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**Portland Planning and Sustainability Commission**  
**August 23, 2016**  
**3:00 – 7:00 p.m.**  
**1900 SW 4<sup>th</sup> Ave, Suite 2500A**  
**Portland, OR 97201**

**AGENDA**

- 3:00 PM Call to Order**  
**Items of Interest from Commissioners**  
**Director's Report**
- 3:05 PM Consent Agenda**  
Consideration of Minutes from August 2 and 9, 2016 PSC meetings
- 3:06 PM Task 5: Composite Zoning Map**  
Work Session / Recommendations
- Mixed Use
  - Residential
  - Employment, Campus Institutions, Open Space
  - Major Public Trails
- 4:45 PM Task 5: Zoning Code**  
Work Session / Recommendations
- Mixed Use
  - Campus Institutions alignment
  - RH Zone FAR
- 7:00 PM Adjourn**

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**Ord. 188177, Vol. 2.4, page 11290**

## Portland Planning and Sustainability Commission

August 23, 2016

3:00 p.m.

### Meeting Minutes

**Commissioners Present:** Jeff Bachrach (arrived 3:48 p.m.), Andre' Baugh, Mike Houck, Katie Larsell, Gary Oxman, Michelle Rudd, Katherine Schultz, Chris Smith, Eli Spevak, Teresa St Martin, Maggie Tallmadge

**City Staff Presenting:** Deborah Stein, Eric Engstrom, Tom Armstrong, Susan Anderson, Joe Zehnder, Shannon Buono, Bill Cunningham

*Chair Schultz* called the meeting to order at 3:00 p.m. and gave an overview of the agenda.

### Documents and Presentations for today's meeting

#### Items of Interest from Commissioners

- *Commissioner Smith* noted he mentioned a memorial ride at the last PSC meeting. We are now up to 31 traffic fatalities on our streets this year, the most recent of which was a high school girl. We are 30 percent ahead of last year's traffic fatalities. As part of my Vision Zero advocacy, I will continue to bring these issues and updates to the PSC.
- *Commissioner Larsell* is back from vacation and is glad to be back. Thank you for all the work you and staff have done in the last month and a half.
- *Commissioner Spevak* is working to launch an ADU effort through PSU and working with BPS staff.

#### Director's Report

Susan Anderson

- In addition to the documents in front of you for today's session, you have hard copies of the Fossil Fuels Export Policy and Mass Shelters Zoning Amendments that you'll have hearings on at the September 13 meeting.
- We've been busy seeking funding to leverage our City funding related to the sustainability initiatives BPS works on. The good news is that we have four new grants totaling \$600,000.
- I've also been appointed to the Governor's air quality board, representing Oregon cities.

#### Consent Agenda

Consideration of Minutes from the August 2 and August 9, 2016 PSC meetings

*Commissioner Smith* moved to approve the Consent Agenda. *Commissioner Houck* seconded.

The Consent Agenda was approved with an aye vote.

(Y10 –Baugh, Houck, Larsell, Oxman, Rudd, Schultz, Smith, Spevak, St Martin, Tallmadge)

## **Composite Zoning Map**

Work Session / Recommendation: Eric Engstrom, Deborah Stein, Tom Armstrong

*Commissioner Schultz:* Today we're making our final recommendations today on the Composite Zoning Map. Setting Major Public Trails aside, we will be conducting our discussions and votes by district. There are 6 districts. We will then discuss and vote on the Major Public Trails map. Therefore, this agenda item will have 7 separate votes, not including amendments.

Eric highlighted the various maps for review. We have the citywide zoning map with everything included as well as the "changes only" versions of the overall and district maps. There are also overlay maps. These are all maps you've seen and previously discussed.

Deborah addressed the question PSC members had at the last meeting regarding changes to zoning of mixed use or to retain residential. There were 50 units total, and today we have about 23 owner-occupied and 27-renter occupied. We dove a bit deeper into the node at Chavez and Hawthorne, where we found that these are smaller multifamily units and single-family homes. But based on the overall split of renters and owners, we are not adversely impacting one group over the other with our recommendations.

### **North District**

*North District disclosures and recusals*

- *Commissioner Spevak* owns a single-family house in this neighborhood, but it's not part of this project.

*Chair Schultz* noted that she works for GBD Architects. She may have potential conflicts of interest in different areas of the city, but she has no actual conflicts of interest for any district.

*North District Vote*

*Commissioner Smith* moved to adopt the Zoning Map amendments show in the North District on the following maps dated August 17, 2016:

- "Zoning Map Changes"
- Overlay zone maps
- "Plan District Changes"

*Commissioner Houck* seconded.

(Y10 – Baugh, Houck, Larsell, Oxman, Rudd, Schultz, Smith, Spevak, St Martin, Tallmadge)

The motion passed.

### **Northeast District**

*Northeast District disclosures and recusals*

- *Commissioner St Martin* recused herself because she owns property in Mississippi.
- *Commissioner Spevak* owns property in Cully and recused himself.

*Northeast District Vote*

*Commissioner Smith* moved to adopt the Zoning Map amendments show in the Northeast District on the following maps dated August 17, 2016:

- "Zoning Map Changes"
- Overlay zone maps
- "Plan District Changes"

*Commissioner Houck* seconded.

(Y8 – Baugh, Houck, Larsell, Oxman, Rudd, Schultz, Smith, Tallmadge)

The motion passed.

### **Southeast District**

#### *Southeast District disclosures and recusals*

- *Commissioner Rudd* has colleagues who commented on properties in this district and is recusing herself.

#### *Southeast District Vote*

*Commissioner Smith* moved to adopt the Zoning Map amendments show in the Southeast District on the following maps dated August 17, 2016:

- “Zoning Map Changes”
- Overlay zone maps
- “Plan District Changes”

(Y9 – Houck, Larsell, Oxman, Schultz, Smith, Spevak, St Martin, Tallmadge; N1 – Baugh)

The motion passed.

### **East District**

#### *East District disclosures and recusals*

- none

#### *East District Vote*

*Commissioner Smith* moved to adopt the Zoning Map amendments show in the East District on the following maps dated August 17, 2016:

- “Zoning Map Changes”
- Overlay zone maps
- “Plan District Changes”

*Commissioner Houck* seconded.

(Y9 – Houck, Larsell, Oxman, Rudd, Schultz, Smith, Spevak, St Martin, Tallmadge; N1 – Baugh)

The motion passed.

### **Northwest District**

#### *Northwest District disclosures and recusals*

- *Commissioner Rudd* has colleagues who commented on properties in this district and is recusing herself.
- *Commissioner Smith* lives in NW but there are no proposals on my property.

#### *Northwest District Vote*

*Commissioner Smith*: I move to adopt the Zoning Map amendments show in the Northwest District on the following maps dated August 17, 2016:

- “Zoning Map Changes”
- Overlay zone maps
- “Plan District Changes”

*Commissioner Houck* seconded.

(Y9 – Baugh, Houck, Larsell, Oxman, Schultz, Smith, Spevak, St Martin, Tallmadge)

The motion passed.

## Southwest District

### *Southwest District disclosures and recusals*

- none

### *Southwest District Vote*

*Commissioner Smith:* I move to adopt the Zoning Map amendments show in the Southwest District on the following maps dated August 17, 2016:

- “Zoning Map Changes”
- Overlay zone maps
- “Plan District Changes”

*Commissioner St Martin* seconded.

(Y10 – Baugh, Houck, Larsell, Oxman, Rudd, Schultz, Smith, Spevak, St Martin, Tallmadge)

The motion passed.

Susan: Congratulations to everyone for this major vote. These items took hundreds of hours before we could vote. In particular I wanted to thank Deborah, and this is perhaps her PSC meeting. She is moving on and retiring at the end of the year. Thank you for your dedication and efforts.

*Chair Schultz* shared her thanks for Deborah’s major contributions and work. All commissioners shared in the thank yous and recognition for Deborah’s work.

## Major Public Trails

Tom Armstrong, Shannon Buono

Tom noted that BPS staff has worked with PBOT and PP&R as well as the 40-Mile Loop group. Staff agrees with some of the proposals and doesn’t with some of the proposed alignment changes as noted in the spreadsheet (attachment A in the memo). Some disagreement has to do with what’s noted on the Zoning Map versus the work on the Regional Trails map.

### *Disclosures and recusals*

- *Commissioner Rudd* has colleagues who commented on this portion of the map and is recusing herself.

Shannon provided an overview of the project, which is part of the Miscellaneous Zoning Project. The goal is to reconcile the zoning map trail designations with the recently-adopted 2035 Comprehensive Plan Map. Shannon provided background and responses to testimony staff received.

The 40-Mile Loop group had 90 amendments, including the addition of a few trail alignments and disagreed with any removal of trails.

Staff generally agreed with the group’s requests when:

- the request is on land in public ownership or in a public right-of-way, and
- the alignment corresponds to a segment of a Metro Regional Trail, or a City of Portland planned or built trail.

This resulted in approximately 25 requests.

Staff generally did not agree to keep an existing alignment or adding a new alignment when:

- recent trail planning or trail building efforts have identified a preferred alignment;
- no trail planning effort has occurred; or
- the alignment is not in the City of Portland, except for the Springwater Corridor.

After discussion with the 40-Mile Loop Land Trust and Commissioner Houck we have agreed to show the continuity of the Springwater Corridor where it dips outside the City limits in the trail data so that we

can create maps showing the entire alignment without interruption, but the stars won't show on a zoning quarter section map.

Staff also responded to individual property owners' requests (11 total). They agreed with input from:

- Broadmoor Golf Course
- Saltzman Road
- Riverview Abbey

Staff did not agree to make changes on the following properties because they are part of a City or Metro process. As a reminder, in this project we are only aligning our stars with already-planned trails on the adopted Comprehensive Plan Map.

- Eastwood Park
- Peninsula Canal
- Columbia Steel Casting
- Lewis and Clark
- SW Dosch Park Ln
- Rich's / Angel Property
- Weston Property
- N Lagoon Ave

#### *Discussion*

*Commissioner Larsell* asked why a number of the trails being taken out of the Columbia Slough area are being taken off. I'm particularly asking about the far east side.

- Currently there are locations where the Zoning Map designations (stars) run down the slough because in 1981 no one knew which side of the slough would be the better alignment. Since then, it's been determined that the trail will mostly be on the north side. So we are taking them out of the middle of the slough and putting them there. We can continue to talk about these with the 40-Mile Loop group and PP&R as we go to City Council.
- There will be smaller items that, if you're not sure you want to make an amendment, there could be additional direction to Council via the PSC letter or when the project is at Council.

#### *Vote on the Major Public Trail Map*

*Commissioner Houck*: I move to approve the Miscellaneous Zoning Amendment package item #8, as amended by staff's "Zoning Map Trail Alignment" memo dated August 18, 2016 and shown on the Major Public Trails map. *Commissioner Smith* seconded.

*Commissioner Houck* appreciates that staff has met with the 40-Mile Loop group to discuss the alignments. Part of the angst on the part of trail advocates is that lots of these trails have taken 30+ years to get on the map, and connectivity is what it's all about. There were additional comments from Metro today. I do not want to muck up our process at this point so it was decided that those additional amendments could be handled at an upcoming City Council hearing. So I feel comfortable moving forward with this today knowing staff will continue to work with the 40-Mile Loop group and other partners, including Metro.

(Y10 – Bachrach, Baugh, Houck, Larsell, Oxman, Schultz, Smith, Spevak, St Martin, Tallmadge)

The motion passed.

## Zoning Code

This agenda item will have 3 separate votes, not including amendments:

- Mixed Use
- Campus Institution
- Miscellaneous Zoning Amendments – RH Zone FAR Maps in the Zoning Code

## Mixed Use Zoning Code Amendments

Eric Enstrom, Bill Cunningham

We are working from the August 12 amended code document that includes a chart of PSC members' recommendations from previous meetings and the revised code that incorporates the revised code based on PSC members' input. The August 18 memo is our focus for today's amendments and discussion. We also had one clarification and additional staff amendments included in this document.

The first thing we need is for the Commission to accept the Proposed Draft code and commentary in the August 16 memo to replace the initial draft language.

*Commissioner Spevak* moved to amend the Mixed Use Zones Proposed Draft with code and commentary in the August 16, 2016 staff memo. *Commissioner Baugh* seconded.

(Y11 – Bachrach, Baugh, Houck, Larsell, Oxman, Rudd, Schultz, Smith, Spevak, St Martin, Tallmadge)

### *Discussion on Amendments included in the August 18 memo*

There is a small area in the CX zone north of Sandy, just east and north of Benson HS between 12<sup>th</sup> and 21<sup>st</sup> avenues that is the only CX zone outside the Central City. They will miss out on the Central City bonuses, and it was requested that there should be an affordable housing bonus there as well. This addition was included in the August 16 memo.

- Commissioners approved this note with nods.

### *Commissioner-proposed amendments*

Transportation and Parking Demand Management

1. Triggered by an additional 10 units.
2. Proposes to exempt projects that are not near frequent transit from this requirement.

*Commissioner Bachrach* noted the clarification in (1). (2) was proposed by staff as part of the TDM discussion, and I agree with it.

- *Commissioner Spevak* asked if this is the inverse of off-street parking requirements. Yes; and as TriMet updates their schedule or adds lines, this could change.

*Commissioner Smith* agrees with the spirit of the amendment. I'm curious about the few number of mixed use properties that are not in the radius. Should we extend the lower parking ratios to all mixed-use areas? We shouldn't have them pay for both, but maybe they should pay for TDM instead of parking. I just wanted to introduce this idea, which may be too big a discussion for today.

*Commissioner Spevak* supports this.

- Eric noted this could use more public discussion and could be brought up at Council.
- *Commissioner Rudd* would want more time to review the impact on existing neighborhoods.

*Commissioners Bachrach* proposed to amend 33.266.410.B as indicated in the potential code language in Item 1. *Commissioner Smith* seconded.

*Commissioner Baugh* likes the clarification. My struggle is that we don't have a lot of 20-minute routes going north-south, and TriMet has plans to put those in, but there is a race of whether or not you get the TDM or development first. If TriMet gets there first, you get TDM, but if they don't, we've lost an opportunity. Hopefully PBOT will require TDM for everything in the future to make transit available for everyone. This should be included in our letter to Council.

(Y11 – Bachrach, Baugh, Houck, Larsell, Oxman, Rudd, Schultz, Smith, Spevak, St Martin, Tallmadge)

The amendment passed.

Item 2 as proposed by *Commissioner Bachrach*: I was not here when we discussed the final TDM work with PBOT. The objective standard is essentially an \$1100-unit fee standard. The question is if this is like an SDC, about \$2000 per unit. In my mind, this is a back-door SDC to improve the transportation system. My proposal is to delay the effective date until PBOT amends Title 17.15 to provide a credit against or reimbursement for the Transportation SDC to offset some portion of the cost of the TDM incentives required to comply with 17.106.030.B.

*Chair Schultz* recommends removing Subsection C as proposed.

*Commissioner Smith* rejects the frame of the amendment. SDCs and TDM are essentially two different things. SDCs offset growth. TDM is about changing the behavior of people, and by nature is programmatic. I'd support a note in our letter about too many fees, which is a valid concern, but I don't support code language that puts TDM and system growth in conflict.

*Commissioner Spevak*: Is the quoted \$1100 is an annual fee?

- No, it's a one-time, up-front cost to the developer. As written, the money could go directly or PBOT is willing to administer it through their trips program.

*Commissioner Baugh* is concerned that we have a bureau that has to come back with some kind of reduction or they can't move forward. That is a bad precedent to set.

Eric noted that this would likely occur as part of the next SDC update, which is scheduled to be this winter. Mixed Use Code won't go into effect until 2018, so staff has recommended against this amendment, but if it were to go through, we'd have to come back to you before it would even go into effect.

*Commissioner Tallmadge* noted this speaks to a larger cost and affordability conversation.

*Commissioner Smith* is frustrated because PBOT has well-documented evidence that the SmartTrips program does change commuter behavior and it can be successful.

*Commissioner Bachrach* is concerned because the PSC looks at the balance of priorities, not just a transportation component as PBOT does. How many parts of the proposal have an incremental effect on the cost of housing?

*Commissioner Rudd*: When inclusionary zoning comes and we're talking about how much of the off-set has to be provided to do that, does this cumulative cost question get discussed then?

