ORDINANCE No. 185915

Amend Title 33, Planning and Zoning to make it easier for property owners to do minor home improvements in the City's historic and conservation districts. (Ordinance; amend Title 33)

The City of Portland Ordains:

Section 1. The Council finds:

General Findings

- 1. Portland's Comprehensive Plan was adopted on October 6, 1980 by Ordinance No. 150580, acknowledged for compliance with Statewide Planning Goals on May 3, 1981, and updated as a result of periodic review in June 1988, January 1991, March 1991, September 1992, and May 1995.
- 2. Oregon Revised Statutes (ORS) 197.640 requires cities and counties to review their comprehensive plans and land use regulations periodically and make changes necessary to keep plans and regulations up-to-date and in compliance with Statewide Planning Goals and State laws.
- 3. On October 26, 1995, the Land Conservation and Development Commission adopted OAR 660-16-040, which declares properties listed in the National Register of Historic Places ("National Register") to be historic resources of statewide significance. The rule requires local governments to protect through local historic protection regulations all sites listed in the National Register.
- 4. The City adopted a new Zoning Code in November 1990, to be implemented on January 1, 1991.
- 5. During the adoption of the new Zoning Code, the Council recognized that the new code would occasionally need "fine-tuning" to resolve unanticipated issues. The Council additionally recognized that minor amendments to the code would periodically be required in order to maintain compliance with existing policy.
- 6. In 2010, the Irvington Historic District was created. This was the largest historic district created and comprises the majority of the historic design reviews processed by the Bureau of Development Services. Property owners in Irvington, and also in other districts, have expressed concerns about the fees and time involved for historic design review. Fees for small home remodeling projects start at \$900, and the design review process can take from six to eight weeks. As a result, some property owners decide to make exterior home improvements without going through historic design review, while others decide not to make improvements at all.
- 7. In the spring of 2012, the bureaus of Planning and Sustainability and Development Services embarked on an eight month public process to make minor amendments to the Zoning Code making it easier for property owners to make minor home improvements in

the City's historic and conservation districts. The project is known as the Historic Resources Code Improvement Project (HRCIP).

8. In the summer of 2012, city staff conducted research on the best practices of other jurisdictions, analyzed permit data for the previous 18 months, and identified the wide range of issues associated with the historic design review process. All this information was summarized in the *HRCIP Draft Issues and Options Paper* dated September 11, 2012.

- 9. In the summer and fall of 2012, city staff met with interested neighborhood, business and community associations, and a broad array of stakeholders to generate ideas and discuss potential solutions to the identified problems in the city's historic and conservation districts. Based on the input received, staff published the *HRCIP Zoning Code Amendments Discussion Draft* dated November 16, 2012.
- 10. On December 10, 2012 the Historic Landmarks Commission held a public meeting to discuss the draft zoning code amendments and hear public testimony.
- 11. On December 14, 2012, notice of the proposed action was mailed to the Department of Land Conservation and Development in compliance with the post-acknowledgement review process required by OAR 660-18-020.
- 12. On December 21, 2012, notice of the Planning Commission hearing was sent to the project mailing list and the bureau's legislative mailing list.
- 13. On January 7, 2013, after consideration of input from all stakeholders and the Historic Landmarks Commission, the bureau published the *Proposed HRCIP Zoning Code Amendments*.
- 14. On January 22, 2013, the Planning and Sustainability Commission held a hearing on the proposal. Staff from the Bureau of Planning and Sustainability and the Bureau of Development Services presented the proposal and public testimony was received. The Commission voted to forward the *Recommended Historic Resources Code Improvement Project Zoning Code Amendments* to City Council.
- 15. On February 13, 2013, notice of the February 27, 2013 City Council public hearing was mailed to those who presented oral and written testimony at the Planning and Sustainability Commission public hearing or requested to be on the City's legislative mailing list. In addition, the notice of the hearing was sent to the project mailing list.
- 16. The recommended amendments implement or are consistent with Statewide Planning Goals and the Portland Comprehensive Plan, as described in the findings below. Only the applicable state goals, Metro titles, and city goals and policies are addressed below.

