



City of Portland, Oregon
Bureau of Development Services

Office of the Director

FROM CONCEPT TO CONSTRUCTION

Dan Saltzman, Commissioner
Paul L. Scarlett, Director
Phone: (503) 823-7308
Fax: (503) 823-7250
TTY: (503) 823-6868
www.portlandoregon.gov/bds

Report to Council

April 25, 2012

TO: Mayor Sam Adams
Commissioner Nick Fish
Commissioner Amanda Fritz
Commissioner Randy Leonard
Commissioner Dan Saltzman

FROM: Paul L. Scarlett, Director
Bureau of Development Services

PLS

SUBJECT: Portland Design Commission State of the City Design Report

The attached report is a required Annual Report of the Portland Design Commission State of the City Design Report for 2012. The report is required by Portland City Code [Title 33] to fulfill the Annual Report requirement for its actions and accomplishments for each fiscal year.

Current Issues and Concern before Council today:

On February 16, 2012, I spoke before the Design Commission in my yearly address to thank them for their service and advocacy on behalf of urban design and architecture for the City of Portland. I also indicated to the Commission that the bureau has experienced an increase in construction activities triggering design review. I shared I was committed to increasing staffing level to better match the workload. The Design Commission is a particularly active volunteer Commission, meeting 20 times in 2011 for Land Use cases and holding 17 required advisory briefings on matters ranging in scale from recycling containers on the Transit Mall to the Sellwood Bridge design.

Both BDS and the Design Commission see the need to be actively engaged in upcoming changes to the Portland Comprehensive Plan, Quadrant Plans, and Central City 2035 efforts charged to the Bureau of Planning and Sustainability. Three specific areas are:

- 1. Increased flexibility and design alternatives for the Two-track Design Review process by updating Portland's Community Design Standards [PCC 33.218].** As the economy begins to pick up, these standards need to be revised to keep pace with changing building patterns, infill and materials. The Community Design Standards were first developed in the late 1990's and have been updated little since then. A substantial revision would build in more predictability for development investors while improving the design of the final product for neighborhoods.
- 2. Rezoning split-zoned blocks would relieve older neighborhood development tensions.** As the economy improves, new infill development is happening in older

neighborhoods. A rezoning effort at these challenging split-zoned blocks would greatly improve neighborhood concerns and promote more compatible development. Alternatively, code amendments could address how to better transition new larger-scale development when adjacent to existing smaller scale neighborhoods.

3. **Expansion of design districts and/or consideration of a threshold that would trigger mandatory design review anywhere in the city.** Many areas of the City see substantial investment along main street corridors, critical intersections, or institutional campuses. Many of these areas could benefit from additional oversight by the Design Commission and/or design standards. The Community Design Standards don't work very well for these larger scale projects because it's really impossible to craft clear and objective standards for these major projects. Design Review is really a more appropriate tool to get good design. As these are ultimately significant investments in the building infrastructure in the City itself for the next 100 years or longer, design oversight at early stages of the process would benefit all parties.

BDS staff are poised and willing to work with stakeholders in recrafting, realigning and expanding our codes, but this can't be accomplished without other Bureau staff involvement, specifically the Mayor's Office and the Bureau of Planning and Sustainability. I look forward to working with you and the Design Commission in my capacity as the Director of BDS, as we work together to make these needed improvements.

Background:

The Design Commission provides leadership and expertise on urban design and architecture and on maintaining and enhancing Portland's historical and architectural heritage.

The Design Commission consists of seven members, none of whom may hold public elective office. The Commission must include a representative of the Regional Arts and Culture Council, one person representing the public at-large, and five members experienced in either design, engineering, financing, construction or management of buildings, and land development. No more than two members may be appointed from any one of these areas of expertise. The Regional Arts and Culture Council member is nominated by the Regional Arts and Culture Council chair and approved by the Mayor. The other members are appointed by the Mayor and confirmed by the City Council.

The Design Commission meets at least once a month and as necessary to act on reviews assigned to them by this Title 33. Meetings are conducted in accordance with adopted rules of procedure. Four members constitute a quorum at a meeting. The election of officers takes place at the first meeting of each calendar year.

The Design Commission may divide its membership into special subcommittees which are authorized to act on behalf of the Commission for an assigned purpose. Three members of the Commission constitute a quorum on such subcommittees. Subcommittee actions require the affirmative vote of at least three members.

Powers and duties:

The Design Commission has all of the powers and duties which are assigned to it by this Title or by City Council. The Commission powers and duties include:

1. Recommending the establishment, amendment, or removal of a design district to the Planning and Sustainability Commission and City Council;
2. Developing design guidelines for adoption by City Council for all design districts except Historic Districts and Conservation Districts;
3. Reviewing major developments within design districts, except those projects involving or located within the following:
 - a. Historic Districts;
 - b. Conservation Districts;
 - c. Historic Landmarks; and
 - d. Conservation Landmarks.
4. Reviewing other land use requests assigned to the Design Commission; and
5. Providing advice on design matters to the Hearings Officer, Planning and Sustainability Commission, Historic Landmarks Commission, Portland Development Commission, and City Council.