- There is a whole bundle of costs and addition to SDCs. There is also a bundle "below the line" where we've reduced the costs. In the perfect world, we would take all this into consideration before you see the initial IZ proposal. You'll get some of it, but not all of it. I recommend we get through this then have a PSC discussion to put before Council about how we weigh in on all the SDC costs and programs.

*Commissioner Houck* noted that people say parks SDCs are too high, but we all need parks. With all due respect, I think of this as giving people options. Owning a car is a big drag on low-income people's ability to exist. We are giving them options.

*Commissioner Bachrach*: I will withdraw my amendment but want to get my concern out there.

Amendment 3: Transportation Impact Review (TIR)

*Commissioner Bachrach* noted this applies in Campus Institutional Zones and in Mixed-Use Zones for development over 10 units. This may include Cascade Station, which requires a Transportation Impact Assessment (TIA), which is undefined, but it references TIR. The Code currently says we'll do the [new] TIR where development thresholds can be found in other code sections. Rather than saying the threshold applies in other sections, we should refer to them specifically in the code sections where they apply. If you are doing a plan development in a residential zone, you have to do a Transportation Impact Study, which is not defined in the code. And, there is a fourth form of a transportation study, which is an application for a change, you do a [lowercase] transportation study. This competing nomenclature is confusing for a developer. Does the new TIR apply to all situations? Staff says no, so I wanted to be sure we spell out where TIR does apply and have definitions for the other standards.

Eric: In this updated code, TIR (removing the TIA) is included for Cascade Station; a TIR is also included in Mixed Use and Campus code. Structurally how the Zoning Code is set-up, we have a number of sections. In general, the 800s say what we do, but they don't say when reviews are required since those are noted in previous chapters.

*Commissioner Bachrach*: If you're not comfortable nesting this in the 800s, why don't we do this in the definition section (900s)?

*Chair Schultz* noted that she disagrees with *Commissioner Bachrach* and likes how staff has this set up and how the code is structured so we don't create errors in the Zoning Code. Let's just make sure it's clear when TIR applies.

*Commissioner Bachrach* noted we are concurring that the new TIR only applies in Cascade Station, Campus Institutions and Mixed Use zones that are 10+ units.

Other sections that use the [lower-case] tir are different.

33.730.060 Application Requirements lists situations where you have to do a tir. It gives the BDS Director the option to waive non-applicable requirements.

- Only extra application requirements can be waived. Director's authority extends to the right to waive in 33.862.

*Commissioner Bachrach* withdrew amendment Item 3.

*Commissioner Smith* proposed to accept Items 4 and 5 as consent items.

*Commissioner Baugh*: In Item 4, what does "likely" mean?

- This is subject to staff discretion. Words in the code mean the same as they do in the dictionary.
- "Sufficient" to me would be more effort. "Likely" isn't as strong.

*Commissioner Bachrach*: How do I demonstrate what I (a developer) do is "sufficient" to achieve larger city goals? That struck me as a macro standard, not something a single developer can achieve.

*Commissioner Smith*: Institutional programs will apply a straight-line curve and judge plans by this. I think this proposed language is consistent with this.

*Commissioner Oxman*: The issue I have around "likely" is that you weaken the whole framework and accountability. I'm hesitant to move to something that lowers the bar for participation of development.

PBOT has noted their opposition.

Susan suggested verbiage: that “actions are contributing to the City for achieving” the larger macro goals.

*Commissioner Bachrach* moved adoption of Item 4 with language as suggested by Susan: “Proposed actions are contributing the City sufficiently achieving mode share and vehicle ownership targets, rather than focusing only on the site.” *Commissioner Smith* seconded.

(Y11 – Bachrach, Baugh, Houck, Larsell, Oxman, Rudd, Schultz, Smith, Spevak, St Martin, Tallmadge)

The motion passed.

*Commissioner Bachrach* moved Item 5 as drafted. *Commissioner Smith* seconded.

*Commissioner Baugh* asked about why “adequate” is deleted.

*Commissioner Bachrach*: “adequate” is ambiguous. The language there is constitutional nexus language. “Adequate” is less well-defined than proportionality.

(Y11 – Bachrach, Baugh, Houck, Larsell, Oxman, Rudd, Schultz, Smith, Spevak, St Martin, Tallmadge)

The amendment passed.

Item 6: *Commissioner Baugh* noted that when you look at East Portland, we are trying to intentionally redevelop here. By this amendment, we make drive-throughs non-conforming and intentionally cause redevelopment. Ultimately this goes to complete neighborhoods. Let them develop the property for the best use and way in their view. Let’s be intentional about helping East Portland redevelop.

*Commissioner Larsell* likes the attention to this issue. The PSC can have an impact if we support this amendment.

*Commissioner Smith*: This impacts drive-throughs but not vehicle quick-service – is that correct?

- It would affect both.

*Commissioner Smith*: I get the desire to limit fast food, but remember the comments about Powellhurst-Gilbert not having a bank. If we are limiting drive-throughs that would then limit something like a bank, are we helping? Do you see a distinction between fast food and other drive-throughs?

- *Commissioner Baugh*: It goes to form and function of the neighborhoods.

Bill noted the changes in the zoning approach. One thing that’s part of the MUZ is a roll back of the CG zoning (auto-accommodating zone). Under the current proposal, CE (new CG) has been pared down considerably. Eric noted that both Gateway and Lents are outside these areas. Some testimony from the Retail Taskforce was about East Portland. Their concerns were about economic viability and large retail that can be helped with a drive-through option.

*Commissioner St Martin* asked about access for handicapped and disabled.

- Staff met with the City’s Disability Commission (PCoD), and there were opinions on both sides of this issue.

*Commissioner Tallmadge*: Any existing drive-through would be allowed.

- East of 80<sup>th</sup>, there would be prohibited development. Existing would be non-conforming, and there are limitations to what you could build or redevelop.

*Commissioner Spevak* asked for east of 80<sup>th</sup> what zones could redevelop a drive-through?

- Staff’s proposal allows new drive-throughs in CE zones but not the CM zones. The amendment would prohibit new drive-throughs in the CE zones west of 80<sup>th</sup>, leaving no zones east of 80<sup>th</sup> where new drive-throughs could be developed.

*Commissioner Rudd:* How many gas stations are we prohibiting with the change?

- The proposal would make them non-conforming. So if you wanted to upgrade or remodel, there is less flexibility on how you could reconfigure.

*Commissioner Baugh* moved to adopt Item 6, (C) and (D) as described. *Commissioner Tallmadge* seconded.

*Commissioner St Martin* is worried that if we make businesses non-conforming, it limits their ability to get financing for small upgrades, which would make them worse-off and less likely to redevelop.

*Commissioner Tallmadge* recommended applying the same standards we have west of 80<sup>th</sup> on existing uses.

- Eric noted that this would change the language so that it doesn't trigger non-conforming uses for current facilities.
- This would have (C) be all the same east or west of 80<sup>th</sup>. Where CE exists elsewhere it would make this in East Portland prohibit new facilities.

*Commissioner Spevak* is sympathetic to the goals but thinks this amendment creates a full chunk of the city where you can't put in certain types of businesses. The other thing that gives me pause is that I like the narrowed-down CE zones, and I think this situation would be better addressed by land use planning goals.

*Commissioner Smith* noted that we're challenging the low economic expectations of East Portland. I will support this knowing it won't survive exactly intact at Council, but it is a good conversation to have at Council.

*Commissioner Baugh:* EPAP supports this amendment. The RTF's issue is that they want stores with drive-throughs. Our current and past 3 mayors have offered millions of dollars for stores to develop in East Portland, and none have done so. This is a core issue to me, and we really have to look at the people.

(Y8 – Baugh, Houck, Larsell, Oxman, Smith, Spevak, St Martin, Tallmadge; N3 – Bachrach, Rudd, Schultz)

The motion passed.

*Commissioner Tallmadge* requested that in the letter to Council we include a note to look at evaluating citywide regulations, instead of splitting between west and east of 80<sup>th</sup> Ave.

Item 7: Staff does not recommend changing the timeframe as this amendment proposes. Staff believes a three year period would be more consistent with regulation instead of the proposed two years. If you decide to stick with the three years, we should change Item 6 back to three years as well.

*Commissioner Baugh* withdrew Item 7.

*Commissioner Tallmadge* moved to switch the time noted in Item 6 from two continuous years to three years to be consistent with other parts of the code. *Commissioner Smith* seconded.

(Y11 – Bachrach, Baugh, Houck, Larsell, Oxman, Rudd, Schultz, Smith, Spevak, St Martin, Tallmadge)

The motion passed.

Item 8: *Chair Schultz* withdrew this item but asked staff to include clarity to the commentary about height exceptions for high ceilings (33.130.210.C).

Item 9 is related to height exceptions. *Chair Schultz* would like stairway enclosures included so we don't limit fire and life safety. *Chair Schultz* moved Item 9. *Tallmadge* seconded.

(Y10 – Bachrach, Baugh, Houck, Larsell, Oxman, Rudd, Schultz, Spevak, St Martin, Tallmadge)

*Chair Schultz* withdrew Item 10.

Item 11: For residential units with two stacked parking units, there wouldn't be an attendant necessary. *Chair Schultz* noted this is a clean-up modification. If you share an apartment with one stall behind the other, you shouldn't have to have a valet to move the cars. BDS should be able to come up with this language.

*Commissioner Smith* is only concerned we are building two parking spaces for one residential unit!

*Chair Schultz* moved to amend the Mixed Use Zones revised proposal as described in Item 11 of the Commissioner Proposed Amendments document. *Commissioner Tallmadge* seconded.

(Y11 – Bachrach, Baugh, Houck, Larsell, Oxman, Rudd, Schultz, Smith, Spevak, St Martin, Tallmadge)

The motion passed.

Item 12 is about Civic Corridor minimum setbacks as mapped for outer corridors. The proposal was that we have a minimum front setback of 10 feet in contrast to the no minimum. Staff supports retaining the 10-foot proposed setback.

*Chair Schultz* noted, for example, SW Macadam has shut down pedestrian activity. It would be better to eliminate the setback altogether. But I could be persuaded to the option that staff has proposed with a 10-foot minimum setback. I don't want landscaping separating the building and the sidewalk.

A compromise could be to apply the 50 percent paved area between the building and the street for pedestrian access.

*Commissioner Houck*: Without a setback, I don't see how you get trees on the street.

*Commissioner Smith* noted that the original proposal was 10 feet, which we heard would get the "cruiseway" effect. We wouldn't get there with just the 10-foot setback. I'm good with just leaving the 10-foot setback.

*Chair Schultz* moved to amend the MUZ proposal as described in Item 12 but that it must all be hardscaped. This is Potential Code Language Option (a) with hardscape. *Commissioner Larsell* seconded.

You would still be able to plant street trees. We've just increased the sidewalk area to give a bit more breathing space to give pedestrian safety. Logically this is a 5-foot dedication. You could put restaurant tables, etc in this area.

Barbur, 122<sup>nd</sup> and Division east of I-205 and Stark east of I-205.

(Y4 – Larsell, Oxman, Smith, St Martin; N7 – Bachrach, Baugh, Houck, Rudd, Schultz, Spevak, Tallmadge)

The motion failed.

*Commissioner Spevak* moved to recommend staff comment #3 for Item 12 (Elimiate the required setback and rely on the base zone standars for these Civic Corridors). *Commissioner St Martin* seconded.

(Y3 – Schultz, Spevak, St Martin; N8 – Bachrach, Baugh, Houck, Larsell, Oxman, Rudd, Smith, Tallmadge)

The motion failed.

Item 13: Drive-through access

*Commissioner Smith*: If you're open, you must serve customers regardless of how they arrive. I would propose an amendment to the staff language to add "mobility devices" in the modes of travel. I'm also open to where ever staff thinks this hshould fit in the code.

Staff suggests "pedestrians and bicycles" based on how the code is written elsewhere.

*Commissioner Rudd* is concerned about safety and how many people are on staff when places are open late.

This would apply to existing businesses. *Commissioner Bachrach*: If it's only for new buildings, I would consider it.

*Commissioner Baugh* asked about police input about this.

- We haven't had a chance to yet talk with other bureaus about this amendment. It might trigger the need for the drive-through pad to be ADA or the doors unlocked.

*Commissioner Smith* moved Item 13, striking "skateboards." *Commissioner Houck* seconded.

(Y6 – Houck, Larsell, Oxman, Schultz, Smith, Spevak, Tallmadge; N5 – Bachrach, Baugh, Rudd, St Martin, Schultz)

The motion passed.

Item 14: Click and Collect versus drive-throughs.

*Commissioner Smith* appreciates this distinction but not that it was driven by use. It is either the curb-cuts or queuing that it implies. I asked for language to clarify that if you had stacking or queuing it was still a drive-through.

Staff is ok with this this amendment.

*Commissioner Oxman* noted the adverse effects are driven by queue discipline and management (and curb cuts). *Commissioner Smith* thinks click and collect that doesn't trigger queuing is just parking. We are clarifying what a drive-through is.

*Commissioner Baugh* asked if this is a clarification of what a drive-through is in code.

- Yes.

*Commissioner Smith* moved to adopt Item 14. *Commissioner Houck* seconded.

(Y9 – Baugh, Houck, Larsell, Rudd, Schultz, Smith, Spevak, St Martin, Tallmadge; N2 – Bachrach, Oxman)

The motion passed.

Item 15: Amendments to the Staff Report regarding Affordable Commercial Bonus

*Commissioner Spevak* noted this is an FAR bonus for commercial bonuses that we've seen very little details about because it's mostly been delegated to PDC to work on. For an affordable residential FAR bonus, the developer must commit to reduced rents and to renting to income-qualified tenants (with fair housing applying), to achieve the intended policy goal. But for commercial, how do we decide which businesses qualify for the rent reduction? It is a policy question that is not necessarily intuitive. We need clarity on what sorts of businesses would be eligible, which depends on our policy goals behind this FAR bonus, so this amendment aims to create an advisory commission to evaluate options and establish policy with regard to what sorts of businesses would qualify.

In addition to what's included in proposed amendments, we included historically disadvantaged businesses. We want to specifically include minority and women owned businesses. Also, the advisory commission shall include... "but not limited to..." Also, we want to remove the entire section about "discrete annual metrics."

Item 16

*Commissioner Tallmadge*: Where it's noted DBE, we want to remove that and use "minority- and women-owned business, [and possibly social enterprises]" instead.

Staff noted this came out of the discussion draft comments from businesses in high-growth areas that they were upset about displacement of businesses, particularly in inner North/Northeast. It was a combination of price issues and the rolodex of the people leasing the building. This was seen as a response to testimony to consider local business being able to stay where they are with development occurring. Staff is concerned about specific certifications that smaller retail businesses may not be able to get into.

Minority-, women- and locally-owned businesses.

*Commissioner Bachrach* noted staff's proposal is "to qualified businesses that meet program requirements". I think this gets at what commissioners *Tallmadge* and *Spevak* are interested in including in your proposed amendment. If you went with staff's language, that directs all the participants to think this through, and then you set up the process. I think this get to where you want to go with a committee to think about how we qualify businesses.

*Commissioner Spevak* likes staff's language as proposed. However, it's the PSC's job to further the policy goals of the Comp Plan - and this is punting that responsibility to another group. This is what's frustrating to me.

- Staff language with a statement we'll come back to the PSC with policy language. Or including "minority and/or local ownership" in staff's proposed language.

*Chair Schultz* asked if staff can work on this and provide a package of the particulars of this program in the future.

*Commissioner Spevak*: If this is coming back to the PSC, that solves my issue.

- This is a little bit like the TDM work we discussed earlier, where details with significant policy implications are delegated to others. If we change code language, it has to come back to the PSC.

*Commissioner Baugh* is supportive of this and being specific about what we want. "Local" can be defined in so many ways, and it doesn't necessarily get you what you want. The qualified business should be broadly directed to be local and minority-owned, and that the code comes back to PDC, that would help me get through this. We don't want PDC sitting in front of us telling us what the policy is. I would rather be specific in code that the approval and direction must come before the PSC.

*Commissioner Tallmadge* noted we clarify more in the code to shift us in the direction of the goal. If we update the commentary, is that strong enough to get the policy we want?

- Staff can commit to working on this, bringing it back to the PSC, and working with PDC. Giving more specificity than the staff recommended language is certainly workable.
- Susan: This is not about social enterprise though, so we should stay clear of that qualification in this example.
- *Commissioner Bachrach*: I would err on the side of staff's first proposal and not define in code who's responsible. I'd like to see a partnership with PDC because they have a perspective that needs to be heard in this process.