Findings on Statewide Planning Goals

- 17. Goal 1, Citizen Involvement, requires provision of opportunities for citizens to be involved in all phases of the planning process. The preparation of these amendments has provided numerous opportunities for public involvement, including:
 - a. On July 23, 2012 staff received feedback from the Historic Landmarks Commission on the preliminary scope of work for the Historic Resources Code Improvement

Project. Similarly, staff met with the Planning and Sustainability Commission on July 24, 2012 to receive early input into the process.

- b. On August 8, 2012 an e-mail announcement was sent to individuals and organizations who had expressed an interest in the Project or who had applied for a Historic Design Review permit between November 2010 and May 2012.
- c. October 8 and 9, 2012, briefings were provided to the Historic Landmarks Commission and the Planning and Sustainability Commission on the Project's progress to date.
- d. Planning staff periodically met with and engaged in telephone and email exchanges with property owners, preservation advocates and other interested parties in regards to the project. The following groups were represented at meetings: the Buckman, Irvington and Downtown neighborhood associations; SE Uplift and the NE coalition of neighborhoods; Development Review Advisory Committee; Oregon Remodelers Association; and the Portland Coalition for Historic Resources.
- e. The project website was regularly updated to include notices of upcoming events and other pertinent information. Press releases about the project were widely distributed at key milestones/events. Email updates were sent monthly to the project mailing list.
- f. Project media coverage included articles in the Oregonian, the Daily Journal of Commerce and the Southeast Examiner.
- g. On September 11, 2012, the Bureau of Planning and Sustainability published the *HRCIP Draft Issues and Options Paper*, staff's summary of the code issues to be addressed and alternative draft solutions. The document was made available to the public through the project website and hard copies of the document were available at the bureau office. Hard copies were mailed to members of the public who requested a copy.
- h. On November 16, 2012, the Bureau of Planning and Sustainability published the *HRCIP Zoning Code Amendments Discussion Draft*. The document was made available to the public through the project website and hard copies of the document were available at the bureau office. Hard copies were mailed to members of the public who requested a copy.
- i. On December 10, 2012 the Historic Landmarks Commission held a public meeting to discuss the draft zoning code amendments and hear public testimony.
- j. On December 21, 2012, A public hearing notice regarding the January Planning and Sustainability Commission hearing was sent to the bureau's legislative list and the project mailing list.
- k. On January 7, 2013, after consideration of input from all stakeholders and the Historic Landmarks Commission, the bureau published the *Proposed HRCIP Zoning Code Amendments*. The document was made available to the public through the project website and hard copies of the document were available at the bureau office. Hard copies were mailed to members of the public who requested a copy.
- 1. On January 22, 2013, the Planning and Sustainability Commission held a hearing on

the proposal. The community had the opportunity to offer public testimony on the proposal. The Commission voted to forward the proposal to City Council.

- m. On February 6, 2013, the Bureau of Planning and Sustainability published the *HRCIP Recommended Zoning Code Amendments*. The document was made available to the public through the project website and hard copies of the document were available at the bureau office. Hard copies were mailed to members of the public who requested a copy.
- 18. Goal 2, Land Use Planning, requires the development of a process and policy framework that acts as a basis for all land use decisions and assures that decisions and actions are based on an understanding of the facts relevant to the decision. The amendments are consistent with this goal because the Zoning Code contains procedures that were followed and criteria that have been satisfied for the development and adoption of the amendments. The required legislative process as described in Portland City Code 33.740 was followed and the requirements for Goal, Policy, and Regulation Amendments, described in 33.835, were followed. See also findings for Portland Comprehensive Plan Goal 1, Metropolitan Coordination, and its related policies and objectives.
- 19. Goal 5, Open Space, Scenic and Historic Areas, and Natural Resources, requires the conservation of open space and the protection of natural, historic and scenic resources. The amendments augment regulations that protect lands with sites, structures, and objects of local, state, regional, or national historical significance. They also increase protection of all individually designated National Register properties and properties classified as contributing in National Register Historic Districts. The amendments support and directly implement Goal 5 and its implementing rules by making it easier to repair, maintain, restore and make minor improvements to Portland's historic resources, and by expanding protection of accessory structures. These measures encourage the preservation and rehabilitation of historic resources, which helps preserve the cultural character of Portland's neighborhoods and adds to the diversity of the building stock.
- 20. Goal 6, Air, Water, and Land Resource Quality, requires the maintenance and improvement of the quality of air, water, and land resources. The amendments support this goal because they encourage the preservation and rehabilitation of existing historic resources, making efficient use of land resources.
- 21. Goal 10, Housing, requires provision for the housing needs of citizens of the state. The amendments support this goal by making it easier to repair, maintain, restore and make minor improvements to Portland's historic resources. These measures encourage the preservation and rehabilitation of historic resources, including the existing housing stock. See also findings for Portland Comprehensive Plan Goal 4, Housing and Metro Title 1.
- 22. Goal 13, Energy Conservation, requires development of a land use pattern that maximizes the conservation of energy based on sound economic principles. The amendments support this goal because they encourage the preservation and rehabilitation of historic resources, including the existing housing stock, which requires less energy than demolishing and rebuilding structures.