TO THE COUNCIL

The Commissioner of Public Affairs concurs with the recommendations of the Director of the Bureau of Development Services and

RECOMMENDS:

That the Council accepts this Portland Design Commission State of the City Design Report to Council and report as set forth in Exhibit A.

Respectfully submitted,
Dan Saltzman, Commissioner of Public Affairs

STATE OF THE CITY DESIGN REPORT 2012

PORTLAND DESIGN COMMISSION

APRIL 25, 2012

Portland is well known for its forward-thinking urban and transportation planning and development, its culture of openness and civic engagement, and its embrace of environmental protection not only outside its growth boundary but within its borders. These policies have helped Portland preserve and enhance its Central City and its many vibrant neighborhoods, which has in turn attracted thousands of new people to the city, even, as has been well documented, in the depth of the long recession and an era of record unemployment. In many ways, we have become famous as a city not because of any one particular robust industry or employer, but because of the health of the city itself.

Of course, this vibrant city did not occur by accident. It took vision on the part of our elected leaders. Portland has also succeeded because it has looked for and received not passive consent but rather the active engagement of our citizenry in shaping the policies and the resulting places of which we are so proud. The Portland Design Commission is one constellation in the galaxy of volunteer groups and organizations that have committed to making Portland a great city.

The Design Commission's purpose is to provide leadership and expertise on urban design and architecture and on maintaining and enhancing Portland's historical and architectural heritage. We consist of these seven volunteer members:

- Guenevere Millius, Chair. Guenevere is our "commissioner at large" and came to the commission through her neighborhood association activism. She is the owner of Parachute Strategies, a strategic planning and marketing consulting firm.
- David Wark, Vice Chair, is our representative from the Regional Arts and Culture Council and is a principal with Hennebery Eddy Architecture.
- Jane Hansen is a landscape architect and principal and Lango / Hansen Landscape Architects.
- Andrew Jansky is a civil engineer, hydrologist and a principal at Flowing Solutions.
- Ben Kaiser is a developer of residential and commercial properties, mostly within North and Northeast Portland.
- David Keltner is a principle with THA Architecture.
- Katherine Schultz is a principal at GBD Architecture.

Per city statute, our duties include:

1. Recommending the establishment, amendment, or removal of a design district to the Planning and Sustainability Commission and City Council;

2. Developing design guidelines for adoption by City Council for all design districts except Historic Districts and Conservation Districts;
3. Reviewing major developments within design districts, except those projects involving or located in Historic or Conservation Districts or projects that are themselves Historic or Conservation Landmarks.
4. Reviewing other land use requests assigned to the Design Commission; and
5. Providing advice on design matters to the Hearings Officer, Planning and Sustainability Commission, Historic Landmarks Commission, Portland Development Commission, and City Council.

THE WORKLOAD: THE BOOM, THE BUST, AND HOW IT'S SHAPED WHAT WE DO.

The Design Commission never sees many of the projects that undergo design review. The Bureau of Development Services' skilled staff of planners consults with property owners and their development teams on scores of smaller "Type I and II" projects in the city's design districts. Our commission will only see these projects when the property owner, a neighborhood group, or concerned citizen appeals a staff decision, or staff denies the case.

It's a noteworthy fact that especially in recent years, appeals are rare. Less than 1% of all cases are appealed. It's a testament to the planners who serve the city; as a group, we strive to get to "yes."

Meanwhile, as one can imagine, the caseload of all types of design review projects has been dramatically impacted by the economy. At a single commission hearing in 2007, our commission reviewed 1,000,000 square feet of new development. In 2010 and 2011, Type I and II reviews fell by nearly a third of their 2008 numbers. An attached graphic illustrates the height of our recent building boom, it's depth, and our nascent recovery.

BEYOND THE NUMBERS: THE ETHOS OF TODAY'S COMMISSION

Beyond performing the basic functions we're tasked with, our current commission feels duty bound to offer the public it serves with the following:

1. Clarity

We strive to offer design teams clarity in direction from us, and to avoid obtuse and subjective responses to their design work. The balance we strike is to articulate our concerns about a project without attempting to redesign the project ourselves. We take an expansive approach to addressing a project's issue, offering the design team multiple possible alternatives to improve the project.

Clarity is an outcome of understanding, and we believe an applicant can achieve understanding for all involved via clear lines of communication between them, their planner, the affected neighborhood association, and our commission. We therefore encourage development teams to contact staff and neighborhood associations early and often.

2. Predictability

We do our best to inject a measure of predictability in the process for applicants. When an owner acquires a piece of property, they know there are certain things they are able to do with it within right, which usually includes use, height, and floor area ratios. As a commission, we're sensitive to their need to know while there will likely be give and take on the application of design guidelines to the building envelope they're within right to build, that their fundamental right to develop will be protected. We are a commission that is both pro-development and pro-design, and we believe the two can and do co-exist happily in Portland.

3. Consistency

We work to maintain a measure of consistency in our approach to individual projects as well as in response to design trends over multiple projects.