*Chair Schultz* agrees with staff's proposal. Is there an amendment we want to have based on this discussion?

*Commissioner Tallmadge* amends Item 16 and staff's proposal to "qualified businesses including locally, women- and minority-owned businesses." *Commissioner Spevak* seconded.

This is not a formal vote, but staff is committed to work to create the advisory committee. There would be a member of the PSC on this committee, and PSC would be briefed and provide input.

(Y9 – Baugh, Houck, Larsell, Oxman, Rudd, Smith, Spevak, St Martin, Tallmadge; N2 – Bachrach, Schultz)

The motion passed.

Returning to Item 15 and Item 17: Staff is comfortable continuing this commentary discussion with *Commissioner Spevak* and *Commissioner Tallmadge*. The language will be included in the PSC's recommendation letter to Council as well.

Item 18 acknowledges the Design Overlay Zone Assessment (DOZA) project. *Commissioner Tallmadge* noted this will go into effect 2018, which is after IZ is set to be approved and asked how that would work.

Item 19 is a request to up the outdoor area standard in Eastern Pattern Areas to 54 square feet. *Commissioner Tallmadge* is ok to withdraw this for now with an understanding that staff will continue to look at this item.

*Commissioner Tallmadge* withdrew Item 19.

Item 20 is to change incarceration facilities to be allowed by right instead of a conditional use in Mixed-Use zones.

*Commissioner Smith* noted this should be tackled across all zones, not just in Mixed Use. I know neighborhoods will react strongly to this particular zone change.

*Commissioner Tallmadge* noted this should be evaluated citywide as *Commissioner Smith* mentioned.

*Commissioner Tallmadge* withdrew Item 20 and 21.

There were technical amendments that came up after the August 16 memo. The most substantive one is a refinement of the ground floor window standard. Staff suggested the full group of Proposed Amendments from staff that are generally technical be voted on as a group.

*Commissioner Smith* moved. *Commissioner Bachrach* seconded.

(Y11 – Bachrach, Baugh, Houck, Larsell, Oxman, Rudd, Schultz, Smith, Spevak, St Martin, Tallmadge)

The motion was approved.

*Vote on the Mixed Use Zones Code*

*Commissioner Smith* moved to adopt the Mixed Use Zones Project Proposed Draft as amended by the code and commentary in the August 16 memo, and as further amended today.

*Commissioner Houck* seconded

(Y11 – Bachrach, Baugh, Houck, Larsell, Oxman, Rudd, Schultz, Smith, Spevak, St Martin, Tallmadge)

The motion was approved.

**Campus Institutions Zoning Code amendments**

Tom Armstrong, Eric Engstrom

This is a technical vote to align the Campus Institution codes with the Mixed Use code.

*Commissioner Smith* moved to align the following Campus Institutional Zone development standards with the final Mixed Use Zone standards:

- Ground floor windows in the CI2 Zone.
- Building length and facade articulation in the CI2 Zone.
- Apply changes made in today’s discussion above.

*Commissioner Houck* seconded.

*Commissioner Rudd* recused herself from this vote.

(Y10 – Bachrach, Baugh, Houck, Larsell, Oxman, Schultz, Smith, Spevak, St Martin, Tallmadge)

**Miscellaneous Zoning Amendments: RH Zone FAR**

Tom Armstrong

*Chair Schultz* recused herself from this discussion and vote. *Vice Chair Smith* presided over the conversation.

This is the last outstanding issue in the Miscellaneous Code Amendments that deal with where in the RH zone properties are allowed to have 4:1 FAR as opposed to 2:1 as allowed in the base zones. Kings Hill and the Alphabet District are the two areas staff looked at in terms of where to allow the 4:1 FAR where it would be aligned with the historic districts and contributing factors.

Alphabet District: In the color coding is the existing FAR of buildings. The darker blue buildings are taller, more intensively-developed sites; lighter blue is up to 2:1 FAR. Black dots are parcels that have contributing structures to the historic districts, so they are not likely to be demolished and redeveloped. The arc is 1000 feet from the Providence Park MAX station. Outlined in red are likely to be redeveloped or otherwise under-utilized. We also considered parcel sizes. The north end has smaller parcel sizes, so staff recommends drawing a line at Glisan. North of Glisan is proposed to be 2:1 FAR and south 4:1 FAR in the Alphabet District. FAR can be transferred 2 miles in this area. Through this process, the historic properties south would be able to transfer the difference of the FAR.

In the Mixed Use Code, bonuses can’t be used in historic districts. If we went 2:1 north of Glisan, you currently could have bonuses, but this is an issue we’ll see as part of the IZ proposal.

*Commissioner Spevak* likes the logic of drawing the line here. But this is like an FAR farm here (since such a high proportion of historic properties that can’t use the FAR themselves) where the amount of FAR available for sale to other properties depends on where the line is drawn.

- The line could move a block north to give Portland Public Schools (PPS) more FAR at the Metropolitan Learning Center site. But we haven’t directly engaged with PPS.

Kings Hill: We had agreed to give 2:1 to Irvington in a similar situation. In Kings Hill, it's a bit different with a few more intensive buildings and a few more non-contributing structures inside the district. That said, staff recommends keeping the 4:1 FAR as it is today.

*Commissioner Spevak* moved to approve the Miscellaneous Zoning Amendment package item 3, as amended by the Zoning Code Chapter 120 Map Series: 4:1 FAR memo dated August 17, 2016. *Commissioner Baugh* seconded.

*Commissioner Bachrach* confirmed this is what staff includes in their memo.

Eric noted the sites that had changed from RX to RH in North Portland. Staff would propose to move those to the 4:1 map to make that the most compatible change. This is already in the memo, so we just moved this.

*Commissioner Spevak* would like to include the MLC block as part of the 4:1 FAR area. *Commissioner Bachrach* seconded. If it did get redeveloped, it is sitting on a big piece of land that should be redeveloped at a higher density. If it does continue as-is, PPS can sell the FAR.

BPS has had on-going meetings with PPS throughout the Comprehensive Plan process and has made changes based on these discussions. We would consider CI3 for high schools in the future.

*Commissioner Smith*: This might prompt MLC to redevelop faster.

(Y7 – Bachrach, Houck, Larsell, Smith, Spevak, St Martin, Tallmadge; N3 – Baugh, Oxman, Rudd)

The motion passed.

Adoption of 4:1 south of Glisan and at MLC. North 2:1. Leave Kings Hill at 4:1.

(Y10 – Bachrach, Baugh, Houck, Larsell, Oxman, Rudd, Smith, Spevak, St Martin, Tallmadge)

The motion passed.

### **Final Direction to Staff**

This final vote will ensure that all necessary documents are updated in accordance with the PSC's recommendations and that the PSC's Recommended Plan is aligned with the 2035 Comprehensive Plan.

Eric provided background about the four items in this vote. The Central City Plan is separate from Periodic Review and is a more specific area plan.

*Commissioner Smith*: I move to direct staff to:

1. Update the Task 5 Early Implementation of the 2035 Comprehensive Plan staff reports to reflect our amendments.
2. Incorporate any needed updates to the 2035 Comprehensive Plan to reflect our Task 5 Early Implementation recommendations.
3. Clarify recommended code and commentary language as necessary.
4. Consolidate our recommendation on all the Task 5 Early Implementation projects into one transmittal to City Council. At a minimum, our recommendation package should include:
  - An ordinance and findings;
  - Consolidated Zoning Map amendments;
  - Consolidated Zoning Code amendments and commentary as further legislative intent;
  - A Community Involvement Program;
  - TSP Stage 2; and

- Staff reports that provide context, backgrounds, rationale for decisions, appendices and summaries of the public involvement process.

*Commissioner Houck* seconded.

(Y11 – Bachrach, Baugh, Houck, Larsell, Oxman, Rudd, Schultz, Smith, Spevak, St Martin, Tallmadge)

*Commissioner Bachrach* asked about when this moves to City Council how the PSC gets transmittal information on the record to Council?

- Staff will draft a transmittal letter that will be shared with the PSC officers then to the full Commission within the next month or so. You'll also have the opportunity to decide who from the PSC presents at City Council.

## **Adjourn**

*Chair Schultz* adjourned the meeting at 7:25 p.m.

Submitted by Julie Ocken



Bureau of Planning and Sustainability  
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**Portland Planning and Sustainability Commission**  
**August 9, 2016**  
**4:00 – 8:30 p.m.**  
**The Portland Building: 1120 SW 5th Ave, Room C**  
**Portland, OR 97204**

**AGENDA**

- 4:00 PM**      **Call to Order**  
**Items of Interest from Commissioners**  
**Director's Report**
- 4:05 PM**      **Consent Agenda**  
Consideration of Minutes from July 26, 2016 PSC meeting
- 4:06 PM**      **Task 5: Mixed Use Zones Project**  
Work Session
- 5:30 PM**      **Central City 2035 Plan**  
Hearing
- 8:30 PM**      **Adjourn**

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**Ord. 188177, Vol. 2.4, page 11308**

## Portland Planning and Sustainability Commission

August 9, 2016

4:00 p.m.

### Meeting Minutes

**Commissioners Present:** Jeff Bachrach, Andre' Baugh, Mike Houck, Gary Oxman, Michelle Rudd, Katherine Schultz (by phone; left at 5:45 p.m.), Chris Smith, Eli Spevak, Teresa St Martin

**Commissioners Absent:** Katie Larsell, Maggie Tallmadge

**City Staff Presenting:** Eric Engstrom, Barry Manning, Susan Anderson, Joe Zehnder, Sallie Edmunds

*Vice Chair Smith* called the meeting to order at 4:00 p.m. and gave an overview of the agenda.

City Commissioner Nick Fish is here today and will share some comments.

*Commissioner Fish:* Thank you all for your service, particularly on the Comprehensive Plan. I want to call out and recognize the staff who guided us through the intricacies. Tomorrow at Council we are looking at a resolution that will determine the fate of Terminal 1 North. It's 14 acres of prime industrial land. When we worked on the Comp Plan, we included strong language of the importance of the industrial districts and preserving them, along with values around middle-income jobs in our community. The initial request at T1 is for a warehouse to be temporarily built as a shelter. Later on, the area could be developed for a larger campus that would be a combination of housing and services for homeless individuals. I feel very strongly this is a bad idea. As the Commissioner in charge of BES, I have been tasked with selling the property. As of August 15, we will evaluate the property's interest, and the creative proposals we're seeing. My charge was to sell the property for the benefit of our rate payers. On land like this we have the greatest opportunity to provide middle-income jobs, and I don't want this to be in conflict with our homeless situation. Also, I feel badly that we are already contemplating that goes against the Comp Plan's industrial land policies. It is possible under this resolution that we'd have to go through a Comp Plan Map amendment process, potentially with litigation, if it goes as far as that. I will vigorously oppose the resolution tomorrow. If the PSC does take this topic up in the future, Council will take the PSC's input. I wanted to give you an update, tell you my concerns, and respond to any questions you may have today.

*Vice Chair Smith* noted the PSC struggled between Goal 9 and protecting various types of land across the city. My understanding is that the resolution is in the context of the housing emergency and will be used for 6 months.

- *Commissioner Fish:* Yes, and that 6 months may be extended depending on the extent of the housing crisis.

*Commissioner Houck:* I appreciate that you brought this to us. We know there was an initiative petition and a lawsuit regarding use of rate-payer money. What are the implications for using the site that is owned by BES?

- *Commissioner Fish:* It is my view that where the property has been declared surplus and should be used for the best value, if it needs to be used for another purpose, BES needs to recover at least fair market value. But that dollar figure is in dispute. I will propose that we let an independent broker decide that answer. If we lease it to a purpose other than for utilities, I think we can fall back into the trouble we've had in this case that's in litigation. It's also my understanding that we'd have to find replacement waterfront industrial land to fulfill requirements, which is another difficult question.

*Commissioner Bachrach:* Is there a role tonight for the PSC to weigh in even though we don't have a formal role yet?

- *Commissioner Fish:* I welcome your engagement on all issues on land use and planning that come before Council. I won't presume to tell you if you should weigh in or not.

- *Vice Chair Smith*: The PSC has not yet been briefed on the details, though Commissioners are free to express their individual thoughts to Council. But we don't have the time on today's agenda to get a PSC discussion and recommendation.

*Commissioner Baugh*: The issue of trust and spending rate payers' money is an issue. Tomorrow seems to be challenging this fiduciary responsibility, and I think that is dangerous. The other side is the prime industrial land. We have scars from our WHI deliberations, and this would bring WHI back into play after we intentionally took it off the map for the Comp Plan.

### Documents and Presentations for today's meeting

#### Items of Interest from Commissioners

- *Vice Chair Smith* noted that he joined a memorial ride for a woman who lost her life. This was the 28<sup>th</sup> traffic death in Portland this year; 29 may have happened today. This is a great concern.

#### Director's Report

Susan Anderson

- If the Council resolution is delayed tomorrow, we will be sure to let PSC members know.

#### Consent Agenda

Consideration of Minutes from the July 26, 2016 PSC meeting

*Commissioner Baugh* moved to approve the Consent Agenda. *Commissioner Houck* seconded.

The Consent Agenda was approved with an aye vote.

(Y9 – Bachrach, Baugh, Houck, Oxman, Rudd, Schultz, Smith, Spevak, St Martin)

#### Task 5: Mixed Use Zones Project

Work Session: Eric Engstrom, Barry Manning

#### Disclosures from PSC members

- *Commissioner Spevak*: I own one commercial property in Cully.
- *Commissioner St Martin*: I own a commercial property in Mississippi.

#### Presentation

Eric provided an overview of today's session. Staff provided the PSC with a memo as well as a matrix and an atlas to work through today's discussion. The basic categories for discussion today are base zones; understanding on centers overlay boundaries; other overlays; and a minor errata you have in a separate memo.

There are a number of items on the matrix we've noted as consent items. As we go through the items, we will focus on the non-consent items but will ask if other items should be pulled from consent. Consent items are also things that the PSC had already discussed.

Group F are CM1 non-conforming use sites. They are zoned residential or neighborhood commercial and are properties where we are proposing the new CR Zone, the low-intensity zone instead of CM1. This zone has a FAR maximum of 1:1 and height of 30 feet, which is similar to the R5 zone that's nearby. We'll see the code language for the CR zone later this week and will vote on that at the August 23 meeting.

PSC members confirmed staff's recommendation.

The full list of CE properties that PSC members discussed at the last meeting are listed. Map 6.1.B.

PSC members confirmed staff's recommendation.

This next group we can't make the change as requested in testimony because that would put us out of alignment with the Comp Plan. These could be discussed later, but we want to be in alignment with the new Comp Plan.

PSC members confirmed staff's recommendation.

## 1. Base Zone Map Change Requests

### *Group A: CM1 Low-Rise area zoning requests*

In previous conversations, the PSC had commented on retaining CM1 and where they would revert back to CM2.

Areas of NE Alberta, Roseway, Parkrose, Kerns, Hawthorne, Foster, Woodstock, Montavilla were areas PSC suggested moving back to CM2.

Potential low-rise areas with CM1 were on SE Division, Sellwood, Moreland, Multnomah Village. A fifth one on Belmont will be reviewed.

Moreland: Testimony was in support of the CM1 application. But we hadn't discussed the location of this property, which is within a half-mile of the Orange Line. Staff has reconsidered its position and is now proposing CM2 here.

PSC members confirmed CM2.

Sellwood: Testimony was mostly about the node at Tacoma and 13<sup>th</sup>. If we zoned this CM2, a question would be about other properties in this blocked being zoned similarly. Further up the street is a 4-story building being developed. Staff is proposing that we take the full node from south of Tacoma up to Nehalem and make that CM2.

*Commissioner Spevak* suggested that the CM2 zone be brought down to the full block to end at Tenino.

PSC members confirmed *Commissioner Spevak's* amendment.

Belmont between 33<sup>rd</sup> and 35<sup>th</sup>: Staff originally proposed CM1 in this small area. PSC members recommended CM2. There was neighborhood concern about the CM2, particularly due to the potential for demolition and building larger. Sunnyside suggested CM1 here. CM1 is slightly smaller scale. Staff is recommending retaining CM1 instead of going to CM2.

*Commissioner Spevak* noted this is a fantastic location, and I'd like to see this CM2. To create an artificial dip where we have lots of amenities doesn't make sense to me. *Commissioner Bachrach* concurred.

