



Date: April 10, 2017
To: Mayor Wheeler and City Commissioners
From: Susan Anderson, ^{SA} Director of Bureau of Planning and Sustainability
Paul L. Scarlett, Director of Bureau of Development Services ^{PLS}
Re: Design Overlay Zone Assessment (DOZA) Final Report

Dear Commissioners:

We are pleased to submit the **Design Overlay Zone Assessment (DOZA) Final Report** for a City Council public hearing on April 26, 2017. DOZA is a joint project supported by the Bureau of Planning and Sustainability (BPS) and the Bureau of Development Services (BDS) to evaluate the design overlay zone and provide recommendations for improvement.

The design overlay zone is intended to achieve high-quality design for new buildings within areas of growth, as well as places with special architectural, cultural or scenic value.

The DOZA Report features recommendations within two separate categories: **Process** and **Tools**. The process recommendations provide details for adjusting the thresholds for review, maximizing design review efficiencies and advancing public involvement and education. Recommendations for tools focus on clarifying and improving the major review criteria that shape our city: Community Design Standards, Community Design Guidelines and the Central City Fundamental Design Guidelines – including how to update each to better implement community aspirations reflected in the new Comprehensive Plan and Central City 2035 Plan.

Background on the Project

Portland is predicted to grow by an additional 123,000 households by 2035. As the City expands the design overlay zone to additional areas and continues to desire high-quality design during this period of unprecedented growth, some questions arise:

- How can design review evolve to better respond to the changing development environment?
- What improvements could be made to both the processes and tools to allow for the greatest benefit and least burden to all stakeholders?

To help answer these questions, the BPS and BDS hired a consultant last year, led by the Seattle office of Portland-based Walker Macy. The project purpose for DOZA is to conduct an independent and comprehensive assessment of the design overlay zone and to make recommendations to the design review process and review criteria.

Phases of the Project

During the research phase of the project, the consultant team examined the practices of peer cities, including Seattle, Austin, Milwaukee, Denver and San Francisco to glean best practices from other jurisdictions that apply design review. The team then conducted interviews locally with design and development professionals, residents, business and neighborhood associations, an equity focus group, Planning and Sustainability Commissioners, Design Commissioners, and City staff. In addition, they launched a public questionnaire and evaluated projects built in the last five years throughout Portland. This work culminated in a set of findings last November, which became the basis for draft recommendations.

In early 2017, the consultant team hosted opportunities to gather feedback: a public open house and online questionnaire, as well as workshops with the Design Commission, Planning and Sustainability Commission, and City staff. Input on the draft recommendations helped to shape the final report.

Next Steps

Many of the recommendations for improving the design review process are already underway and being explored further with Design Commissioners and applicants. Other recommendations which require code changes through a legislative process – such as adjusting the review thresholds and rewriting design standards and guidelines – will require more time and public input over the next year.

The DOZA project represents an opportunity for both bureaus to sync long-term aspirations and policies with the daily review of built projects that shape our city. Following the hearing on April 26, BDS and BPS wish to collaborate on a work plan to proceed with the consultant's recommendations. We are excited to begin the next phase!

We recommend that City Council accept the DOZA Final Report provided in Exhibit A.

Thank you for your consideration.

Agenda No.
REPORT
Title

Accept the Design Overlay Zone Assessment (DOZA) Final Report dated April 2017 (Report)

<p style="text-align: center;">INTRODUCED BY Commissioner/Auditor: Ted Wheeler and Chloe Eudaly</p>	<p>CLERK USE: DATE FILED <u>APR 18 2017</u></p>
<p style="text-align: center;">COMMISSIONER APPROVAL</p> <p>Mayor—Finance & Administration - Wheeler <i>KDD</i></p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Eudaly <i>[Signature]</i></p>	<p style="text-align: right;">Mary Hull Caballero Auditor of the City of Portland</p> <p>By: <u><i>Susan Parsons</i></u> Deputy</p>
<p style="text-align: center;">BUREAU APPROVAL</p> <p>Bureaus: Planning and Sustainability & Development Services</p> <p>Bureau Heads: Susan Anderson & Paul L. Scarlett <i>[Signatures]</i></p> <p>Prepared by: Sandra Wood Date Prepared: April 4, 2017</p>	<p>ACTION TAKEN:</p> <p style="text-align: center; font-size: 1.2em;">APR 26 2017 ACCEPTED</p>
<p>Impact Statement</p> <p>Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p>	
<p>City Auditor Office Approval: required for Code Ordinances</p>	
<p>City Attorney Approval: required for contract, code, easement, franchise, charter, Comp Plan</p>	
<p>Council Meeting Date April 26, 2017</p>	

AGENDA

TIME CERTAIN
Start time: 3:00 pm

Total amount of time needed: 2 hours
(for presentation, testimony and discussion)

CONSENT

REGULAR
Total amount of time needed: _____
(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. Eudaly	4. Eudaly	✓	
Wheeler	Wheeler	✓	