In recent years, Portland has developed a review model wherein project teams can meet with commission to seek design advice before they submit their formal application. We use these sessions to give the applicant an early impression of how the commission might respond to their application, and to offer a measure a transparency in our thinking. These design advice meetings also mean that we will see a project at least twice. Our goal is to offer constructive, progressive advice on the development of a project and to avoid contradictory advice from one hearing to the next.

4. Fairness

The concept of fairness is vague and subjective – it is very much in the eye of the beholder. Our effort to be fair, as a commission, includes holding all design teams to high standards in terms of quality and permanence in their work, treating the most and least sophisticated development teams with respect, and offering applicants, appellants, and the members of the public who testify before us our full consideration of their concerns. It isn't always possible, but we strive to broker solutions that avoid creating “winners and losers.”

THE CHALLENGES BEFORE US

Whether it's a “fabric building” or an iconic project, will we always want this development around for a hundred years or more?

As a commission, we realize that while very few buildings are with us “forever,” we might be living with a project we approved for the rest of our lives. Furthermore our grand children and generations beyond will be living in, working in, and looking at these buildings. Therefore, we need to be sure that the developments we approve are built to last, that they fit into the city's fabric, and that they have something to give back to all of us. We ask ourselves the questions: Is it compatible to its neighborhood? Is it inviting? Will it stand for a 100 years, and will we want it to?

We're deeply concerned about the execution of details on the projects we see. We care in particular about how all the pieces of a building come together, and especially on the ground floor, where most of us will interact with it. The richness and quality of a building's materials and construction are much more visible and important when you're walking by or riding your bike past, as opposed to speeding by it in a car. In this pedestrian friendly city, we've adopted a deep concern for how a building looks up close.

This is not to say that every building in Portland's design districts needs to be a Taj Mahal. Some buildings can and should blend softly into the background. Others, because of their prominent location, function, or size require a "presence" on their site. One of our jobs is to understand how the development team views their project, and to interject our own sense of what role the building needs to fulfill in its surroundings. But in any case, all buildings in a design district must offer high quality materials, carefully considered details, and a measure of transparency and openness to their surroundings. Likewise, our vibrant urban open spaces, in the form of plazas, parks and streetscapes, are a direct result of the thoughtful integration of architecture and landscape. Enhancing the pedestrian experience within public realm is also a primary consideration of the commission.

When building materials are constantly changing, their quality and permanence can be quite fluid.

A common concept in Portland's design guidelines is the notion that developments should use materials of high quality and permanence. If humankind had stopped innovating our building material palette at stone, wood, glass and metal, the issue of quality and permanence would be relatively simple to address, but that's not the case. Scores of new products appear on the market yearly, while more familiar products are continuously improved in response to strengthened energy codes, new regulations, and market forces.

As a result, the design commission needs to have a certain level of experience and understanding of the cost and quality of a host of building products on the market, and because they constantly change, our thinking on materials needs to evolve as the marketplace changes.

What is compatible?

Some of our design districts are in neighborhoods that don't have a strong design vocabulary to draw from, or perhaps, have a design vocabulary that the surrounding neighbors are hoping to correct through design review. As a commission, we must weigh in on design guidelines that address district compatibility. In the face of a hodge-podge of design styles and widely varying degrees of quality, how do we determine what's compatible?

In many of Portland's Design districts, a parallel development track allows building owners to use "community design standards" to design project and avoid design review all together. These standards, established in Section 33.218 in Portland's Zoning Code, were written in the late 1990s and only modestly adjusted since. The extent to which these standards are still

“compatible” with the area that they apply to is subject to heavy debate at this time. We have been approached by a number of concerned citizens about what is increasingly viewed as an outdated loophole in Portland’s development code.

Design Commissioners are often approached by our neighbors and friends in parts of the city that are vibrant and experiencing heavy redevelopment but are not part of a design district. People simply assume that design review applies there, and they wonder how it was that thus and such project could have been built.

It may be worth revisiting whether enough of our city enjoys the benefits of design review. It may also be time to consider whether there’s a threshold over which the size of a project has enough of an impact on a neighborhood that it should require some form of review beyond merely complying with zoning and building codes.

SOCIAL AND ECONOMIC EQUITY AS A FACTOR IN DESIGN REVIEW

The Design Commission increasingly addresses the question of social equity and economic viability and their nexus when it comes to design review. For instance, in the eyes of some, “quality and permanence” in materials could mean something very different in the Central City Design District than in the one in Gateway. Development teams in design districts outside the Central City report to us that their markets can’t support the higher-end building materials so often required downtown. Others feel that to hold development teams in emerging neighborhoods to lesser standards than the Central City has the potential to erode effective design districts.

As a commission, we err on the side of pushing for a significant measure of the materials, detail, and pedestrian friendliness that would absolutely be required in downtown when we look at projects in neighborhoods like Gateway. We believe that when these neighborhoods accepted light rail lines and increased density, they expected in return buildings that are more humane, built to last, and friendly to their neighbors. But there’s a balance to be struck, and it isn’t always easy to find. Here are some of the challenges in this arena:

Affordability and quality: allowing for a middle ground.