*Commissioner Baugh* would like to see CM1. This is what we heard from the community when we gave them more time. *Vice Chair Smith* is inclined to go for CM1 here too.

*Commissioner Houck* noted you could go either way.

PSC members confirmed CM1.

The properties on Division St were suggested as CM1 by the PSC in their original discussion. At this point, staff's understanding is that PSC wants CM1 here, so we just wanted to confirm.

*Vice Chair Smith* noted we were most ambivalent here. Do we know anything about the state of the BRT project?

- It has moved to Division, with a stop at 34<sup>th</sup> and Chavez. This would be at the edge of the station area.

*Commissioner Baugh* is inclined to go with CM1. *Commissioner Spevak* noted the transit opportunities here and supports CM2. *Vice Chair Smith* leans towards CM2. *Commissioner Bachrach* also sided with the CM2 here.

PSC members confirmed CM2.

Multnomah Village: Staff recommends CM1, and the PSC noted this initially as well. This is the inner circle area of Multnomah Village; we'll discuss the larger area later.

PSC members confirmed CM1 with nods.

*Group B: CM2 zoning requests for groups or properties*

PSC members confirmed the Alberta and Williams areas by consent.

NE 30<sup>th</sup> and Killingsworth: Testimony supported lower CM1 at this neighborhood node. In looking at this further, staff feels that CM2 could be appropriate here.

PSC members confirmed CM2.

NE 33<sup>rd</sup> and Killingsworth: Currently zoned CN2. It's probably better to be CM2, similar to the node just down the street.

PSC members confirmed CM2.

NE Fremont and 47<sup>th</sup>: We had initial requests to change from CM2 to CM1 from property owners. Others wanted to see this stay CM1. Staff thinks CM1 is the right zone given concerns from the community and low level of transit service in the area.

*Commissioner Rudd*: Are the 3- and 4-story buildings here going to be non-conforming?

- Those taller buildings are to the west of this area. A 3-story would be conforming in CM1.

PSC members confirmed retaining CM1.

Items 5-7 are proposed to be CM1. Transitioning to R1 to a commercial zone. There was a community member who suggested CM2 on these locations. Staff suggests retaining CM1.

Items 8-9: Staff suggests retaining CE so we can do a more in-depth study to determine what the zoning pattern should be.

Items 10: Staff suggests CM1 since CM2 is not allowed here.

*Commissioner Spevak* asked about transit potential on Powell.

- If enhanced transit comes here, we could do a follow-up legislative project to circle back. Also, all properties here can apply for a zoning change through a quasi-judicial review.

PSC members confirmed consent Group B items 5-10.

*Group C: Other CM2 zoning requests on specific properties*  
PSC members confirmed the noted consent items in group C.

Item 2 is a request for CM2 zone. Staff initially suggested CM1, but we found it was close to the intersection of two transit lines. Campus Institution zoning is applied to the Concordia Campus, with height up to 75 feet. So staff now suggests CM2.

*Commissioner St Martin* asked about the areas not highlighted in the Campus Institution zoning.

- Those are presumably residential properties.

PSC members confirmed CM2 with nods.

Item 10: N Lombard St. Staff proposes going to CM2 here because a lower-intensity zone would not be appropriate based on the surrounding zoning. This is commercial in the Comp Plan.

*Vice Chair Smith* asked why we wouldn't extend CM2 to the corner.

- Our view was if there were viable residential properties in the area, which there are here, we decided to leave them.

PSC members confirmed CM2 with nods.

Item 11: We are reviewing CM3 that's in the historic Alphabet District. In this case, we are agreeing that CM2 is a reasonable compromise here. We'd leave CM3 outside the historic district. This would give a step-down to transition down to the historic district.

PSC members confirmed CM3 with nods.

Item 12 is suggested to be CM1. Staff suggests retaining CM1 here. It's currently a vacant site. Traffic volume and capacity is an issue if we were to up the zoning allowance. This is a policy "chicken and egg" question in terms of potential transit improvements here. If you make the change now, you're putting the burden on the City to do this here.

*Commissioner Spevak* wants CM2 here. *Commissioner Bachrach* noted you'd want the higher level of development here, and I'd err on the side of zoning it as such to CM2.

*Commissioner Baugh* noted in the TSP we have a project to fix this, but transportation hasn't been good about getting developers to fix all the potential problems they bring. I would rather let the transportation go first in this case then circle back; I'm more inclined for CM1 here for now.

PSC members confirmed CM2.

Item 13: Staff believes CE is the right zone here. A CM2 spot zone would seem out of place, but we could revisit this in the future.

PSC members confirmed CE.

Item 14: SW Capitol request to CM2. Staff suggests CM1 as it is on the periphery of Multnomah Village. This is a mid-century commercial building currently.

PSC members confirmed CM1.

Item 15: SE 13<sup>th</sup> Ave. The Comp Plan has a split designation here, and we can't rezone it at this time. We can put it on the list for subsequent action, but we don't want to reopen the Comp Plan now.

PSC members confirmed keeping the split designation to comply with the new Comp Plan.

Item 16: Request to go from R1 to CM2. Staff suggested CM1. It is surrounded by residential but near CM2 on Lombard.

PSC members confirmed CM1.

*Group D: CM3 zoning requests*

CM3 is the most intense mixed-use zone.

PSC members confirmed staff's recommendations for items 3, 4 and 6 to conform to the new Comp Plan.

Item 1: CM3 is supportable in this area, and staff supports it. Staff suggested you could go broader but keep the CM2 on the west edge.

*Commissioner Spevak* noted that with larger chunks of land you can push density to the middle and have step-backs to the edges.

PSC members confirmed the broader area of CM3 in this location.

Item 2, MLK from Wygant to Ainsworth: Staff looked closely here and recommends CM3 at the larger node but CM2 to the north and south. The intersection has good potential and is a good candidate for CM3.

PSC members confirmed CM3 at the large node.

Items 8-9: *Commissioner Spevak* asked why this isn't suggested to be CM3.

- Staff noted the uncertainty of the BRT and that they will review this later once the alignment of the BRT is more solidified.

PSC members confirmed staff's recommendation for the remaining items in Group D.

*Group E: CM1 zoning requests*

These are CM1 requests that were zoned something else that have been requested to go to CM1.

Item 1 is for a large request on NW Thurman with a request to go to CM1. Originally CS and CN as part of the Northwest Plan. The district plan called for a variegated plan along Thurman.

PSC members confirmed CM1.

Item 2 is the "wider" circle in Multnomah Village. Staff applied CM1 to the most historically-sensitive locations here. But this area has larger lots and more opportunity sites with a Neighborhood Center designation.

PSC members confirmed staff's recommendations for the remaining items in Group E (no changes).

*Group F: CM1 nonconforming use sites and other special situations*

Items 27 (15<sup>th</sup> and Clinton) and 28 staff does not suggest a change to CR.

## 2. Centers Main Street Overlay Zone Changes

*Cully Neighborhood Center*

PSC members confirmed staff's recommendation.

### *Roseway Neighborhood Center*

PSC members confirmed staff's recommendation to exempt the fuel stations and drive-throughs here.

### *Midway Town Center*

This is a Town Center. *Vice Chair Smith* suggested we could push redevelopment more quickly here.

Staff wasn't sure about that opportunity.

PSC members confirmed staff's recommendation.

### *West Portland Town Center*

Staff is proposing to exempt the residential area.

PSC members confirmed staff's recommendation.

Proposal to add the area around Lombard and Interstate to the Main Street Overlay to conform to the North Interstate Plan Area.

PSC members confirmed staff's recommendation.

The Interstate and Killingsworth node is in response to testimony about Interstate needing more required commercial in this area. These are within neighborhood centers and are consistent with the intent of the Interstate Plan. This is applied to the park site, but we could exempt that.

PSC members confirmed staff's recommendation.

## 3. Other Overlay Zone Amendments

Design overlay: Because of underlying base zones, we've orphaned some design zones. Staff is asking for the PSC's approval to use their discretion in cleaning these up before bringing the map to the PSC at its next meeting.

PSC members gave staff discretion for these clean-ups.

The errata memo is about the Composite Map last week. Council changed the zoning back to R1 on this site.

PSC members gave staff discretion to change to conform to Council zoning.

Staff will produce the final map for PSC's review on August 23 for the votes. We will also be transmitting the next iteration of the MUZ code document in response to the previous work sessions.

## Central City 2035 Plan

Hearing

### Disclosures from PSC members

- *Vice Chair Smith* owns a property in the Pearl district. There is no proposed zoning change at this location.

### Testimony

Meryl Redisch, Urban Forestry Commission: The UFC appreciates the presentations from staff and their responsiveness to our comments. The City must commit to revise Title 11 with financial. Tree preservation and tree density standards are needed as are other revisions to the tree code. *see written testimony.*

1. Rob Fallow, Jefferson Holdings LLC: The proposed buildings heights are due to the view corridor from the Vista Bridge. We are asking for a compromise so we have one height of 75 feet here instead of three different maximum height allowances as currently proposed. *see written testimony.*

2. Peter Stark, CEID: Worked on the SE Quadrant Plan SAC. The CEID is asking that approximately 12 projects should also review the impact on the area due to the increased freight in the district. Particularly TSP items 20176, 7<sup>th</sup> to Division, and providing bike and pedestrian improvement facilities on SE 3<sup>rd</sup>. Segregate bike/pedestrian from freight use. *see written testimony.*
3. Peter Fry: I have submitted comments from the CEIC and another asking to keep the record open for an additional 7 days. We'd like to have another hearing after staff comes back with code updates. *see written testimony.*
4. Mike Bollinger, CEIC: I own a commercial property, a half block, which is currently a parking lot. We're planning to develop here. I'm against proposed restrictions on height in the historic district. Review the existing building codes, allow them to stay as they are, and don't reduce them.
5. Gerald Fittipaldi: Regarding the TSP, I'm happy to see some of the updates, particularly about SE 11<sup>th</sup> and 12<sup>th</sup>. For the past year, I have commuted from Alberta to PSU and currently take the Steel Bridge. I bike along the waterfront because there are no good north-south routes for bikes during rush hour, but it's crowded with bikes and pedestrians on the waterfront. The Park Blocks could become akin to Waterfront Park. I'd like to see a major city bikeway couplet on 6<sup>th</sup> and Broadway. *see written testimony.*
6. Mary Coolidge, Audubon: Incorporating bird-safe items are a good addition in the CC2035 Plan. We would like to see more bird-friendly items and would like to see the external lighting design be applied for a broader area. *see written testimony.*
7. Tom Liptan, Live Center: Thank you to the Commission and staff. I support the implementation of a new ecoroof code. *see written testimony.*

*Commissioner Bachrach* asked about benefits of ecoroofs.

They provide extended durability of the membrane under the roof itself. Stormwater management tool. Provides insulation of the building, habitat. Helps reduce costs.

8. Brent Linden, Portland Forward: Interested in increasing family buildings in the downtown corridor. There isn't much in the downtown core with enough bedrooms and affordable units. Portland Forward appreciates the balanced goals and policies of the CC2035 Plan with family-friendly housing goals. But with the zoning amendments, it seems implementation is not in support of affordable housing goals. Downtown should be diverse. Affordable family-sized units should be included.
9. Audrey Gnich, Portland Forward: Shared some statistics about other comparable cities and families with children living in the city core. Vancouver BC has lots of promising family-oriented strategies to promote family housing within the downtown core. Portland could look to integrate the same concepts.
10. Jason Bader, Bader Family LLC: Owns property in the middle of the proposed height restriction to protect the Salmon Street fountain view of Mt Hood. We must continue urban development in our urban core. We'd like some more time to study any financial impacts to property owners.

11. Deanna Mueller-Crispin: The West End supports livability including the FAR bonus for historic preservation. Parks and community centers are needed in the West End. Reduce height in the West End to 100 feet to protect view corridors and create a step down to downtown. *see written testimony.*
12. Michael Harrison, OHSU: The Green Loop concept could help improve health and safety for OHSU employees and visitors. We are building lots in SoWa. We'll be meeting with staff to share and refine our master plans in the coming months. We are interested in the proposed view corridors and connections proposed for SoWa. *see written testimony.*
13. Suzanne Lennard: Advocate to retain RX and lower FAR in the West End. We need to promote contextually-fitting infill on vacant lots. Preserve the West End's architectural history. Decrease FAR to 7:1 and height to 100 feet in the West End. *see written testimony.*
14. Mary Vogel: West End resident. Commented on Janet Sadik-Kahn's revolution of streets in NYC. Streets are the largest part of our public realm and should be designed for everyone, not just cars. The CC2035 Plan has nice goals. But for the West End, our streets will remain raceways unless we improve some of the policies and action items in the Plan. Make Jefferson and Columbia streets safe for pedestrians. *see written testimony.*
15. Augustin Enriquez V: Assisting properties at the Mint at Riverplace. We are interested in redeveloping here but need to ask to raise height limits to 250 feet for the full site; it's currently a split zone. Raising the height limit would promote slender buildings and open space. We could take advantage of the recently-improved transportation availability. *see written testimony.*
16. Mary Roberts: Commented on 12<sup>th</sup> Ave in the SE employment area and existing R1 to the east (Buckman). There are currently 18 historic properties here. All provide compact living arrangements and historical integrity. The proposed FAR and height would allow greater than 50-foot height, which would degrade the existing property values and would allow non-compatible construction.
17. Michael Beglan: Also spoke about the houses between Ankeny and Ash on 12<sup>th</sup> and confirmed and provided background about Mary Roberts' testimony. I'm concerned that the historical structures will disappear with more height allowances. We don't need to lose the past to enable the future.
18. Burton Francis, Oregonians for Ethical Government: Concerned about ethics regulations and disclosures of conflicts of interest from the West Quad SAC members. This is official misconduct. We urge the PSC to address these considerations. *see written testimony.*
19. Jeff Lang: Business owner. Havs relocated three times along the greenway trail. Worked on the Esplanade and expanding the greenway. Include vegetation restrictions. Continue a comfortable downtown and stair-step down from the river. *see written testimony.*
20. Scott Gilbert: Concerned about requests for higher buildings in the southwest.
21. Lisa Abuaf, PDC: Thank you to staff for their work and being part of the process. PDC's general recommendation is that we need to consider financial and regulatory policies as a City on development, affordability and density goals. Request to work more specifically on projects that have been tasked to PDC. Set-back language (e.g. with USPS site and Centennial Mills). FAR and height maps for ODOT and USPS sites including the view corridor from Salmon Springs. *see written testimony.*

*Commissioner Bachrach* asked about cumulative financial impacts.

It's important for us to work across bureaus. We're asking that we look in aggregate, not with specific locations.

*Commissioner Houck* asked about economic values of parks and open spaces to be included.

Yes it is, as is FAR transfer and parking.

22. Mary Kay Brennan: Opposed proposed height increases for buildings on SW 1<sup>st</sup> Ave. Increased density and traffic would be a burden and dangerous for our neighborhood.
23. Liz Cooksey: Concerned about increased height limits and impacts on view corridors in and from Goose Hollow. Reject the proposed changes on SW Jefferson. *see written testimony.*
24. Elizabeth Perris: Goose Hollow resident. Concerned about the drive for density and that it will change the personality and character over my residential neighborhood. We are a neighborhood without a park aside from Lincoln HS. Concerned that the plan doesn't preserve certain historic properties, and with increased heights, we'll see places redeveloped with taller buildings.
25. Peggy Moretti, Restore Oregon: Need to view this plan in the context that Portland's historic buildings are in danger more so today than before. We applaud the overall plan's emphasis of historic preservation and acknowledgments of historic buildings. You can't create compatible infill development when it's so much taller than the surrounding buildings. Retain the transfer of FAR from historic buildings as in the plan; make sure this is workable with market demand. *see written testimony.*
26. Barry Menashe: Impact of the Salmon Springs viewpoint on our Central Eastside property. The viewpoint height decrease will limit our development potential and decrease value. Building heights are unlimited in the CES, but our buildings will lose that potential due to the height cap. The original draft didn't have this height limit on our property, and I'm curious about why the updated draft includes this restriction. *see written testimony.*
27. Dean Alterman for George & Beverly Nase: The Nase family owns block 250. It currently has split height zoning of both 65 and 45 feet. The plan's proposal is to impose 45 for the full building, which would make part of the already-built building non-conforming. 65 feet would be appropriate for the full block because 85 feet is proposed for the block west. *see written testimony.*
28. George Nase: Request to have EXG for both the properties 11<sup>th</sup> and 12<sup>th</sup> and Main and Madison block as well as the half-block west.
29. Bob Bowden: SE 11<sup>th</sup> and 12<sup>th</sup>. Confirmed Dean Alterman's comments. *see written testimony.*
30. Jaqueline Peterson-Loomis, Architectural Heritage Center: I'm not hearing anything about equity or diversity. Members of the Chinese and Japanese communities have asked for equity in this historic district downtown. Keep the height reductions. But there is much more to do.
31. Kal Toth: Concerned about people who participated on the West Quad SAC without disclosing their financial benefits. The current CC2035 continues to contain biased recommendations.

