

**ORDINANCE NO. 185734 As Amended**

\*Waive zoning code density and housing type restrictions and authorize the placement of a residential multi-dwelling structure on a property located on SE Madison St between SE 25<sup>th</sup> Ave and SE 26<sup>th</sup> Ave (Ordinance; waive Code Section 33.110.200)

The City of Portland ordains:

Section 1. The Council finds:

1. The Montgomery House, located at 2625 SE Hawthorne Boulevard, is a grand early 20<sup>th</sup> century Craftsman structure with Colonial Revival elements. Constructed as a single-family residence in 1905, the 2-1/2 story structure was built for James B. Montgomery, a prominent early Portland resident who was a railroad builder and owner of extensive timber lands in the Puget Sound area.
2. The Montgomery House does not have a formal designation on the National Register of Historic Places nor is it designated a local landmark. However, the 1988 Oregon Cultural Resource Inventory of Central Southeast Portland describes the commodious Montgomery residence as an excellent example of the Craftsman style, with characteristic Craftsman features well illustrated, including box-like volume; low-pitched hip roof with wide overhanging eaves articulated by scroll-cut rafters; and a large porch.
3. While residential in appearance from the exterior, the Montgomery House is presently used entirely for commercial office use for a variety of professional office tenants.
4. The owner of the property at 2625 SE Hawthorne Boulevard plans to redevelop the site with a 4-story, 77-unit multi-dwelling project, with commercial uses on the ground floor and basement-level parking. Permit 12-183572 CO is under review for this project. The site is depicted in Exhibit A and will herein be referred to as the Sending Site.
5. In order to develop the Sending Site property, the Montgomery House will need to be removed from the site, either through demolition or relocation to another site.
6. Jeffrey McCaffrey and Beth Bonness are long-time residents of the Buckman neighborhood and are the owners of a viable receiving site for the Montgomery House. Mr. McCaffrey and Ms. Bonness wish to relocate the Montgomery House to their property on SE Madison Street between SE 25<sup>th</sup> Avenue and SE 26<sup>th</sup> Avenue, Partition Plat 2012-35. The vacant site is depicted in Exhibit A and will herein be referred to as the Receiving Site.
7. The Receiving Site is located on the block immediately west of the Sending Site. Mr. McCaffrey and Ms. Bonness recently completed a land division on the Receiving Site that created three new parcels for attached housing (case file LU 11-175212 LDP). Each of the three parcels would accommodate a single-family attached house plus an accessory dwelling unit, for a total of six dwelling units over the three parcels. In the single-dwelling zones, accessory dwelling units are not included in the maximum density calculations for a site.
8. Due to the size of the Montgomery House and the costs associated with relocating and remodeling it, the property owners of the Receiving Site must be able to convert the Montgomery House to a multi-dwelling residential structure with a minimum of six dwelling

units to make preserving the house financially feasible. This would allow them to achieve at least the residential density they had planned with an attached housing proposal.

9. The Receiving Site property is zoned R2.5, Residential 2,500, and is 7,571-square feet in area.
10. The development standards of the R2.5 zone were not written for, and are not appropriate for a multi-dwelling development. To address this, the development of the Receiving Site will be subject to the development standards of the R1 zone, with the exception of minimum density, which will be held at one dwelling unit (rather than requiring the R1 minimum of 4 dwelling units). This minimum density is allowed in the event that in the future, the owner decides to convert the Montgomery House back to a single-dwelling residence, or to change the number of units on the site within the range of one and seven dwelling units.
11. The developer of the Sending Site has stated that the Montgomery House must be relocated no later than December 2, 2012.
12. With the exception of the actions authorized by the City Council in this ordinance, all elements of the relocation, change of occupancy and remodeling of the Montgomery House will follow all applicable codes and permit requirements.
13. Relocation of the Montgomery House poses significant difficulties and barriers to the successful preservation of the structure, both logistical and financial. These barriers include the following:

- a. Zoning: Conversion of the Montgomery House to a multi-dwelling structure, as proposed, is not an allowed housing type in the R2.5 zone and would exceed the maximum residential density at this location.

To relocate the Montgomery House to the Receiving Site under applicable development standards would require multiple, lengthy land use reviews, including a Pre-Application Conference, Comprehensive Plan and Zoning Map Amendments, which require multiple public hearings. A number of exceptions to regulations in the Portland Zoning Code are necessary to accommodate the relocation of the Montgomery House to the Receiving Site.

- b. Physical barriers: In order to physically move the structure, a plan has been developed that would move the structure across the abutting lot to the west, across SE 26<sup>th</sup> Avenue and through the parking lot of the Rivermark Community Credit Union, located at 2537 SE Hawthorne Boulevard, and through the rear of the Receiving Site.

To accomplish the move, one Chestnut tree in the right-of-way of SE 26<sup>th</sup> Avenue at the entrance to the credit union parking lot will need to be pruned or removed. The recommendation of the City Forester is to preserve the Chestnut tree if possible. If the street tree must be removed to accommodate the project, mitigation for the loss of the tree will be required. The mitigation requirements for the loss of the street tree will be inch for inch replacement, as described in the *Tree Loss Mitigation Standards for Right-Of-Way Trees*.

In addition, the canopy and kiosk of the credit union's drive through teller will need to be temporarily removed and replaced.