Findings on Metro Urban Growth Management Functional Plan

23. Title 1, Requirements for Housing and Employment Accommodation, requires that each jurisdiction contribute its fair share to increasing the development capacity of land within the Urban Growth Boundary. This requirement is to be generally implemented through citywide analysis based on calculated capacities from land use designations. The amendments support this title because they do not alter the development capacity of the city. See also findings under Comprehensive Plan Goals 4 (Housing) and 5 (Economic Development).

Findings on Portland's Comprehensive Plan Goals

- 24. Goal 1, Metropolitan Coordination, calls for the Comprehensive Plan to be coordinated with federal and state law and to support regional goals, objectives and plans. The amendments support this goal because they enhance the protection of historic resources, as called for by state planning goal 5, and increase compliance with federal American with Disabilities Act requirements by exempting some accessibility structures.
- 25. Policy 1.4, Intergovernmental Coordination, requires continuous participation in intergovernmental affairs with public agencies to coordinate metropolitan planning and project development and maximize the efficient use of public funds. The amendments support this policy because the State Historic Preservation Office and Department of Land Conservation and Development were notified of this proposal and given the opportunity to comment.
- 26. Goal 2, Urban Development, calls for maintaining Portland's role as the major regional employment and population center by expanding opportunities for housing and jobs, while retaining the character of established residential neighborhoods and business centers. The amendments support this goal by making it easier to repair, maintain, restore and make minor improvements to Portland's historic resources, and by expanding protection of accessory structures. These measures encourage the preservation and rehabilitation of historic resources, which helps preserve the cultural character of Portland's neighborhoods and strengthens the overall effectiveness of the City's historic protection program.
- 27. Policy 2.2, Urban Diversity, calls for promotion of a range of living environments and employment opportunities for Portland residents in order to attract and retain a stable and diversified population. The amendments support this goal by making it easier to repair, maintain, restore and make minor improvements to Portland's historic resources, and by expanding protection of accessory structures. These measures encourage the preservation and rehabilitation of historic resources, which helps preserve the cultural character of Portland's neighborhoods and adds to the diversity of the building stock.
- 28. Policy 2.9, Residential Neighborhoods, calls for a range of housing types to accommodate increased population growth while improving and protecting the city's residential neighborhoods. The amendments support this goal by making it easier to repair, maintain, restore and make minor improvements to Portland's historic resources, and by expanding protection of accessory structures. These measures encourage the preservation and rehabilitation of historic resources, which helps preserve the cultural character of

Portland's neighborhoods and adds to the diversity of the building stock.