32. Michael Mehaffy, Sustasis Foundation: Sustainable and equitable urban design issues. We all recognize the Portland is going through changes including gentrification and displacement, housing affordability. We are not making good enough and transparent enough decisions about how to work on these issues. To comply with the law and to restore public confidence, the building height issues should be pulled and reviewed.

*Vice Chair Smith* asked about the issue of disclosures. I am questioning the cure for this problem. I believe “sunshine is the best disinfectant” here.

Are there specific relationships about recommendations that involve potential conflicts of interests and what’s been translated into the plan? And there are other issues and still questions about how we conform as a City to state laws.

33. Julie Leuyrey, OPID: Owns two University sub-district properties. Would like to increase 6:1 FAR at SW 1<sup>st</sup> and Lincoln with a base height of 100 feet to be more consistent with the rest of the area. Half block on SW 4<sup>th</sup> Ave requesting increased FAR to 9:1. *see written testimony.*
34. Greg Goodman: Offered 11 proposed amendments to the plan. *see written testimony.*
35. Jon Bennett: Salmon Spring View Corridor through the CEID. Owns quarter-block property at Grand and Salmon. Property currently doesn’t have height or use restrictions. The effect of the view corridor will reduce height from 100 to 40 feet for us and our neighbors. A marginal view at best is gained. The full potential of our investment and value of improved transportation will be lost. Don’t prohibit building heights due to the potential view corridor.
36. Cliff Weber: Don’t build mediocre buildings that are high and block view corridors. Vista Bridge is under threat. Jefferson as a view corridor must be retained.
37. John Ostrander, Human Access Project: Promotes access to the river and boating. Applaud the plan and its recognition of swimming in the Willamette. We need specifics for making the Willamette more welcoming. Look north to Clark County where they have guidance for where and how people can swim in the river, and we’d like similar swim guidelines here. *see written testimony.*
38. James Ostrander, Human Access Project: Grew up swimming in the river and see it as a place for recreation. It’s important to have safety regulations and rules to support continued swimming use. *see written testimony.*
39. Leah Middlebrook, Human Access Project: Supports the Ostranders’ comments. I swim in the river more than three times a week. The issue of swim guidelines is of some urgency. In addition to Portlanders who are using the river, tourists do too. People don’t necessarily know about barges coming through. Another issue is swim buoys and float lines to cut down on wake and make the river safer.
40. Tom Vandel, Human Access Project: It’s not just access into the water; it’s access to be near and see the water. People love to walk along the river. We know the value of greenspace. No one really talks about the value of blue space. It is soothing and access to it is important.
41. Mike Lindberg, Human Access Project: Beaches and designated swimming areas; docks and new docks; habitat and preservation. I favor 75-foot set-backs. Parks and PBOT should take ownership of these issues.

*Commissioner Houck* acknowledged Mike Lindberg’s leadership in Portland. Back in 1984 at the Columbia will laminate futures forum Barbara Walker and I had Mike pinned against the wall asking him to become Commissioner of Parks which he eventually agreed to do. I want to thank

him particularly for being true to the 1903 Olmsted plan by recognizing the importance of natural areas as part of Portland's Park system.

42. Brad Malsin: Agrees with testimony about the Central Eastside. We need to have the space to build and grow, particularly in the CES. I want to be sure we pay attention to the window we have today in Portland. If we can't create places for people to live and work, we'll close the window very quickly. A lot of this is about jobs and our future.

43. Dan Yates, Portland Spirit: Concerned that the draft will mean Portland will miss an opportunity to have the Willamette River meet its full capacity. Water transit needs to be included with a terminal. *see written testimony.*

*Vice Chair Smith:* Can the Springwater Corridor be threaded through the terminal if we help you get there?

There are federal restrictions against this. Homeland Security can increase requirements at any time. So I don't know how we can do this. With the City removing it from the CC2035 Plan, they are obviously not willing to talk about it. Goal 15 says there will be no set-back on properties that are river-related or river-dependent.

44. Jeanne Galick: A 50-foot greenspace set-back is a start, but it needs to be 100 feet to maintain riparian health. *see written testimony.*

45. Roger Leachman: Preserve view corridors are features that icons of Portland. The lack of West Quad Plan disclosures is still of concern.

46. Emma Pelett: The Salmon Springs view corridor was not revealed to stakeholders until June of this year. The last-minute change deprives landowners of equity. The February draft suggested this view corridor would not be protected. A full analysis of the view corridor needs to be done, but until then, the view corridor should be removed from the plan. *see written testimony.*

47. Al Solheim: 13<sup>th</sup> Ave Historic District advocate. Protect these buildings. the proposed code amendments have the potential to alter the economic viability of the buildings and the district. We need to recognize cumulative impacts. 75 feet is too much. Support the density transfer. Retain the 45-foot height bonus. *see written testimony.*

48. Christe White: FAR transfer rules for historic districts. There is a positive development in this code to contributing resources. Under the expansion, you can transfer unused FAR, which is important to preserve and retain as well as raise revenue to help with the seismic upgrades. Our suggestion is that this is great, but it needs to be fine-tuned.

49. Tim Eddy: Support bonuses for historic districts. But height shouldn't be reduced from 100 to 75 feet in the northern section of the 13<sup>th</sup> Ave Historic District. This is a special case because a majority of the buildings are contributing resources that should all be preserved. Bonus provisions should be discussed. A framework for applicants to propose modest increases in height should be reviewed.

*Commissioner Bachrach* asked about if the priority issue and that 13<sup>th</sup> is not on the same with the other historic districts.

Correct. That is our only concern. We should equalize with Japantown/Chinatown.

*Commissioner Baugh* commented on eliminating the transfer after 3:1 FAR.

We're more concerned about the transfer rules in the first 2:1.

50. So Hin Wong: Owns half block at 1302 MLK adjacent to the Hawthorne bridgehead. Consider the height restriction from the west side of the river. I currently can build to 200 feet, but the proposal would reduce this to 40 feet. The CES is changing, freight is moving out for more, higher and denser uses.
51. David Dysert: NW 13<sup>th</sup> Historic District. Portland's lackluster economy and benevolent local developers have gotten us to where we are. Now we're getting generic market-based development. But I want you to aim higher and think creatively. The North Pearl is very different from the South. It has a diverse building stock, which impacts who and what use that. Limit parcel size to maintain some fine-grained granularity.
52. Bob Sallinger, Audubon: Expand the greenway set-back. We need to get rid of the grandfathering clause. We need incentives and regulations. Support the ecoroofs requirement. Oppose commercialization in open space such as Waterfront Park. I also echo Commissioner Fish' comments about Terminal 1. *see written testimony.*
53. Dean Gisvold, Irvington Community Association: 9 blocks in the Irvington Historical District are currently CX and RH, which isn't compatible with the historic district. Change this to CM2. *See written testimony.*
54. Jean Pierre Vellet: Oppose height restrictions for Salmon Springs View Corridor. Height alone does not solve the problem. If you lower the heights, you start to create canyons. *see written testimony.*
55. Stan Herman: Owns 1300 N River St property. Save and restore this building. Would like this to be CX. The project we have proposed meets and exceeds priorities for parks and recreation as well as job skill development. *see written testimony.*
56. Gary Rehnberg, East Side Plating: Disagrees with height restrictions on the Salmon Springs View Corridor. This would cause a huge reduction in our property value, and job creation will be inversely affected.
57. Michael Ellena, Portland Japanese Garden: Request the view to the Willamette, a key design component of the gardens, be protected and expanded in the scenic resources inventory. Portland is known for the best Japanese garden in the country. This is an island of refuge with power to inspire and heal. *see written testimony.*
58. Darin Houn, Mad Ave LLC: Our building at 1120 SE Madison is zoned IG1 with no maximum height right now. This would go down to a 45 feet maximum, which is in conflict of the overall goals of the plan. Limit would reduce potential for housing and increased commerce opportunities. *see written testimony.*
59. Patricia Gardner, Pearl District NA: West Quad SAC member. The historic bonus is terrific. The decision to prioritize Skidmore/OT and Chinatown/Japantown doesn't work. It was not part of the West Quad discussions. We want to save as many historic properties as possible. We pushed to eliminate bonuses on historic districts, which we're happy to see. I believe that after 3:1 you should still have to buy additional FAR. *see written testimony.*
60. Dave Moore, Alt Source: SE software company. The company is currently housed in 4 different buildings in the inner Division area. We purchased 1120 SE Madison with intention to make this our headquarters. That will allow us to be 38,000 square feet. We can't get to 120,000 with the

proposed 45-foot height restriction. We'd like to stay in the CES, but with can't with the height restriction. *see written testimony.*

61. Tim Karoli, Alt Source: Unique about our location is that I can both live and work in my community. I am close to my kids' school. This is important. I also see the growth of our organization, and it's exciting to be a part of it. We are trying to make sure we can continue to grow and stay in our community.
62. Adam Oakley, Alt Source: A key thing for us is being able to recruit into technology and software with our company is our location in the CES. It's become more and more difficult to find one space for our company's growing number of employees. As we plan for years out, this will become more of an issue if we can't grow up due to height restrictions.
63. Jerry Ward: Greenway set-backs are being disregarded. Doesn't respect regulations of prior planning, particularly with height increases. Some upzoning will harm our neighborhoods in and adjacent to the Central City. Many are not needed to meet projected growth.
64. Henry Mead Kaiser: Interested in the blue of the river and the green that surrounds it and how various interest groups will use these areas. Wouldn't it be easier if there were one overarching group that represents these groups? That brought me to the attention of the Portland Waterfront Alliance. So my comment is a placeholder for them.
65. Ed McNamara: Spoke to family housing and complete neighborhoods. I see this in the Comp Plan but the CC2035 Plan doesn't have enough strong policies included. We need incentives for family housing like what we have in the North Pearl Plan. And in those buildings that get this bonus, they should get to exempt community spaces within their buildings. The City needs to help schools find ways to locate in the Central City. We should take action to allow streets for various parts of the day for activities. *see written testimony.*

*Commissioner Bachrach* asked about Ed McNamara's thoughts on an ecoroofs requirement.

Durability of the roofing is important, but it's an expensive up-front cost. There is definitely benefit, but that is a private benefit to the developer. In terms of stormwater development, that is a benefit, but there are other options as well that are much less costly.

66. Kristen Dozono, Portland Japanese Garden: Supports the requests to preserve the views from in front of the pavilion in the gardens. This is like the living room of Portland. It's one of the most photographed views in the city.
67. Ian Stude, PDX Bicycle Advisory Committee: Supports overall objectives, particularly the Green Loop and street classifications. Support inclusion of parking maximums that align with the SOV mode-splits in the plan. *see written testimony.*
68. Damien Hall on behalf of Joe Angel: Property at 430 NE Lloyd Blvd. Height reduction here does not result in preservation of the view here but it doesn't have a significant economic cost. *see written testimony.*
69. Mary Ann Schwab: Concerned about kids and schools. We need schools in the Central City. We need opportunities to get kids down to Oaks Park with better transportation.

**Written testimony received July 27 – August 9**

*Vice Chair Smith* closed oral testimony at 8:48 p.m.

## Discussion

Written testimony will remain open until 5 p.m. on Thursday, August 11.

*PSC members shared their overall thoughts about testimony received for the Central City 2035 Plan.*

*Commissioner Bachrach* is concerned about people asking for another round of public input and that we're not addressing that. What I saw in the MUZ process was that we got new information from staff after testimony, so they weren't given an opportunity to respond, which I think may happen even more so with this plan. I would like to give the public the opportunity about things we've changed only.

- *Susan*: We've discussed this option many times for different plans. The information the PSC uses to make its recommendations comes from all these sessions and hearings and staff input. For almost every project we could make a case that we should give people one more time to comment. Council's advice to the PSC is to not do this; they've asked for the PSC to give us the best guidance and advice and they'll take it from there. In the past, in your work sessions, you have invited people to provide more information... not as testimony but to provide more specifics and details.

*Commissioner Baugh* noted we can't limit what people's testimony is. So if we open testimony again, we have to allow anyone who wants to speak to testify. Groups who can provide information about specific questions the PSC has are helpful. They are not advocacy groups, but they are able to provide details to help us make more informed decisions. I would support this but not opening testimony again.

*Commissioner Rudd* noted that the PSC letter to Council is also a good way to flag points for Council to consider during their deliberations.

*Commissioner Smith* noted that PSC members can seek out other advice to help them inform their recommendations.

*Commissioner Baugh*: I would like a better understanding of the conflict of interest issue, only if there is a legal issue there. The FAR 3:1 bonus in connection to IZ is a question for me. The Chinatown view corridor issue as well.

*Commissioner Oxman*: Affordable housing for families in the Central City. West End building heights and access to nature. In terms of view corridors, I want to know specifically what we're protecting, what we have, and the public/private obligation to protect this resource.

*Commissioner St Martin*: How we selected the view corridors we are proposing to maintain. River terminal idea and activating the river this way.

*Commissioner Rudd*: When we assess properties to pay for the streetcar, what assumptions do we make about development? Is this consistent with height reductions? If PDC and BPS work for proposals that are different from what we have now, I'd like to see a framework for properties that PDC doesn't have an interest in to make sure we're being equitable. Regarding the scenic resource protection and height, is this consistent with employment projections in the Comp Plan? For the greenway development set-back, if we go to 50 or 75 now, does this change the baseline for our future work with FEMA and floodplain regulations? We're looking at providing the opportunity for childcare, but what about adult care as well?

*Commissioner Spevak*: River restoration and swimming access. Family housing issue, which might fit in the implementation work in Section 5. FAR interplay with the IZ process.

*Commissioner Houck*: If we need more information about the set-back for the greenway, we have that from staff. I read through most of the written testimony and there were lots of comments about the need to revegetate the bank after plans have been cut. Continuing loss of trees and the grandfathering issue where building can be rebuilt as long as it uses the existing footprint. Building heights and views

are obviously an issue. I really appreciate the testimony that included visuals. That is very helpful for understanding with the impacts are. I also don't think there is a substitute for looking at these issues on the ground, and I'm happy to take some subset of the commission that doesn't constitute a quorum on walking and boating tours. I would like the opportunity to bring in experts on some of these issues that we can ask questions of. Finally, this is complex stuff! I'm hoping we can work with staff to both present some specific amendments and also describe the problem we're trying to solve.

*Commissioner Bachrach:* Concerns we heard about FAR and height and transferring. Perhaps staff can walk us through some of this to help us get our heads around these issues. CES testimony about the proposal not being consistent with the quadrant plans, particularly the SE Quad Plan.

*Vice Chair Smith:* I will propose a number of amendments about transportation classifications. On the views, we'll be walking a very fine line. I would echo comments about the family-friendly bonuses. Safe swimming comments are intriguing. I am struck by the nexus of a first-class river terminal with the Springwater through it. There have been suggestions that parking maximum are not tight enough, so I want to make sure our math is precise. I was sympathetic for Goose Hollow's desire for parks and open space.

## **Adjourn**

*Vice Chair Smith* adjourned the meeting at 9:12 p.m.

Submitted by Julie Ocken



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

**Portland Planning and Sustainability Commission**  
**August 2, 2016**  
**4:00 – 8:00 p.m.**  
**The Portland Building: 1120 SW 5th Ave, Room C**  
**Portland, OR 97204**

**AGENDA**

- 4:00 PM**      **Call to Order**  
**Items of Interest from Commissioners**  
**Director's Report**
- 4:05 PM**      **Campus Institutions Transportation Demand Management**  
**Briefing**
- 4:20 PM**      **Task 5: Composite Zoning Map**  
**Work Session / Recommendation**
- 6:30 PM**      **Task 5: Mixed Use Zones Project**  
**Work Session**
- 8:00 PM**      **Adjourn**

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**Channel 30:**

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**Ord. 188177, Vol. 2.4, page 11325**

## Portland Planning and Sustainability Commission

August 2, 2016

4:00 p.m.

