & TAYLOR / PORTLAND, OR
ELEVATION - SOUTH C.14



ANKROM MOISAN ARCHITECTS AND THIRD & TAYLOR DEVELOPMENT LLC,
JULY 19, 2016 / LU-15-221480