Design Commission routinely addresses what role concern for budgets should play in our review of buildings. Some commissioners have expressed concerns that the act of Design Review, because it adds to development costs, has given Portland better looking projects but has taken away a measure of affordability. The challenge before us is to balance applying guidelines requiring quality and permanence in materials with the demands of budgets that would allow a building to be developed in a design district and still offer reasonable rents.

Vibrant neighborhoods don’t need to be perfect, and in fact, they’re often a little funky, and that’s what gives them their soul. Many of the young, creative people our city is so fond of attracting can’t afford unsubsidized rent in the Pearl. So how do we, as a commission, help affordable

housing projects in design districts come to fruition without allowing them to be dumbed down or pushing their rents up to near market rates?

It's not an easy question to answer – it's one we really have to address on a project-by-project basis. Ultimately, we have to ask ourselves: can the same project be done better for the same budget? If the answer is yes, it's our obligation to push for the better design. But the truth is, sometimes better design costs more, and we must again strike a balance between helping projects see the light of day and protecting the long-term property values and interests of the development's neighbors.

How do we make zoning / density work in existing neighborhoods?

The recent boom in condominium development and the recession fuelled drive to build more apartments has highlighted a zoning issue that has laid dormant in several Portland neighborhoods for years: the split zoned block. The Design Commission often sees homeowners who discover for the first time that the property on the other side of their fence has high-density zoning when a new apartment complex is proposed. Their shock over the idea of four and five story buildings looming over what they had considered private air space is palpable. They are further dismayed when they realize that their property doesn't share a similar zone and therefore they can't enjoy the financial gains of redevelopment themselves. Development teams, even when building completely within right and without requests for modifications, often struggle to provide meaningful buffers between these projects and their neighbors.

Portland needs to address areas where split zoned blocks exist, and work toward creating a more comfortable fit between new, denser development and the existing fabric of neighborhoods. We were hoping that more of these issues would be addressed in the Portland Plan. Because they weren't, we will be pushing for help with this issue in the update of the Comprehensive Plan.

How do we make development humane?

In recent deliberations over apartment projects, our commission has discussed issues that don't necessarily fall within the rubric of design guidelines, but do touch on areas of broader interest to the health of the city. For instance: what can be done to make our housing stock more humane for its inhabitants and friendlier to its surroundings? We have recently exhorted development teams to consider issues such as access to light; adequate ventilation, including cooling; and more generous ceiling heights in apartment units, especially in a city where the acceptable size of living units is getting smaller.

Sometimes, a solution we typically think of as humane is actually a hazard in a given context. Applicants have specifically requested that we reconsider design guidelines when their application has a potentially deleterious effect on their property. We have to consider the

sociology of neighborhood, public safety, and the greater public good at once when we grant these exceptions.

A CONCLUSION, OR PERHAPS A NEW BEGINNING.

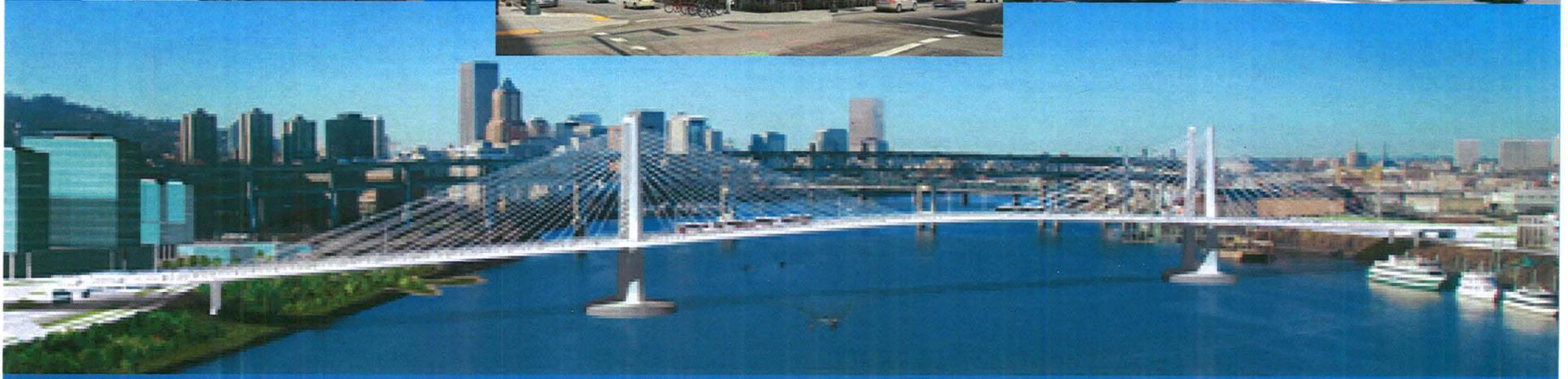
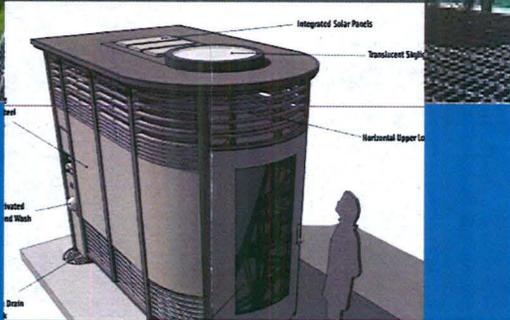
We greatly appreciate the opportunity to present to you.