### Meeting Minutes

**Commissioners Present:** Jeff Bachrach, Andre' Baugh (by phone), Mike Houck, Gary Oxman, Michelle Rudd, Katherine Schultz, Chris Smith, Eli Spevak, Teresa St Martin, Maggie Tallmadge

**Commissioners Absent:** Katie Larsell

**City Staff Presenting:** Eric Engstrom, Barry Manning, Susan Anderson, Judith Gray, Grant Morehead, Deborah Stein, Nan Stark, Marty Stockton, Leslie Lum, Joan Frederiksen, Zef Wagner

*Chair Schultz* called the meeting to order at 4:01 p.m. and gave an overview of the agenda.

### Documents and Presentations for today's meeting

#### Items of Interest from Commissioners

- *Chair Schultz* appreciated everyone's hard work and extra time over the summer. We will have a celebration for PSC members in the near future.

#### Director's Report

Susan Anderson

- We will have a PSC meeting on August 23, which will begin at 3 p.m. back at our regular commission meeting room.

#### Campus Institutions Transportation Demand Management

Briefing: Judith Gray, Grant Morehead

#### Presentation

Tonight's goal is to get the PSC's support for the proposal for the campus institutions TDM work.

Grant provided background and a refresher about the TDM proposal and how it fits into the larger Campus Institutions project. He walked through the updated code in Chapter 33.852 as well as the transportation impact review triggers and process.

Judith reviewed Title 17, which is where the TDM requirements are. There were a number of issues and themes staff heard about the TDM requirement in their outreach to the public (slide 11). The specific changes and clarifications about the TDM policy in Title 17 are shown in slides 12-13.

Specific to the TDM policy, it's about how we do it. If the PSC is in support, you can add this to the letter you're writing to Council about the overall TDM strategy.

#### Discussion

*Commissioner St Martin* noted testimony from the institutions. Do we now have a good solution for and with them?

- We are not sure that they all will be happy, but with the total package, there are definitely more benefits for them with this iteration.

*Commissioner Smith:* I understand we're not going to do enforcement if you don't meet mode split targets. For the change from a Type 3 to 2 review, that's initially a staff decision. Is there an opportunity for the neighborhood to give input?

- Yes, there is notification for any type of land use review. The geographic area is just a bit smaller for Type 2 reviews.

*Commissioner Spevak:* So we get pointed to 17.106 for institutional zones. But you could get pointed to the same code section for a 20-unit residential permit as well.

- Pre-approved isn't for the Campus Institutions. Some of the Title 33 code requirements that point to this will come before the PSC, but we won't have this finalized yet.

*Commissioner Bachrach:* There is a Phase 2 to go through some of the particulars. Are you looking for us to recommend that today?

- This is a briefing but not anything more for the Mixed Use Zones right now. We won't ask you to respond to the code today but to the continued requirement for the TDM for Campus Institutional Zones.

*Chair Schultz:* We're being asked if we recommend including TDM in Title 33 as a part of each of the code processes to say TDM is required. We're looking at endorsing Title 33 pointing to Title 17, but not the content within Title 17. This is in reaction to public testimony we received earlier.

*Commissioner Bachrach* hasn't seen a comment letter on MUZ. [It hasn't been drafted yet.] Because this is happening piece-meal, I can't support it until I support the full breadth of the regulations, particularly for a 10-unit apartment building. Right now this looks too onerous and ineffective for this smaller-size complex. You mentioned changes to Title 17. Do we have any input from the campus representatives about those changes? I can't opine on a package that isn't completed. I'm less concerned with the campuses than I am with the smaller apartments.

- We're past the public comment period, so they are now discussing at Council this fall. Lewis & Clark and Providence had provided differing opinions quite a while ago.

*Commissioner Smith* understands and respects *Commissioner Bachrach's* comments but noted we're not talking about 10-unit apartments at this point.

*Commissioner Smith:* I move to include our conceptual support for TDM requirements that we'll see in Title 17. Having a requirement is important to the campus institutions program. *Commissioner Houck* seconded.

*Commissioner Baugh:* What is the PSC's purview of TDM?

- We have an opportunity to weigh in, but at this point it's a Council decision.

Thank you, Judith, for your perseverance on this issue. I would encourage staff to come back to the PSC at Stage 2, but we know it's a Council issue at this point.

A majority of PSC members support including TDM in Title 33 as recommended by staff as a part of Campus Institutions Zones.

## **Task 5: Composite Zoning Map**

Work Session / Recommendation: Deborah Stein, Eric Engstrom

### **Presentation**

#### **Disclosures**

- *Commissioner Spevak* owns a commercial and residential property in Cully.
- *Commissioner St Martin* owns residential in Mississippi District.

Eric provided a quick introduction of both work session topics. Today we are discussing the Zoning Map and Mixed Use code. Originally we had wanted to talk solely about the Zoning Map, but we are going to focus on the non-mixed use mapping and mixed use conceptual issues. Mixed use mapping will be discussed next week, and on August 23 we will have the final MUZ and votes by topics and districts (to avoid potential conflicts).

We've tried to bundle decision into groups to help work through the process. The idea is to give you an understanding of the theory of why we acted how we did. Hopefully the whole bundle makes sense and we'll vote on each bundle individual, but we can break out parts if necessary.

Deborah noted that today's objective is for the PSC to provide staff general direction, not formal votes, in response to testimony about the Zoning Map. Your direction today will guide production of a Draft Recommended Zoning Map that you will vote on at your August 23 work session, following inclusion of your mapping direction on Mixed Use Zones next week.

The worksheet includes three color-coded recommendations:

- **Apply zone as requested** = Staff concurs with testimony and recommends a new zone, as noted.
- **Affirm May 2016 Proposal** = Staff recommends that you stick with the zone included in the May 2016 Proposed Composite Zoning Map, as noted.
- **Retain existing zoning** = Staff recommends that you retain the zoning that applies today. (These are situations in which there was no change proposed in May 2016.)

In the worksheet, there are checkmarks for items that we heard no testimony in opposition or where we propose this as a consent item because you can't change it based on Council already-made decisions.

*Commissioner Houck* noted that it would be helpful to hear if there was strong disagreement or conflicting testimony about each group or individual properties.

#### **Group A: Testimony requesting changes from Residential to Mixed Use Zones**

Group A 1A we considered both as consent and retaining R1. Mixed use would be inconsistent here. **Confirmed by PSC nods.**

Group A 2A could all be approved. **Confirmed by PSC nods.**

Group A 2B (slide 8) has an error as shown. The property outlined is actually vacant but the property owner has asked to change this. Council has changed this to Commercial, so we'd be following through on Council's decision. The rationale for upzoning is because this property is vacant where everything else has been developed with houses or apartments. **Confirmed by PSC nods.**

Group A 2B (slide 9) we're treating as vacant property, so we're seeing it as an opportunity size. The owner would like to see mixed use development. It hasn't developed as R1 since there is more mixed use opportunity. **Confirmed by PSC nods.**

Group A 2C on SE Division. Staff proposal is to retain existing residential zone (R1) because the site currently has middle-housing in this amenity-rich location. Staff recommends this for Group A 2D (SE Main) as well.

- *Commissioner Spevak* suggested we should go with the Comp Plan zoning because middle housing would be too low-scale at this location.

Marty noted we should change both properties, not just the ones we received testimony about.

- *Commissioner Spevak* concurred. *Chair Schultz* supports this as well.

*Commissioner Bachrach* noted a concern that we are almost doing spot zoning as we're understanding more about the individual uses at properties.

- When staff started the mapping process, we were quite conservative on recommendations. We think these areas are great in the 25-year time frame for mixed use. This set is distinguished from the previous groupings because they are occupied now and they are in an amenity-rich area.

*Commissioner Smith* asked if staff has done a review of everywhere Council has tweaked the Comp Plan map, or only where testimony has prompted this.

- Staff has reviewed all the changes Council made.

PSC members concurred with *Commissioner Spevak's* amendment to change to mixed-use for both properties.

Group A 2E from R1 to CM1 to recognize the non-conforming use. Staff concurs with testimony.  
Confirmed by PSC nods.

Group A 2F and 2G: Mixed use urban center was applied. It is R5 today, and staff has proposed R1 and R2.5 but not mixed use to match the adjacent residential upzoning proposal but not all the way to the mixed use potential. We only received one piece of testimony that said the upzoning should meet the full mixed use potential.

*Commissioner Spevak* wants to see the development potential to what the Comp Plan calls for (mixed use). I am a proponent of middle housing, but this location could be further developed for more density. R1 isn't really that dense for this location, and these houses could come down; if they are, I'd like to see them rebuilt to CM2. A row-house project would not trigger inclusionary zoning whereas mixed use would.

PSC members concurred with *Commissioner Spevak's* amendment to change to mixed-use for both properties in Group A 2F and 2G.

Group A 2H: These have been Comp Plan commercial since 1980 but R1 use. One property owner requested a change to mixed use. Staff thinks this is a good place for mixed use, but we'd want the full stretch. We haven't talked to property owners yet, so we'd recommend retaining R1 for now.

Confirmed by PSC nods.

Group A 2I: Non-conforming uses along Fremont. Staff recommends to apply CM1 as requested by property owners. Confirmed by PSC nods.

Group A 2J: This is a similar situation as 2I. It is the area near the 60<sup>th</sup> Ave MAX station where we've added new mixed use zoning on the northern portion. We're concurring with testimony about having a more commercial designation here. Some properties are owner-occupied and some are rentals.

Confirmed by PSC nods.

*Commissioner Bachrach* would like to see us be completing blocks with upzoning instead of by single parcels.

- Most of staff's recommendations are for locations that are currently non-conforming, purely to bring them up to the Comp Plan designation.

Group A 2K: These sites are mixed use civic corridor and R2 zoning. Proposing to retain R2 because we think they are ultimately appropriate here on Barbur so we don't prematurely recommend a zone before we do a more comprehensive look at the corridor.

*Commissioner Oxman* asked about timing for the Barbur Corridor work.

- The main barrier right now is the planning process for high-capacity transit as it goes into the DEIS. We need the information about alignment and station areas before we look at rezoning individual properties. We'll come back when we look at the full corridor.

PSC confirmed staff's recommendation.

Group A 2L: Based on Comp Plan change to leave the R2.5. PSC confirmed staff's recommendation.

*Chair Schultz:* Where we are worried about misalignment with the Council approved Comp Plan and that's why staff is recommending we change the zoning on those properties, we can skip discussion on these.

### **Group B: Testimony requesting a change to an Employment, Industrial, or Campus Zone**

Group B 1A-3A: Apply CM3 as request. One in NW and one on NE 21<sup>st</sup>. PSC confirmed staff's recommendation.

Group B 4A-B: University of Portland and Reed College. CI-1 applied but requests to retain today's existing zoning. Recommendation from staff is to apply CI-1. PSC confirmed staff's recommendation.

### **Group C: Residential Zoning Map changes**

Group C 1A: This is one of the zoning review areas where staff has changed its recommendation. Community has asked to not have the zoning change, so staff is proposing to retain R5 here.

*Commissioner Oxman* was reviewing demographic data with the recommendations. Were there different impacts and decisions based on different populations? I think staff has done a very even-handed review of balancing effects on owners and renters and agree with their suggestions.

PSC confirmed staff's recommendation.

Group C 1B: In Richmond, R2.5. Testimony in opposition and in support. Staff proposes to upzone to R2.5 to be consistent with the confirmed Comp Plan designation. PSC confirmed staff's recommendation.

Group C 4B: This is a zoning review area. Testimony in opposition. HAND was well-informed and didn't weigh in as a neighborhood. Staff recommends affirming R1. PSC confirmed staff's recommendation.

Group C 5A: David Douglas School District downzones and parcels to exclude. PSC confirmed staff's recommendation.

Group C 5B: Staff's proposal was to go from R2 to R5. Properties are beyond the ¼-mile MAX station area. The proposal to retain R5.

*Commissioner Spevak* noted some properties here are adjacent to multi-dwelling development. I could see someone wanting to build to R2.5. My instinct is that we'd be listening to people squawking about downzoning. It feel like we should be sympathetic to people wanting to retain their ability to develop.

This goes back to the original discussion about using lack of school facilities as a growth tool. We are retaining Comp Plan designation as R2, so this is like an interim pause for the school capacity to catch up.

*Commissioner Houck* noted that downzoning does happen.

*Commissioner Bachrach* asked if there is a timeline for the DDSD downzoning.

- This isn't built into code, but we hope to have an IGA, so we could build in a time limit in this document so we have action on their part in exchange for our work.

**PSC confirmed staff's recommendation.**

Group C 6A: This was an area we had lots of testimony about. It's in Rose City Park near the 60<sup>th</sup> Ave MAX station. The neighborhood wants to see transportation improvements in a timely manner with any upzoning. The neighborhood would like a delay in implementing any upzoning.

There are some "cut outs" where, since 1980, individual property owners have gone through the quasi-judicial process to rezone. **PSC confirmed staff's recommendation.**

Group C 7A: Properties on SW 45<sup>th</sup>, across from Gabriel Park. Staff recommends R1 as proposed even though there was testimony against this. **PSC confirmed staff's recommendation.**

Group C 7B: SW 58<sup>th</sup>. We heard testimony about the two properties in red... they've had a Comp Plan designation of R2 since 1980, but zoning of R20. Staff recommends staying with R20 zoning because the street infrastructure is underdeveloped and not near a center. Changes through a quasi-judicial process are appropriate here.

*Commissioner Bachrach* noted the rationale being presented now [for the staff recommendation] is transportation issues, but the rationale presented at the public hearing was preservation of viable single family houses.

- The street could get improved, but it could also get a waiver so it wouldn't get improved with redevelopment. A quasi-judicial review would give a more holistic way to review the transportation improvements. Also, these are two properties but there are other properties with this similar designations, and we'd want to review all of them without the benefit of transportation infrastructure analysis.

*Commissioner Bachrach* suggested to upzone and supports the testimony requests.

*Commissioner Baugh*: If an individual property owner develops on their own, do they have to do transportation improvements?

- They may be required to do so, but we also do lots of waivers and there are fee-in-lieu programs. The only way to be sure is to have the land use review.

*Chair Schultz* is more comfortable with being consistent and agrees with staff's recommendation. **PSC confirmed staff's recommendation.**

**Group D: Testimony requesting a change to an Open Space Zone**

These items are all proposed by staff as consent items.

Group D 1A: Glencoe Elementary. Any consideration of school zoning should be deferred to look at comprehensively. **PSC confirmed staff's recommendation.**

Group D 1B: This is the McCormick & Baxter site with a request to change to Open Space. Staff suggests keeping EG2 as a placeholder for now. If they fulfill long-range plans, we can change the zoning at that time. This is the property University of Portland is looking at purchasing, but it's not completed yet. **PSC confirmed staff's recommendation.**

**Group E: Miscellaneous Overlay Requests**

Group E 1A: We have not opened the door to changing e-zones anywhere in this process, so we suggest keeping this as zoned for now. **PSC confirmed staff's recommendation.**

Group E 1B: *Commissioner Oxman* noted it's an intriguing proposal but I support staff's recommendation. This should be a citywide review to be an equitable and effective process.

## **Task 5: Mixed Use Zones Project**

Work Session: Eric Engstrom, Barry Manning

### **Presentation**

#### **Commissioner disclosures of potential conflicts**

- *Commissioner St Martin* owns commercial in Mississippi.
- *Commissioner Spevak* owns commercial in Cully.

#### **Topic 6.2: CE zoning building orientation and development standards.**

You're allowed to have more auto-accommodating uses but there are still building orientation and set-back standards that are applied.

Staff recommendation (no change to the proposed language)

- 6.2.A Retain building orientation standards in CE zones
- 6.2.B Retain proposed alternative setback size threshold of 60,000 square feet.

*Commissioner Baugh* asked about where sites are located in 6.2B.

- It would take a large site to accommodate a retailer of this size. Though you could find sites in the inner ring that could accommodate. The key is the building over 60,000 square feet. If you're redeveloping over this threshold you can use this alternate standard as a different way to set up the site as more urban versus the typical more suburban model.

PSC confirmed staff's recommendation.