- 29. Policy 2.10, Downtown Portland, reinforces Downtown's position as the principal commercial, service, cultural and high density housing center in the City and region. Many significant historic buildings are located in Downtown Portland and contribute to its rich urban character and identity as the region's commercial and cultural center. The amendments support this goal by making it easier to repair, maintain, restore and make minor improvements to Portland's historic resources. These measures encourage the preservation and rehabilitation of historic resources, which helps preserve the cultural character of Downtown.
- 30. Policy 2.21, Existing Housing Stock, calls for the full utilization of larger single-family homes with conditions that preserve the character of the neighborhood and prevent speculation. The amendments support this goal by making it easier to repair, maintain, restore and make minor improvements to Portland's historic resources, and by expanding protection of accessory structures. These measures encourage the preservation and rehabilitation of historic resources, including larger single-family historic homes, which helps preserve the cultural character of Portland's neighborhoods and adds to the diversity of the building stock. Provisions have also been added that facilitate basement conversion to habitable space. This is often done to add accessory units within existing homes, increasing the utility of existing housing.
- 31. Policy 2.25, Central City Plan, encourages continued investment with Portland's Central City while enhancing its attractiveness for work, recreations and living, and enhancement of the Central City's special natural, cultural and aesthetic features. Many significant historic buildings are located in Downtown Portland and contribute to its rich urban character and identity as the region's commercial and cultural center. The amendments support this goal by making it easier to repair, maintain, restore and make minor improvements to Portland's historic resources. These measures encourage the preservation and rehabilitation of historic resources, which helps preserve the cultural and aesthetic features of Central City.
- 32. Policy 2.26, Albina Community Plan, calls for the promotion of the economic vitality, historic character and livability of inner north and inner northeast Portland by including the Albina Community Plan as a part of this Comprehensive Plan. The amendments support this goal by making it easier to repair, maintain, restore and make minor improvements to Portland's historic resources, and by expanding protection of accessory structures. These measures encourage the preservation and rehabilitation of historic resources, which helps preserve the historic character of Portland's inner north and inner northeast neighborhoods and adds to the diversity of the building stock.
- 33. Goal 3, Neighborhoods, calls for the preservation and reinforcement of the stability and diversity of the city's neighborhoods while allowing for increased density. The amendments support this goal by making it easier to repair, maintain, restore and make minor improvements to Portland's historic resources, and by expanding protection of accessory structures. These measures encourage the preservation and rehabilitation of historic resources, which helps preserve the historic character of Portland's neighborhoods and adds to the diversity of the building stock.

- 34. Policy 3.1, Physical Conditions, calls for the provision and coordination of programs to prevent the deterioration of existing structures and public facilities. The amendments support this goal by making it easier to repair, maintain, restore and make minor improvements to Portland's historic resources, and by expanding protection of accessory structures. These measures encourage the preservation and rehabilitation of existing historic resources, including structures.
- 35. Policy 3.4, Historic Preservation, calls for the preservation and retention of historic structures and areas throughout the city. The amendments support this goal by making it easier to repair, maintain, restore and make minor improvements to Portland's historic resources, and by expanding protection of accessory structures. These measures encourage the preservation and rehabilitation of historic resources throughout the city.
- 36. Goal 4, Housing, calls for enhancing Portland's vitality as a community at the center of the region's housing market by providing housing of different types, density, sizes, costs and locations that accommodates the needs, preferences, and financial capabilities of current and future households. The amendments support this goal by making it easier to repair, maintain, restore and make minor improvements to Portland's historic resources, and by expanding protection of accessory structures. These measures encourage the preservation and rehabilitation of historic resources, which helps preserve the historic character of Portland's neighborhoods and adds to the diversity of the housing stock. See also the findings for Statewide Planning Goal, Goal 10, Housing and for Metro Title 1.
- 37. Policy 4.1, Housing Availability, ensures that an adequate supply of housing is available to meet the needs, preferences and financial capabilities of Portland's households now and in the future. The amendments support this goal by making it easier to repair, maintain, restore and make minor improvements to Portland's historic resources, and by expanding protection of accessory structures. These measures encourage the preservation and rehabilitation of historic resources, including the existing housing stock, which helps preserve the historic character of Portland's neighborhoods and adds to the diversity of the housing stock. Provisions have also been added that facilitate basement conversion to habitable space. This is often done to add accessory units within existing homes, increasing the utility of existing housing.
- 38. Policy 4.3, Sustainable Housing, calls for encouraging housing that supports sustainable development patterns by promoting the efficient use of land, resource efficient design and construction, and the use of renewable energy resources, among other things. The amendments support this goal because they encourage the preservation and rehabilitation of historic resources, including the existing housing stock, which requires less energy than demolishing and rebuilding structures.
- 39. Policy 4.4, Housing Safety, calls for a safe and healthy built environment, the preservation of sound existing housing and the improvement of neighborhoods. The amendments support this goal by making it easier to repair, maintain, restore and make minor improvements to Portland's historic resources, and by expanding protection of accessory structures. These measures encourage the preservation and rehabilitation of historic resources, which helps preserve the existing housing stock and adds to a healthy built environment and the improvement of neighborhoods.