In conclusion, and particularly as The Portland Plan transitions into more specific Comprehensive Plan and Quadrant Plan efforts, we request the following:

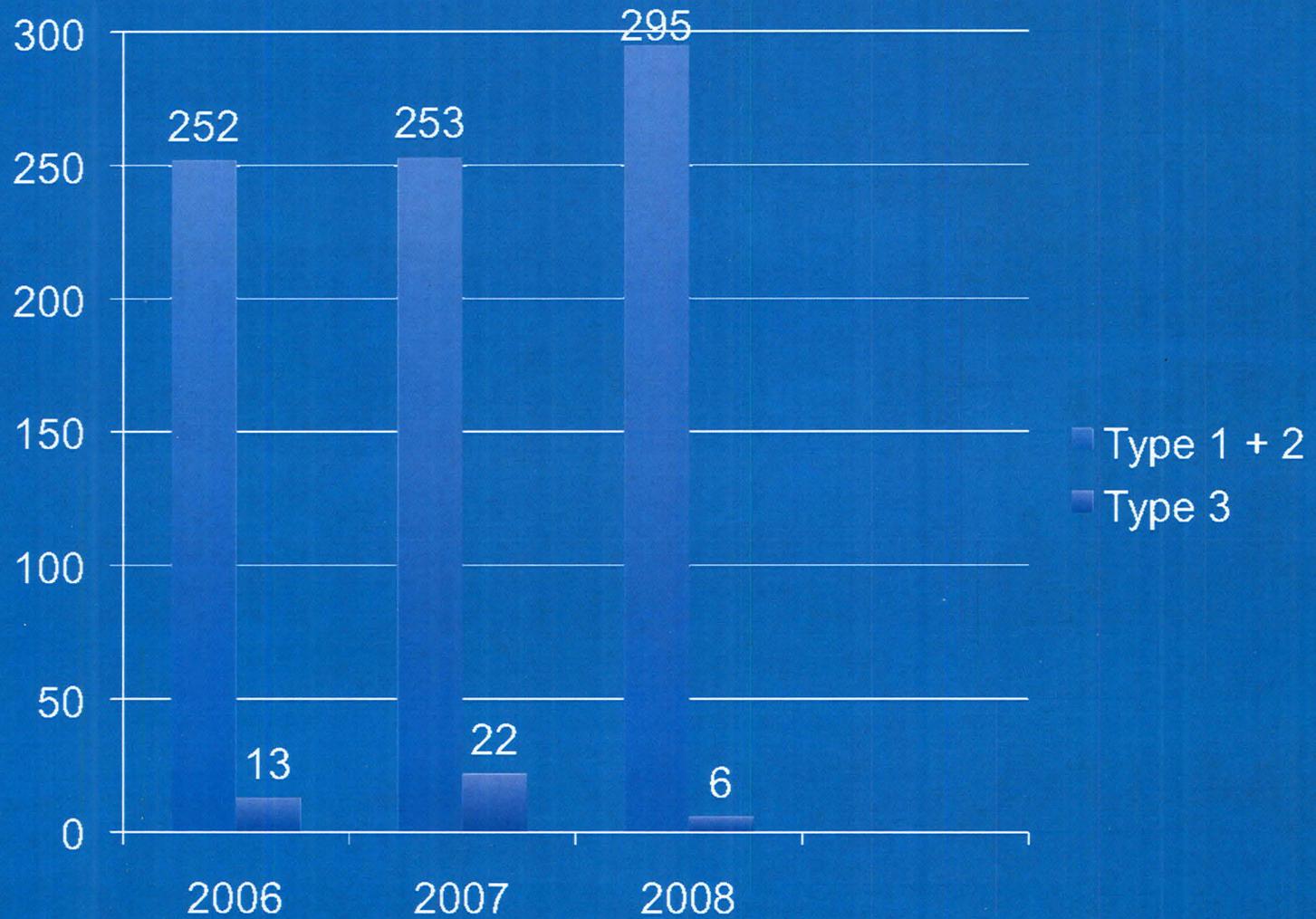
1. As the economy improves and development begins to pick up again, **we hope City Council will consider funding an update to Portland's Community Design Standards.** These outdated standards need to be reviewed in the face of the myriad zoning adjustments and changes to the built environment that weren't envisioned when they were first developed.
2. We hope you will join us in advocating for better equity in some of Portland's rapidly changing neighborhoods by **helping us eliminate issues such as split-zoned blocks, especially in cases where a significant difference in property value is effectively created by the split zone.**
3. We hope you will open the opportunity to consider design review's future role in our city, either through the **expansion of design districts or considering some sort of threshold that would trigger design review anywhere in the city.**
4. Finally, we hope that the City Council understands that we are a resource for the City, and we're here to serve, even beyond our routine design review work. Commissioners regularly advocate for better design on steering committees, advisory groups, and more informally with development teams who seek our guidance. **When a matter comes before you, and design insight might play a role, please call on us to help as early and as often as needed.**

We greatly appreciate the opportunity to play a part in shaping a stronger Portland. Thank you for your time and consideration.