#### **Topic 7.1: Operating hours and required commercial uses in CM1.**

##### **Staff Recommendation:**

- Topic 7: Tentatively approve staff recommendations shown in items 7.1 to 7.5.
- Items 7.1.E and 7.1.F: confirm staff approach for Commercial Residential (CR) zone
- Item 7.1.G: confirm staff approach for windows
- Item 7.5.A: confirm staff approach for Agricultural uses
- Review final code prior to August 23, 2016 work session

##### **Item 7.1.A**

*Chair Schultz* supports an Open Space requirement. But what I'm concerned about is the 48 square feet per unit because of the block size in [inner] Portland. Projects I've worked on for half- and quarter-blocks have a really hard time getting to this requirement. I'd amend this down to 36 square feet per unit. Step-downs or step-backs can help with the open space requirement, but not all that area will count depending on the size of step-back.

*Commissioner Smith*: Could the standard be based on the floor plate of the planned area? Or number of units?

*Commissioner Baugh*: Can the developer ask for an adjustment off the 48 square feet?

- Yes, with the development review process there is an opportunity to ask for an adjustment or a design review assessment.

*Commissioner Bachrach*: What is the purpose for requiring open space?

- An amenity, but a community space to make a living situation more tenable.

*Commissioner Houck* isn't happy with the suggestion to decrease open space. Why couldn't you do a "sliding scale" option? Balconies can incorporate green features, which I'd prefer on the ground, but green is green.

Staff could look at this option. On the larger sites it would be easier to meet the 48. We do see some small sites, so maybe there is a cut-off.

*Commissioner Tallmadge* likes the tiered approach based on the size of the site and developable area.

**Commissioners support a tiered approach for review based on lot size or pattern area.**

**Topic 7.1.B.** Staff recommends retaining the proposed 10-foot set-back. Outer Division, outer Stark, and Barbur. We are not including 82<sup>nd</sup> Ave because of ODOT restrictions. Also, staff concluded that 82<sup>nd</sup> Ave is more of an inner Portland block-sized street than with outer Division or outer Stark. It can count toward open space.

At this time, we require about half the building to be zero to 10 feet from the street.

*Commissioner Spevak* feels like this is too much space to foster a comfortable pedestrian environment. I feel like it works well being closer to the street.

- Staff generally agrees with this for inner streets, but for larger and wider streets, where traffic is going faster, we're inclined to go with the broader set-back.
- *Chair Schultz* is concerned with creating a bigger space and if that encourages faster traffic.

An alternate approach is more dedication for the ROW, but this seemed like a middle-ground approach for some of the larger streets. You could have a patio or something in the 10-foot area but you just can't build.

*Commissioner Smith* had flagged testimony about this topic that described the "cruise-way effect". My sense is that we should be more prescriptive about what we need in that set-back.

*Commissioner Baugh's* concern is about 82<sup>nd</sup> and PBOT's proposal there. How does this change the view of the set-back not being applied to 82<sup>nd</sup> if this is City-owned versus the ODOT ownership?

- Parcel patterns on 82<sup>nd</sup> are an inner neighborhood pattern more so than outer Portland.

*Commissioner Smith* noted the PSC has three choices on this topic:

- Require set-backs as proposed at 10 feet.
- Don't require set-backs.
- Require the set-backs with more prescriptive standards.

*Commissioner Spevak* wants to reject the staff recommendation so there is a zero minimum with a maximum of 10 feet from the property line (sidewalk) citywide. Landscaping is allowed in a portion of this area.

*Commissioner Spevak* suggested the staff proposal with more prescriptive standards about allowing green but like the PCC slide. **Commissioners support this suggestion.**

**Topic 7.1.C.** We want to be sure the specific mention of a LEED standard [only] is not included in the code (but it could be one of the standards used). This only applies in the plan development bonus opportunity areas.

**Topic 7.1.D.** Staff recommends retaining the current standard regarding Sandy Blvd step-down transitions.

*Chair Schultz* noted that since this has been implemented, nothing has been built that has the double step-down standard on Sandy. In the future I'd like to look at why.

PSC confirmed staff's recommendations.

#### **Topic 7.1.E and 7.1.F.**

There may be a fifth zone applied to commercial zones in residentially-based areas. This would be applied very sparingly to have a tighter limit on the scale of the commercial building in a mostly residential area.

#### *Proposed Commercial Residential (CR) Zone Parameters:*

- Apply to isolated commercial sites in residential areas, particularly those that are currently nonconforming.
- Maximum height: 30 feet
- Maximum FAR of 1:1
- No bonuses
- Limit size of commercial uses to 5,000 square feet (like CN1 zone)
- Limit hours of operation to 6:00 a.m. to 11:00 p.m.
- Limit residential density to 1 unit per 2500 of site area if no commercial on site

There are about 15-20 sites citywide that would be included in this type of zone; the tentative map is shown in slide 7.

*Commissioner Smith* likes this approach but wants to be a bit cautious about where this applies.

*Commissioner Spevak* also likes this proposal. It could be the "Jane Jacobs zone". I would like to have this as an option to be created in residential zones more generally (not just in the context of those that already have these features) through a zone change (or similar) process, but short of requiring a full comp plan map amendment. *Commission St Martin* also likes this proposal.

- In the short-term we're looking at just the already-designated commercial zones, but we could look at this finer commercial grain at other neighborhoods in the future.

PSC confirmed staff's recommendation.

#### **Topic 7.1.G Ground floor windows**

Staff recommends to revise code to address issues commented on in testimony, and incorporate changes to ensure windows relate to pedestrian viewing areas.

PSC confirmed staff's recommendation.

#### **Topics 7.2**

All sub-topics under 7.2 were confirmed by PSC for staff to move forward as proposed.

#### **Topic 7.3 Urban Forestry Commission comments**

Staff recommends that they will meet with the Urban Forestry Commission and staff to review and discuss the MUZ, as well as future proposed changes to Title 11.

*Commissioner Houck* strongly feels that BES should be involved in this conversation. BES and Friends of Trees often have different opinions than the Urban Forester.

#### **Topic 7.4**

Our intent at this point is, as we get direction from PSC, to provide BDS a copy of the code at the same time as we give this to the PSC so we have BDS' nods when the PSC votes on August 23.

Generally, the PSC recommendations from today have resolved issues that BDS had raised. We are continuing to work with them on the outstanding issues.

#### **Topic 7.4.B Setback requirements for residential windows.**

*Chair Schultz* noted the building and zoning code requirements are quite similar but not the same. I'd propose we go with BDS' requirements in this situation so we aren't working with the differences both codes. We should just go with the building code standards (3 foot window setback from property line).

*PSC members support staff's recommendation.*

#### **Topic 7.5 Agricultural issues**

This is being driven by the recreational marijuana industry's growth. Agriculture is allowed in EX but is a conditional use in other zones. As we shift EX to CM3, we will be creating more and more non-conforming uses. It's not all just about marijuana growing, but all kinds of indoor agriculture are increasing. We have an allowance for indoor small-scale manufacturing.

Staff recommends revising code to allow limited agriculture use in CM3 and CE zone up to the size limits allowed for industrial uses so we are being consistent and taking pressure off industrial zones. CM3 = 1:1 FAR; CE: 40,000 square feet.

Lots of these uses are being set up with a retail unit, which wouldn't be allowed in the industrial zone necessarily.

*Commissioner Spevak* questioned why you can't do agriculture in commercial zones.

- In general, agriculture in the UGB is quite restricted because of state land use laws. It's allowed as a non-conforming use (e.g. Rossi Farms site).

*Commissioner Houck:* There has been a food policy group, and I'm curious if they have been engaged in this conversation. There are definitely good arguments to have more food production where people live... that's why I brought up the question of CSAs.

The urban agriculture code project we did to legalize smaller-sized urban agriculture applies to all zones. But that doesn't apply to indoor growing.

*PSC members support staff's recommendation.*

#### **Topic 10: Design Overlay Zone – Recap the proposal for design overlay zone expansion, and consider the requests to apply the Design Overlay zone in Sellwood.**

Staff recommends to not expand the Design overlay zone beyond the areas identified in the Proposed Draft at this time. We can reconsider applying this zone to Sellwood and other Neighborhood Centers at the conclusion of the Design Overlay Zone Assessment (DOZA) project.

*Commissioner Smith* noted the number of people who testified from Sellwood. I would guess what those people are trying to do is protect the character of their neighborhood. Is a better path for them to pursue a historic designation?

- We'd want to check in with our historic resources team. Our suggestion is to let the DOZA project play out so they we'd look at Sellwood and other neighborhood centers at the same time.

*Commissioner Rudd:* We had controversy with the historic designation in other neighborhoods, so I wouldn't advise that route.

Staff will outline the DOZA study in a memo for PSC members next week.

- The initial DOZA study will be done by December. We're looking at case studies to see if, and what kind, of difference the overlay makes. One of the reasons we didn't want to expand design review too fast is because it's not necessarily delivering results that meet the neighborhood needs or development goals. We'll then develop a work program based on which parts make a difference and will move forward. The code parts are about 12-18 months.
- We'd like to have this completed before the new Comp Plan goes into effect in 2018.

**PSC members support staff's recommendation.**

*Chair Schultz* noted a point that *Commissioner Spevak* will bring as an amendment at the next meeting. If other commissioners have potential amendments, please get those to staff by early next week.

- *Commissioner Spevak*: It's about the affordable commercial FAR bonus is not yet ready for prime time and should be fleshed out further before including it. It's a fantastic idea, but I want to get it right.

*Commissioner Rudd* asked about Title 33 cross-referencing to other code: If I am an applicant, where do I go if I want to appeal? Does everything go to LUBA?

- There is usually an outline in the other title or rule that outlines how to appeal.

*Commissioner Bachrach* asked about the revised language to 33.852 that we got a couple days ago.

- This will be in the draft you will receive next week but was part of the TDM topic today.

**Adjourn**

*Chair Schultz* adjourned the meeting at 7:46 p.m.

Submitted by Julie Ocken



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**Portland Planning and Sustainability Commission**  
**July 26, 2016**  
**4:00 – 9:00 p.m.**  
**The Portland Building: 1120 SW 5th Ave, Room C**  
**Portland, OR 97204**

### **AGENDA**

- 4:00 PM**      **Call to Order**  
**Items of Interest from Commissioners**  
**Director’s Report**
- 4:05 PM**      **Consent Agenda**  
Consideration of Minutes from June 28 and July 12, 2016 PSC meetings
- 4:06 PM**      **Task 5: Miscellaneous Zoning Code Amendments**  
Hearing / Recommendation
- 5:00 PM**      **Central City 2035 Plan**  
Hearing
- 8:00 PM**      **Task 5: Mixed Use Zones Project**  
Work Session
- 9:00 PM**      **Adjourn**

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**Ord. 188177, Vol. 2.4, page 11337**

## Portland Planning and Sustainability Commission

Tuesday, July 26, 2016

4:00 p.m.

### Meeting Minutes

**Commissioners Present:** Jeff Bachrach, Andre' Baugh (by phone; left at 5:30 p.m.), Mike Houck, Gary Oxman, Michelle Rudd, Katherine Schultz, Chris Smith, Eli Spevak, Maggie Tallmadge

**Commissioners Absent:** Katie Larsell, Teresa St Martin

**City Staff Presenting:** Tom Armstrong, John Cole, Eric Engstrom, Barry Manning, Joe Zehnder

*Chair Schultz* called the meeting to order at 4:00 p.m. and gave an overview of the agenda.

### Documents and Presentations for today's meeting

#### Items of Interest from Commissioners

- *Commissioner Smith:* Tomorrow at Council is the hearing on the Powell-Division Local Action Plan. I'll be representing the PSC and sharing our thoughts as we relayed in the letter.
- *Commissioner Spevak* noted he checked out some of the beaches in the Central City on his way in today. Thank you for being here.
- *Commissioner Houck:* Be sure to check out *Commissioner Spevak's* rebuttal piece in today's Portland Tribune regarding infill development.

#### Consent Agenda

- Consideration of minutes from the June 28 and July 12, 2016 PSC meetings

*Commissioner Smith* moved to approve the Consent Agenda. *Commissioner Spevak* seconded.

The Consent Agenda was approved with an aye vote.

(Y9 – Bachrach, Baugh, Houck, Oxman, Rudd, Schultz, Smith, Spevak, Tallmadge)

#### Task 5: Miscellaneous Zoning Code Amendments

Hearing / Recommendation: Tom Armstrong, John Cole

#### Presentation

John gave an overview of the 8 components of the amendments package. Item number 8, the trail alignment designation, received the most testimony.

#### Disclosures from PSC members:

- *Commissioner Rudd's* firm represents a group in Guild's Lake (item 5)
- *Chair Schultz* has a potential conflict with item 3.

*Commissioner Houck* noted the trail conversation and a PP&R staff member's (Brett Horner) comments that could be helpful in today's discussion.

*Commissioner Smith* clarified the RH 4:1 FAR question. If anything this is a downzoning, correct?

- Yes.

Item 2: This area was downzoned due to drainage and landslide issues. Guild's Lake has three separate changes.

Staff clarified Commissioners' questions about the school district capacity criteria.

### Testimony

1. Dennis Harper: Concerned that a swath of NW Portland will be zoned RH with an FAR 4:1 as shown in maps 120-6 and 120-7. Almost all this FAR is in the historic Alphabet District, which threatens the eastern half of the Alphabet District. 2:1 FAR would be a better fit here.
2. Martha Cox, Columbia Steel Casting and Heron Leasing: The FAR change would be costly for our company, and the value of property would be lost. The wetland impact would be expensive to develop and maintain. Manufacturing companies can't pass on added costs, so we will incur this. Security and public safety is also one of our major concerns. *see written testimony*
3. Dana Krawczuk, representing Broadmoor Golf Course: The public trail that's proposed here is a liability for the golf course. As proposed, the trail impacts 5 of the 18 holes on the course. We think alignment would be better in the Metro marsh area. *see written testimony*

*Commissioner Bachrach* asked about the trails in this particular location.

These are both new trails being proposed in these amendments.

4. Sharon Goldsworthy, Eastridge Park HOA: Concerned about the Scouters Mtn trail alignment. The trail is proposed to pass through an environmental protection area that is at risk for earthquakes and landslides. The alignment is contiguous to a number of individual properties and is intrusive. There is no neighborhood support for the alignment. *see written testimony*
5. Jim Sjulín, 40 Mile Loop Land Trust: Support alignments that have been on the map for many years. I do have some concerns about removals of trails. We are happy and willing to work with staff to resolve the issues we've identified. *see written testimony*
6. Tim Davis: Original zoning code called for more density than what we currently have. We need to at least double our density to make housing more affordable.
7. Walter Valenta, 40 Mile Loop Land Trust: The stars on the map are controversial. On the 40 Mile Loop, we have been living with this for quite a while. We want to have more discussion about these before we move things. The hardest part is getting the easement for the trail alignments. We want to be sure the stars are practical. And before we remove stars on private property that are already there, we need to be careful because they're hard to put back on. *see written testimony*

*Commissioner Smith*: Why are the stars just showing up on the map now? What is the process that triggers that?

Every 20 years we put stars on the map that signify where we think connections for trails should be made. We are now refining the stars in the process, but there are whole missing segments, particularly along the Columbia Slough, because we don't know where the trails should go. Stars represent choices and decisions.

*Commissioner Houck* noted we're talking about one of the most important trails and park systems when we're talking about the 40 Mile Loop.

We hired the Olmsted brothers to help us determine this years ago. It's 140 miles long now,

including loops of loops.

8. Phil Beyl, St Mary's Cathedral: FAR should not be reduced in RH from 4:1 to 2:1 where we are. We are already zoned 4:1, so a take-away from this would be a huge economic impact. If we want to preserve historic structures, there are better ways than limiting density.
9. Wendy Chung, NWDA: We are requesting deletion of maps 120-7 and 120-6 to eliminate the 4:1 FAR allowances in the RH zoned parcels. We don't think eliminating the bonus will affect density, so please give us the same consideration in the Alphabet District as you did for Irvington. *see written testimony*
10. Karen Karlsson, NWDA: Regarding the Guild's Lake Plan and limiting office uses, NWDA is highly supportive of this. The Comp Plan identifies how significant historic districts are (new Comp Plan Policy 4.49). There are only 7 properties that have an FAR 3:1 in the historic district; 4:1 is too much. *see written testimony*
11. Stephen Griffith, Riverview Abbey Mausoleum Co: We would like to see the trail at Red Electric shifted. The section we're concerned with is at Taylors Ferry Road. There is also a roadway that was built in 2006, and if the trail were aligned slightly differently, the alignment would be better.
12. Tom Brenneke, St Mary's Cathedral: Our church owns 3 blocks for our facility in NW. We strenuously object to any consideration to reduce FAR from 4:1 to 2:1. A change like this would cut our property value in half.
13. Allison Reynolds, Solterra: Owns and develops a property at N Cook and N Williams. RX being downzoned to RH, and it would now have a 2:1 FAR. We're asking to keep the building that is currently being developed to remain conforming and have a 4:1 FAR; without this, it will become non-conforming as soon as the new code is adopted. *see written testimony*
14. Brad Perkins: Appreciate the upgrade of Sullivan's Trail to the constrained list. *see written testimony*
15. Dorothy Cofield: Spoke to a mapping correction that will be resubmitted and corrected by staff. *see written testimony*

### **Written Testimony Received**

*Chair Schultz* closed the hearing at 5:02 p.m.