- 40. Policy 4.5, Housing Conservation, calls for the restoration, rehabilitation and conservation of existing sound housing as one method of maintaining housing as a physical asset that contributes to an area's desired character. The amendments support this goal by making it easier to repair, maintain, restore and make minor improvements to Portland's historic resources, and by expanding protection of accessory structures. These measures encourage the preservation, restoration and rehabilitation of historic resources, including the existing housing stock, which helps preserve the historic character of Portland's neighborhoods and adds to the diversity of the housing stock.
- 41. Policy 4.11, Housing Affordability, calls for the development and preservation of quality housing that is affordable across the full spectrum of household incomes. The amendments support this goal by making it easier to repair, maintain, restore and make minor improvements to Portland's historic resources, and by expanding protection of accessory structures. These measures encourage the preservation and rehabilitation of historic resources, which helps preserve historic housing structures and adds to the diversity of the housing stock.
- 42. Policy 4.15, Regulatory Costs and Fees, calls for consideration of the impact of regulations and fees in the balance between housing affordability and other objectives, including maintenance of neighborhood character. The amendments support this goal by creating a shorter review process for minor alterations in the City's historic and conservation districts. It is anticipated that a shorter review process will allow the Bureau of Development Services to lower the associated fees.
- 43. Goal 5, Economic Development, calls for the promotion of a strong and diverse economy that provides a full range of employment and economic choices for individuals and families in all parts of the city. The amendments support this goal by making it easier to repair, maintain, restore and make minor improvements to Portland's historic resources. Many homeowners have deferred home improvements due to the high cost of review. These measures will encourage property owners to invest in their properties and hire contractors to make the improvements. Historic buildings are increasingly desired as a business location for certain sectors, such as creative services, that are strong elements of the Portland economy. See also findings for Statewide Planning, Goal 9, Economic Development.
- 44. Policy 5.1, Urban Development and Revitalization, encourages investment in the development, redevelopment, rehabilitation and adaptive reuse of urban land and buildings for employment and housing opportunities. The amendments support this goal by making it easier to repair, maintain, restore and make minor improvements to Portland's historic resources. These measures encourage the preservation and rehabilitation of historic resources, which encourages reuse of existing buildings, helps preserve the cultural and aesthetic features of Portland, and adds to the diversity of the building stock.
- 45. Goal 7, Energy, calls for promotion of a sustainable energy future by increasing energy efficiency in all sectors of the city. The amendments support this goal because they encourage the preservation and rehabilitation of historic resources, including the existing housing stock, which requires less energy than demolishing and rebuilding structures.

- 46. Policy 7.4, Energy Efficiency through Land Use Regulations, calls for the promotion of residential, commercial, industrial and transportation energy efficient and the use of renewable resources. The amendments support this goal because they encourage the preservation and rehabilitation of historic resources, including the existing building stock, which requires less energy than demolishing and rebuilding structures.
- 47. Goal 9, Citizen Involvement, calls for improved methods and ongoing opportunities for citizen involvement in the land use decision-making process, and the implementation, review, and amendment of the Comprehensive Plan. This project followed the process and requirements specified in Chapter 33.740, Legislative Procedure. The amendments support this goal for the reasons found in the findings for Statewide Planning Goal 1, Citizen Involvement.
- 48. Goal 10, Plan Review and Administration, calls for periodic review of the Comprehensive Plan, for implementation of the Plan, and addresses amendments to the Plan, to the Plan Map, and to the Zoning Code and Zoning Map. The amendments support this goal by updating zoning code regulations that apply to historic resources in Portland, to better meet the changing desires of property owners and other parties interested in historic resources.
- 49. Policy 10.6, Amendments to the Comprehensive Plan Goals, Policies and Implementing Measures, requires that all proposed amendments to implementing ordinances be reviewed by the Planning Commission prior to action by the City Council. The amendments support this policy because the Planning and Sustainability Commission was briefed on the proposed amendments on July 24, 2012 and October 9, 2012, and held a public hearing on October 22, 2013 where they listened to public testimony and unanimously approved a recommendation that the amendments be forwarded to the City Council.
- 50. Policy 10.10, Amendments to the Zoning and Subdivision Regulations, requires amendments to the zoning and subdivision regulations to be clear, concise and applicable to the broad range of development situations faced by a growing, urban city. The amendments address concerns from property owners and other parties interested in historic resources by making it easier to repair, maintain, restore and make minor improvements to Portland's historic resources, by clarifying definitions and code language to make the intent more clear, and by expanding protection of accessory structures. The amendments use clear and objective standards, create a new, simpler procedure that does not overlap existing procedures, and are organized logically.
- 51. Goal 12, Urban Design, calls for enhancing Portland as a livable city, attractive in its setting and dynamic in its urban character by preserving its history and building a substantial legacy of quality private developments and public improvements for future generations. The amendments support this goal by making it easier to repair, maintain, restore and make minor improvements to Portland's historic resources, and by expanding protection of accessory structures. These measures encourage the preservation and rehabilitation of historic resources, which helps preserve the cultural and historical character of Portland and adds to the diversity of the building stock.
- 52. Policy 12.3, Historic Preservation, calls for enhancing the City's identity through the