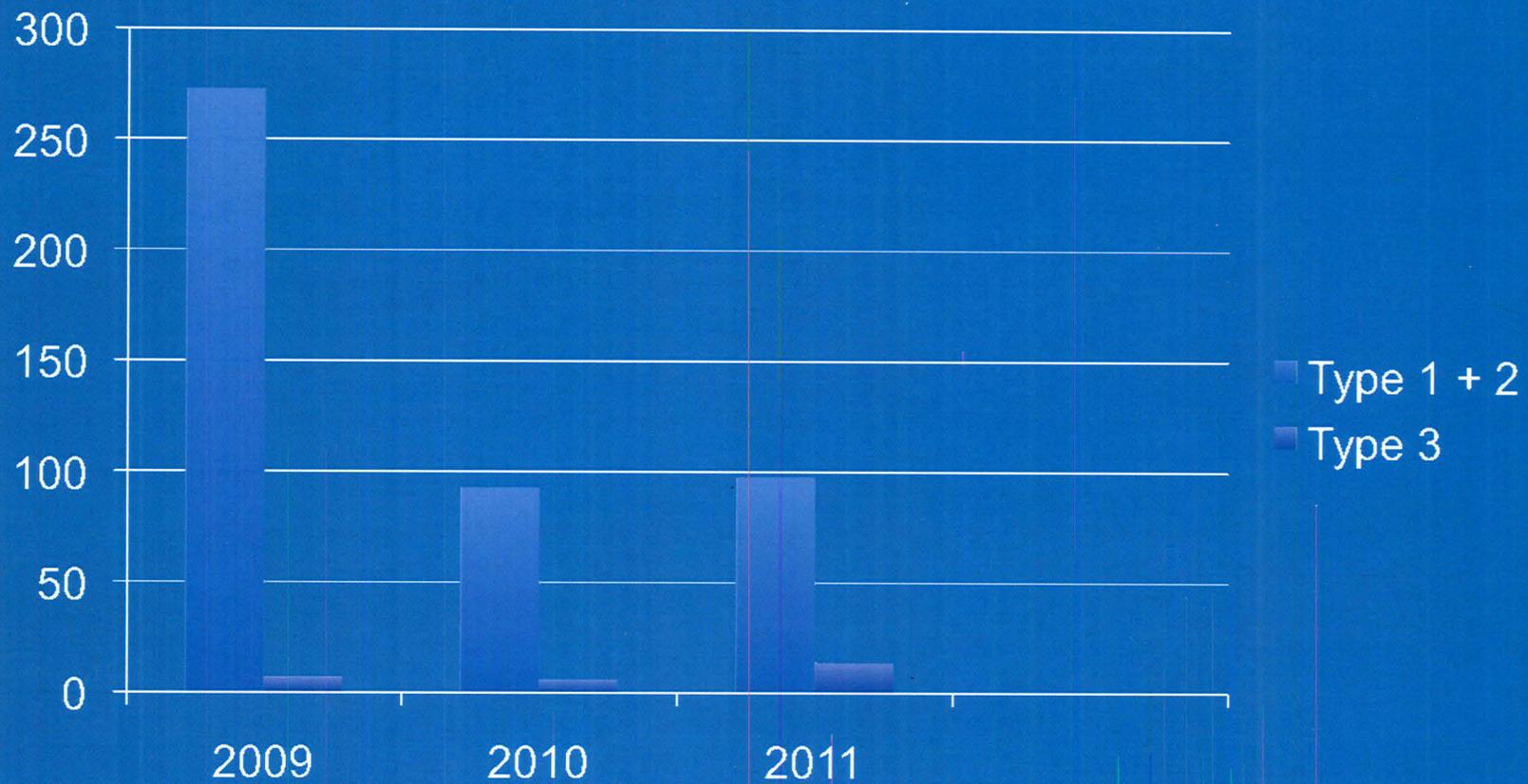
Portland Design Commission 2006 - 2011



Design Review Project Case Load 2006-2008

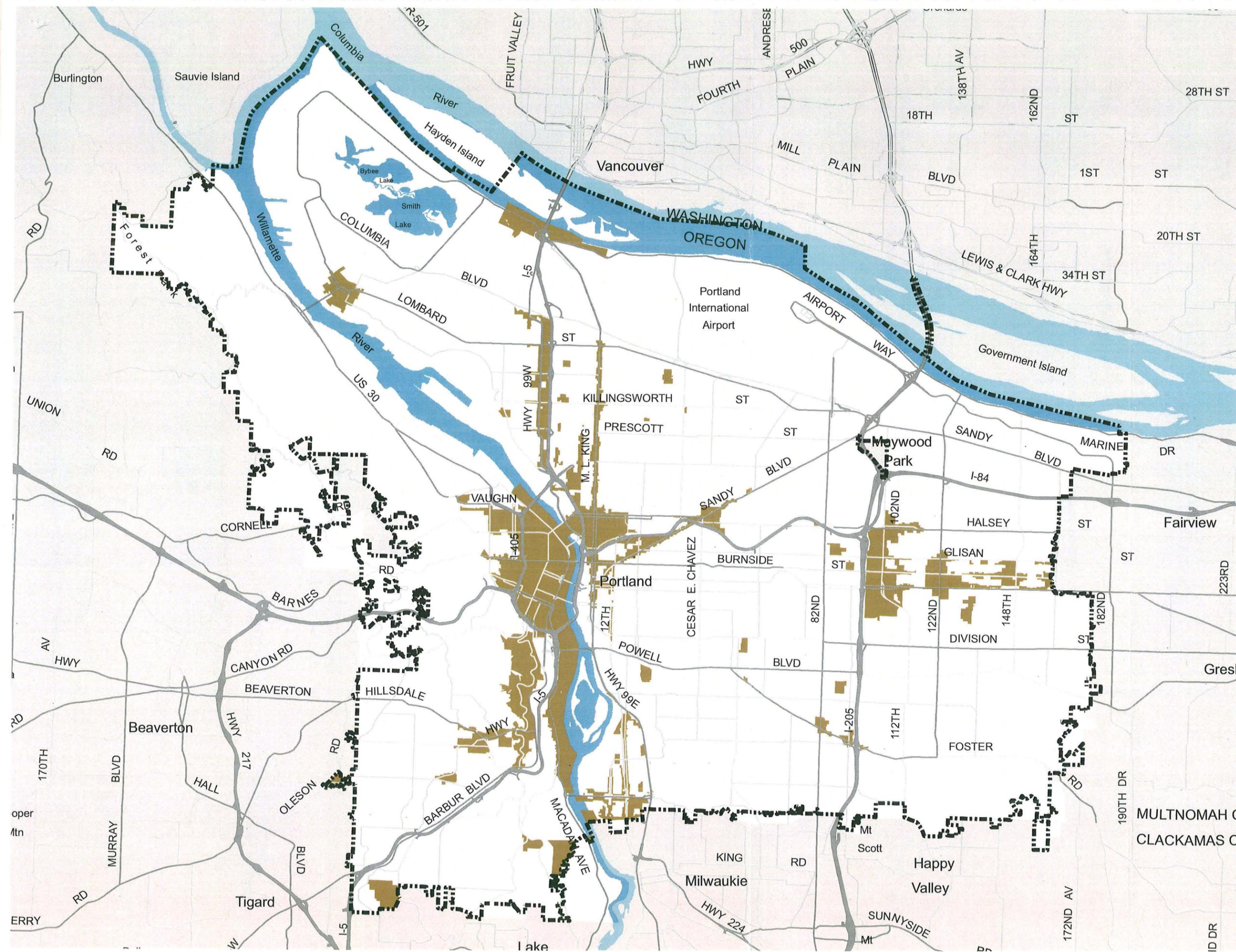


Design Review Project Case Load 2009-2011



City of Portland Design Overlay Zones

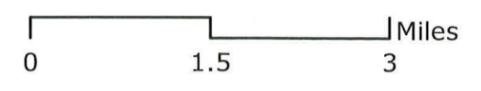
 design overlay zones (d)