- c. Financial: In addition to the significant moving, foundation and remodeling costs, the City's System Development Charges pose an additional financial barrier.
14. The Buckman Community Association (BCA) will meet with Mr. McCaffrey and Ms. Bonness on November 8, 2012 to learn about plans for moving the Montgomery House and development proposal. Neighbors attending an October 18, 2012 meeting of the BCA expressed support for saving the Montgomery House and did not express opposition for the overall development proposal.
  15. It is in the public interest to allow the redevelopment of the Sending Site on SE Hawthorne Boulevard, while preserving the Montgomery House because the house is an important asset to the City as a whole and as part of the historic fabric of the Buckman Neighborhood. The Montgomery House has been a part of the immediate neighborhood for many years and its relocation to the nearby Receiving Site will allow infill development to be done in such a way that will maintain the historic character of the surrounding area. Given the unique circumstances, this City Council action is not a precedent for any future action.

NOW THEREFORE, the Council directs:

- a. The provisions of PCC 33.110.200 are waived to allow the Montgomery House to be re-located to the property on SE Madison Street between SE 25<sup>th</sup> Avenue and SE 26<sup>th</sup> Avenue, legally described as Partition Plat 2012-35 and depicted in Exhibit A, (the Receiving Site) and to permit no more than 7 residential units total on this property. All structures and development are subject to and must comply with the R1 development standards and all applicable regulations in effect at the time of the development, with the exception of the R1 zone's minimum density requirement of 4 units. The minimum density on the site shall be one unit. This ordinance does not preclude the property owner of the Receiving Site from requesting exceptions to the applicable regulations as allowed by the code.
- b. If in the future, the Montgomery House is converted back to a single-dwelling residence, development on the Receiving Site will be subject to the applicable zoning regulations on the site at the time of the conversion.
- c. A one-time waiver of the System Development Charges (SDCs) associated with the Montgomery House relocation for the Bureaus of Transportation, Environmental Services, Parks and Water for the Receiving Site is hereby authorized.
- d. All SDC credits due to the owner of the Sending Site shall remain in effect, and not be reduced as a result of the SDC waivers for the Receiving Site.
- e. The demolition and reconstruction of the drive-through canopy and structure at 2537 SE Hawthorne Boulevard is permitted, in the same location and same size, to facilitate moving of the Montgomery House. Non-conforming development rights shall not be lost as a result of the intentional temporary removal of this structure to facilitate the move of the Montgomery House across this property.
- f. Removal or pruning of the Chestnut tree in the right-of-way of SE 26<sup>th</sup> Avenue at 2537 SE Hawthorne Boulevard, if necessary, must be consistent with the City Forester's requirements. A permit for the removal or pruning of the tree will be required.

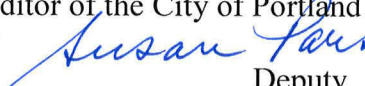
- g. This ordinance is effective only so long as the Montgomery House is located at the Receiving Site depicted in Exhibit A. If the Montgomery House is demolished, all future development on the site must comply with the zoning regulations that are in place at the time redevelopment is proposed.
- h. If the Montgomery House is damaged or destroyed, intentionally or otherwise, and the repair costs exceed 75 percent of the assessed value of the structure, as of the tax year immediately preceding destruction or damage, it must be removed and cannot be rebuilt.
- i. Permits reflecting compliance with all applicable codes, titles and regulations are required for the relocation, change of occupancy from commercial to multi-dwelling residential and the remodel of the Montgomery House, including any necessary trade permits.
- j. The owner of the Receiving Site must take all appropriate and necessary actions to secure the Receiving Site and the Montgomery House while the foundation is being constructed to prevent the site from becoming an attractive nuisance and to avoid creating a danger to neighboring property owners or the public.
- k. This ordinance must be recorded before the building permit for the relocation of the Montgomery House is issued.
- l. Once recorded, this ordinance runs with the Receiving Site; it is not personal to the Receiving Site property owners.
- m. This ordinance will no longer be effective if the City Council adopts regulations that allow outright the use, density and development.

Section 2. The Council declares an emergency exists because of the timing of the proposed redevelopment of the Sending Site by the new owner, and the value the City places on facilitating the preservation of the Montgomery House rather than having it demolished; therefore, this ordinance shall be in full force and effect from and after its date of passage.

Passed by Council,

NOV 14 2012

Commissioner Dan Saltzman  
Prepared by: Marisol Caron  
November 14, 2012

Lavonne Griffin-Valade  
Auditor of the City of Portland  
By   
Deputy

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✓140

Agenda No. **185734** As Amended  
**ORDINANCE NO.**  
 Title

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<b>INTRODUCED BY</b> Commissioner/Auditor: <b>Commissioner Dan Saltzman</b>	CLERK USE: DATE FILED <b>NOV 08 2012</b>
<b>COMMISSIONER APPROVAL</b> Mayor—Finance and Administration - Adams Position 1/Utilities - Fritz Position 2/Works - Fish Position 3/Affairs - Saltzman <i>Dan Saltzman</i> Position 4/Safety - Leonard	LaVonne Griffin-Valade Auditor of the City of Portland By: <i>[Signature]</i> Deputy <b>ACTION TAKEN:</b>
<b>BUREAU APPROVAL</b> Bureau: Development Services Bureau Head: <i>P. Scarlett</i> Paul L. Scarlett, Director Prepared by: Leanne Torgerson Date Prepared: 11/7/12 Financial Impact & Public Involvement Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/> Council Meeting Date <b>11/14/12, 9:30 a.m. TC</b>	
<b>City Attorney Approval</b> <i>K. Beaumont</i>	

**AGENDA**

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

**Total amount of time needed: 20 minutes**  
 (for presentation, testimony and discussion)

**CONSENT** ☐

**REGULAR** ☒  
**Total amount of time needed: 20 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	_____	_____

✓  
Toni  
OK