protection of Portland's significant historic resources. The amendments support this goal by making it easier to repair, maintain, restore and make minor improvements to Portland's historic resources, and by expanding protection of accessory structures. These measures encourage the preservation and rehabilitation of historic resources, which helps preserve the cultural and historical character of Portland and adds to the diversity of the building stock.

53. Policy 12.6, Preserve Neighborhoods, calls for preserving and supporting the qualities of individual neighborhoods that help to make them attractive places. The amendments support this goal by making it easier to repair, maintain, restore and make minor improvements to Portland's historic resources, and by expanding protection of accessory structures. These measures encourage the preservation and rehabilitation of historic resources, which helps preserve the cultural and historical character of Portland and adds to the diversity of the building stock.

NOW, THEREFORE, the Council directs:

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a. Amend Title 33, Planning and Zoning, as shown in Exhibit A, *Historic Resources Code Improvement Project Recommended Zoning Code Amendments*, dated February 6, 2013.

b. The Zoning Code amendments adopted in Exhibit A, *Historic Resources Code Improvement Project Recommended Zoning Code Amendments*, shall take effect on May 1, 2013. This will allow the Bureau of Development Services time to make changes to the TRACS permitting system and to amend the land use services fee schedule.

c. Adopt the commentary in Exhibit A, *Historic Resources Code Improvement Project Recommended Zoning Code Amendments*, dated February 6, 2013, as legislative intent and as further findings.

Section 2. If any section, subsection, sentence, clause, phrase, diagram, designation, or drawing contained in this Ordinance, or the plan, map or code it adopts or amends, is held to be deficient, invalid or unconstitutional, that shall not affect the validity of the remaining portions. The Council declares that it would have adopted the plan, map, or code and each section, subsection, sentence, clause, phrase, diagram, designation, and drawing thereof, regardless of the fact that any one or more sections, subsections, sentences, clauses, phrases, diagrams, designations, or drawings contained in this Ordinance, may be found to be deficient, invalid or unconstitutional.

Passed by the Council: MAR 0 6 2013

Mayor Charlie Hales Prepared by: J. Sugnet Date Prepared: February 13, 2012 LaVonne Griffin-Valade Auditor of the City of Portland By

Deputy

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Agenda No. ORDINANCE NO. 185915 Title

Amend Title 33, Planning and Zoning to make it easier for property owners to do minor home improvements in the City's historic and conservation districts. (Ordinance; Amend Title 33) Planning and Zoning)



| | FOUR-FIFTHS AGENDA | COMMISSIONERS VOTED AS FOLLOWS: | | |
|--|---------------------------------------|------------------------------------|--------------|------|
| <u>TIME CERTAIN</u> ⊠ Start time: <u>9:30 am</u> | · · · · · · · · · · · · · · · · · · · | × | YEAS | NAYS |
| Total amount of time needed: <u>60 min</u> (for presentation, testimony and discussion) | 1. Fritz | 1 . Fritz | \checkmark | |
| | 2. Fish | 2. Fish | | |
| | 3. Saltzman | 3. Saltzman | \checkmark | |
| REGULAR | 4. Novick | 4. Novick | \sim | |
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