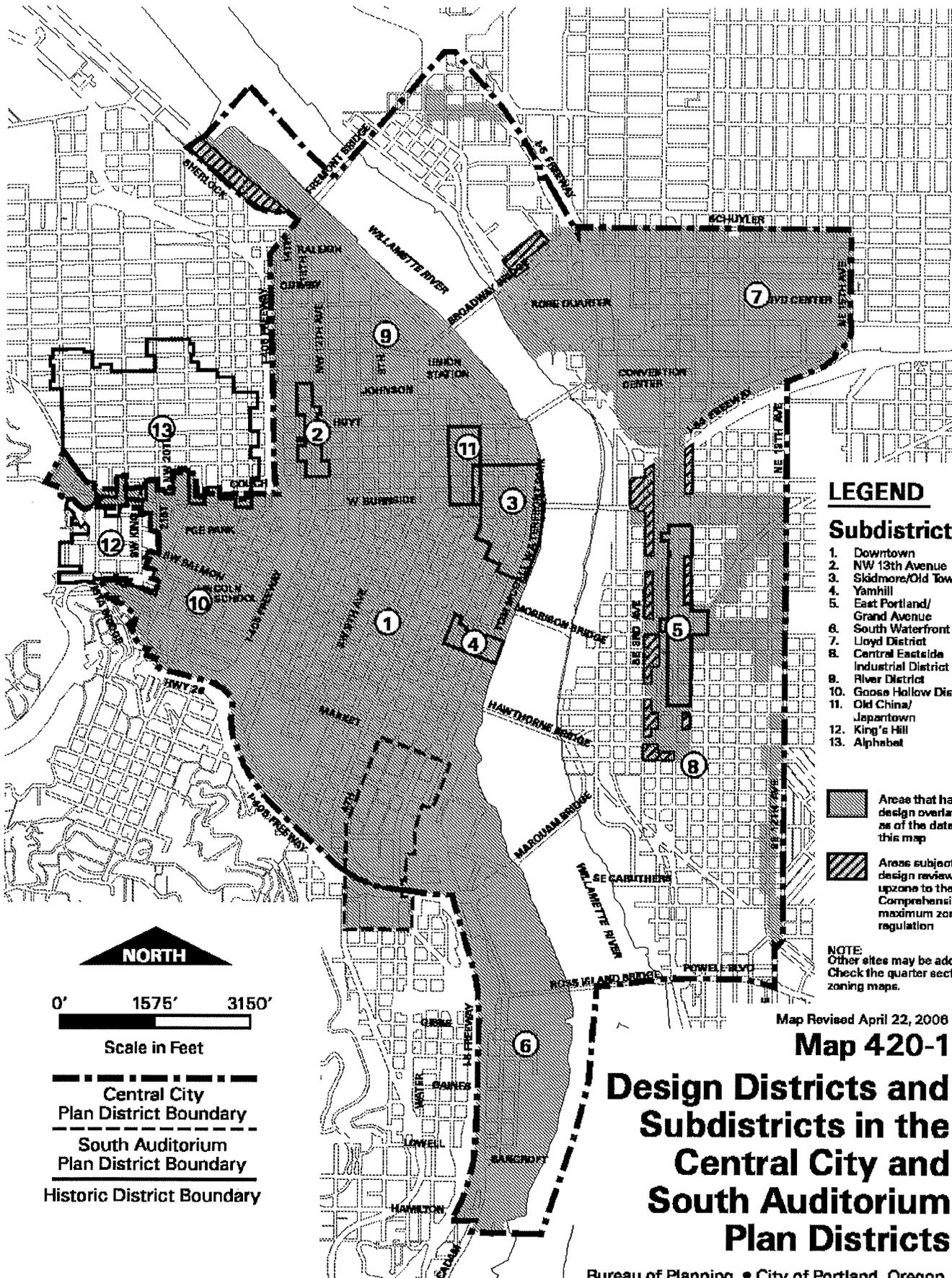


April 23, 2012



Bureau of Planning and Sustainability
Innovation. Collaboration. Practical Solutions.





LEGEND

Subdistricts:

1. Downtown
2. NW 13th Avenue
3. Skidmore/Old Town
4. Yamhill
5. East Portland/Grand Avenue
6. South Waterfront
7. Lloyd District
8. Central Eastside Industrial District
9. River District
10. Goose Hollow District
11. Old China/Japantown
12. King's Hill
13. Alphabet

- Areas that have the design overlay zone as of the date of this map
- Areas subject to design review if upzoned to their Comprehensive Plan maximum zoning regulation

NOTE:
Other sites may be added. Check the quarter section zoning maps.

Map Revised April 22, 2006

Map 420-1
Design Districts and Subdistricts in the Central City and South Auditorium Plan Districts



0' 1575' 3150'

Scale in Feet

- Central City Plan District Boundary
- South Auditorium Plan District Boundary
- Historic District Boundary

Agenda No.
REPORT NO.
Title

Accept the Portland Design Commission State of the City Report (Report)

<p>INTRODUCED BY Commissioner/Auditor: Commissioner Dan Saltzman</p>	<p>CLERK USE: DATE FILED <u>APR 20 2012</u></p>
<p>COMMISSIONER APPROVAL</p> <p>Mayor—Finance and Administration - Adams</p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman <i>[Signature]</i></p> <p>Position 4/Safety - Leonard</p>	<p>LaVonne Griffin-Valade Auditor of the City of Portland</p> <p>By: <u><i>[Signature]</i></u> Deputy</p>
<p>BUREAU APPROVAL</p> <p>Bureau: Development Services Bureau Head: <i>[Signature]</i> Paul L. Scarlett, Director</p>	<p>ACTION TAKEN:</p> <p>APR 25 2012 ACCEPTED</p>
<p>Prepared by: Leanne Torgerson Date Prepared: 4/13/12</p>	
<p>Financial Impact & Public Involvement Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p>	
<p>Council Meeting Date 4/25/12, 9:30 a.m. TC</p>	
<p>City Attorney Approval</p>	

AGENDA

TIME CERTAIN
Start time: **9:30 a.m.**

Total amount of time needed: 45 minutes
(for presentation, testimony and discussion)

CONSENT

REGULAR
Total amount of time needed: 45 minutes
(for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	✓	
2. Fish	2. Fish	✓	
3. Saltzman	3. Saltzman	✓	
4. Leonard	4. Leonard	✓	
Adams	Adams	_____	_____