### **Discussion**

*Commissioner Smith* noted that people only got time to read the plan this weekend.

*Chair Schultz*: We will see if we need more time to consider before voting.

Staff walked commissioners through each of the 8 components of the proposal.

*Item 1: Allow retail plant nurseries as a conditional use in residential zones*

*Commissioner Smith*: This was the PSC's recommendation to Council in the Comp Plan.

**PSC members confirmed staff's recommendation.**

*Item 2: Preserve rights to one house on lots that were buildable prior to down-zoning as part of the City's natural hazard mitigation strategy. (R10 to R20 downzones only)*

PSC members confirmed staff's recommendation.

*Item 3: Amend the RH zone FAR map series to reflect changes made 2035 Comprehensive Plan Map and Composite Zoning Map.*

Chair Schultz recused herself from this discussion point.

Staff noted that the changes being made to the 120 map series does not add FAR.

Commissioner Spevak asked about the testimony from Allison Reynolds.

- Tom: I'm not sure of the specifics of that location. But any development between now and the Comp Plan being effective, we will have a legislative process to catch all the new developments to true up the Comp Plan and Zoning designations.
- FAR won't be non-conforming until the Comp Plan is effective in 2018. After that when we know we have the state acknowledgement, we will go back and look at examples like this to "catch up" with the changes and correct them.

Commissioner Smith would like a process to understand how the historic district mapping changes affect all historic districts.

- Irvington, Alhabet and Kings Hill are the areas that are affected.
- See map of proposed RH 4:1 FAR areas in historic districts. They are centered around the core of the city.
- Earlier advocacy from Irvington was to take out this district in its entirety. In the Alhabet District, we would like to be able to modify the FAR maps, but this is difficult given our timeline.
- If we don't change the map, it is the status quo as today handled by the Historic Landmarks Commission. Landmarks can change FAR, which can be an issue or question. We can bring this back on August 9 to the PSC if necessary.
- Commissioner Oxman would like to have the time to review before making a recommendation, particularly about the Alhabet District.
- We estimate there are 600 units of additional capacity in the RH area. Dropping FAR would be a swing of about 300 units of capacity. Given the proximity to Central City, this is a concern from staff.

Commissioner Baugh asked if the Landmark's Commission is ok with this proposal.

- They have not weighed in specifically.

Regarding the 4:1 to 2:1 FAR, would they would be approved in the IZ process?

- Eventually they would be eligible for the IZ bonus.

Commissioner Smith: Do we want to affirm the 4:1 tonight? Or discuss further to remove the Alhabet District?

- Staff will take a finer look and bring back to the PSC.

*Item 4: Allow established office uses in historic buildings to continue in the R5 zone as an incentive to preserve historic resources rather than continue as a revocable permit.*

PSC members confirmed staff's recommendation.

*Item 5: Amend the Guild's Lake Industrial Sanctuary plan district to limit office uses and expand the area where these limits apply.*

Commissioner Rudd recused herself from this discussion point.

Commissioner Smith asked that if we're expanding subarea B because other lots were rezoned as part of the Comp Plan.

- The property owner on the western edge currently has industrial zoning. In our industrial zoning is this allowance that if you have an historic landmark, you can get 2:1 as an incentive for historic preservation. We think this should be carried over into this area.

*Commissioner Smith:* I am amenable to carrying over the historic preservation bonus.

*Commissioner Bachrach* commented on testimony we received on this and discussion about a future transportation study. If there are studies that show more traffic capacity, are they now locked in at this lower FAR?

- When we refer to transportation studies, this speaks to the zone change process. Properties north of Wilson will have IH as they do today. Comp Plan for mixed employment EG zoning will need to include the additional transportation studies. This is what they will be allowed to do (1:1 FAR or can buy up to 1.85:1 FAR).

This is mostly the ESCO site plus about 4 properties south of Nicolai. Redevelopment of the ESCO site.

PSC members confirmed staff's recommendation with the noted text corrections for Guild's Lake.

*Item 6: Address school district enrollment capacity during zoning map amendments, land divisions, and planned developments in a district that has a school facility plan.*

*Commissioner Spevak* asked about the legality of this. I like the compromise with DDSD in terms of the zoning map, but this seems like a broad approach to a narrow issue without a sunset issue. I'm concerned about what mitigation options would look like. I want to see some more detail about what this would look like.

*Commissioner Bachrach:* My understanding is that the concept of the statue is that when you establish zoning is so school capacity wouldn't have to be reestablished. If you're doing a subdivision, you shouldn't have a school capacity requirement. So I share *Commissioner Spevak's* concern.

- Joe: This has recently been changed at the state level.

PSC members confirmed staff's recommendation.

*Item 7: Delete requirement for addressing "no-net-loss of housing" policies for quasi-judicial comprehensive plan map amendments and zoning map changes.*

PSC members confirmed staff's recommendation.

*Item 8: Update the trail alignments designation on the zoning map to correspond to the Major Public Trail alignment adopted in the 2035 Comprehensive Plan.*

Staff supports the testimony from Dorothy Cofield on behalf of the Saltzman Rd property. This was a mapping error that we'll be fixing with the trail alignment that will continue to the municipal boundary. Staff doesn't support the additional testimony regarding changing fence height allowances as part of this.

We did receive testimony from the NW Turtle Working Group that looked at the Peninsula Canal alignment. This goes along the top of the levee. Once we're past the Riverside GC, the group has asked that the trail alignment go to the bottom of the levee so that the people using the trail are not visible to an active nesting pond turtle group.

*Commissioner Houck* noted the stars on the trail alignment have been on the map for more than 30 year along the 40 Mile Loop. I personally have angst about making recommendations from the PSC right now when there is an opportunity for other groups to interact with the City and/or Metro to take things into consideration over time. We shouldn't take anything off an existing alignment. The 40 Mile Loop group's suggestion to work with staff makes sense to me to come up with a solution.

*Commissioner Bachrach* agrees with this but would like to include property owners as part of the working group.

Tom noted if you look on page 135 of the staff report there is the Comp Plan map that was adopted. The proposals today implement this map in the Zoning Code.

*Commissioner Rudd*: We heard testimony that if you had the trail stars on your map and you were going to develop, the City requirement that you improve a trail on your property turned on how expensive your proposed improvements were and why didn't your obligation to improve a trail relate to the burden/trail need the proposed development created. If you're going to develop and you have stars on your property, why isn't it related to how much of a burden you're putting on the trail system?

- There is a proportionality review and a relationship to the creation of need as part of this analysis.
- This map has been adopted, but it is not detailed enough to see individual properties. Now we're looking at the individual stars and individual properties, which is why owners have more recently been notified. Remapping was to help align PP&R and PBOT maps where they didn't agree in the past.
- If you don't think the map is right and you want to revisit it, then you'd have to tell Council the Comp Plan map is wrong and that it needs to be amended.

*Commissioner Bachrach*: Regarding the testimony about fencing, is the prohibition because it's in an E-zone?

- Yes, it has to do with standards in the E-zone.

*Commissioner Houck*: We need to see the overall picture and system.

BPS staff did not come up with these new segments of the alignment.

Further discussions on item 3 and 8 will come before the PSC. There was a staff amendments to Item 5 from staff.

#### **Recommendation**

*Commissioner Smith* moved to approve the Miscellaneous Zoning Code Amendment package items 1, 2, 4, 5, 6 and 7 including the Guild's Lake text revisions provided to staff. *Commissioner Houck* seconded.

*Commissioner Rudd* recused herself from the vote.

The motion passed.

(Y7 – Bachrach, Houck, Oxman, Schultz, Smith, Spevak, Tallmadge)

#### **Central City 2035 Plan Hearing**

Joe provided a brief overview of the CC2035 Plan and schedule for upcoming meetings about the project.

#### **Disclosures from PSC members**

- *Commissioner Smith* owns a property in the Pearl district. No proposed zoning change at this location.
- *Chair* works on many projects but doesn't have a project with a conflict of interest.

#### **Testimony**

Kirk Ranzetta, Chair, Portland Historic Landmarks Commission (PHLC): The PHLC mostly reviews Type III land use reviews, as we look to ensure significant and important historic features and how new construction can be accommodated in these areas. Building heights are a key note that we have concerns about. Many heights were established before the historic districts were put in place. We'd like to see 75' on three of the districts and 50' in Irvington. *see written testimony*

Julie Livingston, Chair, Design Commission: Thank you to staff and the PSC to comment on the CC2035 Plan. The DC has noted 7 specific issues as outlined in our letter. *see written testimony*

*Commissioner Houck:* Regarding the window glazing, Audubon has worked with City staff about bird-safe buildings. Have you been working with them?

- Julie: We haven't yet had a briefing from the Audubon, but BPS staff has been bringing us good research.

*Commissioner Oxman:* How does the additional bonus for industrial FAR work?

- Additional 1:1 for industrial office use if at least 33 percent or 5000 square feet on ground floor. We would like to see a tiered bonus structure.
1. Daniel Salomon: A Goose Hollow resident who moved there to be part of a livable community in 2013. I understand population increase but think a balance can be struck between welcoming new Portlanders. Don't raise heights in historic districts. Keep the West End heights at no higher than 100 feet. Make sure no buildings block the view of Jefferson St arches. Request that 1000 feet below the timberline be visible from Vista Bridge.
  2. Sherry Salomon: I don't like the ever-rising limits to heights in Goose Hollow. This threatens the character of our neighborhood and encourages demolition.
  3. Stephen Salomon: Mt Hood views need to be retained, especially at the Salmon St Fountain.
  4. Shaina Weinstein: Re: low-carbon buildings. I support the building marketplace to incorporate best practices in every building. Concerns about using just one building rating system (LEED). We would like the plan be neutral to building rating systems. Green Globes helps building owners reach the same goals as LEED, and there are other options and rating systems as well.
  5. Tim Atkinson, Stinson Lumber: LEED-only review will reduce competition in the green building marketplace and is costly compared to other potential rating systems. Consider other rating systems to offer competition.
  6. Timm Locke: OR Forestry Institution to advance forest products. Low-carbon building standard could better address off-sets and other options. Energy consumption is important, but it's not the only contributor. Increased use of wood would be an additional bonus to reduce impact.
  7. Caitlin Horsley, HBA of Portland and Home Performance Council: Low-carbon building standards. *see written testimony*
  8. Deborah O'Neill, Architectural Heritage Foundation: Lower heights in the West End to 7:1 FAR and a maximum height of 100' west of Park. East of Park should have a base of 9:1 FAR with max height of 250-325'. So the West End will continue to be a step-down transition area. Oppose the RX to CX changes.
  9. Wendy Rahm, Architectural Heritage: Confirming comments of Deborah O'Neill. FAR and height changes would create a step-down to the more modest West End neighborhoods from downtown. This would be a good transition that would preserve the distinction between the areas as well. *see written testimony*

10. Susan Bliss: Historic preservation in the West End. WE should add a fourth policy under West End subsection. Encourage reuse, rehab and seismic upgrade... to preserve and enhance. Add an action in the action list for BDS and PBEM for the West End. *see written testimony*
11. Tom Neilsen: The West End is an important transitional area between downtown and the more modest neighborhood areas. We need the step down to maintain the distinctions. FAR base of 7:1 in the West End to ensure density is in a more compact form. *see written testimony*
12. Duane Bietz: Thanks to staff for moving the residential/business uses on Salmon. I don't endorse the RX to CX changes though. *see written testimony*
13. Richard Rahm: Advocate for the 7:1 FAR and maximum height of 100'. One major problem is building size, specifically height. Support historic preservation. *see written testimony*
14. Judy Bell: We need a new site for open space as an action for PP&R in the West End since we don't have any open space here now. Additional trees could be included to mitigate heat island and air pollution. *see written testimony*
15. Christine Neilsen: West End. Policy change isn't more than words and hopes unless it's reflected in the Plan in greater detail. There isn't park space in the West End, nor a community center or garden or elementary school... so there is really no place to build community. Request that the Plan reflects the need for park and community space. *see written testimony*
16. Robert Wright: A large share of population growth will be in the West End. We need on-site parking for some portion of residents, particularly for families as we are expecting. CC2035 should have a minimum on-site parking requirement as well as EV charging requirements. This should be included in multi-dwelling buildings. Retrofitting is complex and expensive, so it should be required. *see written testimony*
17. Walter Weyler: Thank you to the PSC and staff. West End. Policies 3.12 and 9.52 declare intent to limit growth of overall parking supply. I take issue with this concept. We can't stifle the arts community by pinching parking availability at our arts centers. Change to include review by arts and residents' input to discuss parking requirements. *see written testimony*
18. David Newman: Co-founder of Friends of South Park Blocks. Endorse historic designation but would like to see the timeline shortened. *see written testimony*
19. Gerald Witt, reading for Terry Dalsemer: *see written testimony*
20. Sara Edy: SE MLK and Main. Against building height in Central Eastside (CES) to preserve views from Salmon Springs. This would be dramatic loss in potential height. Would restrict to 45' and 200' plus bonuses, which is significant compared to what's allowed now.
21. Jim Morton: SE MLK and Main. Against building height in CES to preserve views from Salmon Springs. I own a 94 year old building that's been on the national register of historic places since 1989. Don't intend to redevelop or to see. It is a multi-generational property, but the next generation may choose differently. Or the building may be harmed by fire or another unexpected accident. Do not move forward with the view corridor proposal.
22. Staci Monroe, BDS: BDS has 8 areas of concern. *see written testimony*
23. Allison Reynolds, Unico: Owns the US Bancorp Tower (Big Pink), one of the tallest buildings in Portland. Limited to 460' after it was built, so current development is non-conforming. We hope the PSC will revise the proposed draft to allow unlimited height for this and other tall towers downtown for these legacy buildings. Update maps 510-3 and 510-4 to allow for these

height requests. *see written testimony*

24. David Noren, SEIU Local 49: Worked with Policy 3.3 and addressing affordable housing in the new Comp Plan. There is no requirement for additional public benefit if you have transfers of FAR, which should be subject to require public benefit. *see written testimony*
25. Mark Velky: Support keeping views of Mt Hood at Vista Bridge and lowering heights on SW Jefferson and keeping the view from Salmon Springs. Think about the ethical obligations and what was discussed in the West Quad planning process. There were missing disclosures on the West Quad SAC. We need an above-board process, so don't support the additional height requests.
26. Ben Gates, Urban Patterns: Testifying on behalf of families with children. Request that the same bonuses be brought into the CC2035 Plan. We should allow bonus FAR for 2 and 3 bedroom units built to specific sizes. There should be a community amenity bonus to exempt public schools, day care facilities and libraries to not count against FAR. Award bonus FAR for these amenities.
27. Audrey Craig, Portland Forward: Focus on housing and the future of density in Portland. Lack of family support in the CC2035 Plan. We support family-friendly development in the Plan for housing diversity and complete neighborhoods. But there are fewer incentives for developers to build for families in the Plan. Revise to keep affordable housing but build on this with bonuses for family-sized units.
28. Tracy Prince, Goose Hollow Foothills League: Unanimously endorsed comments in the letter from GHFL. *see written testimony*
29. Liz Cooksey, Goose Hollow Foothills League: *see written testimony*
30. Kal Toth, Goose Hollow Foothills League: *see written testimony*
31. Mary Roberts: Buckman neighborhood. There is a discrepancy in the borderline corridor and height restrictions between the southern and northern ends of the corridor that should be balanced. *see written testimony*
32. Fred Leeson, Bosco-Milligan: Pay attention to the view corridors in the South Park Blocks in particular. Losing a few floors of developable space can keep what makes Portland special. *see written testimony*
33. Jason Franklin, PSU: Request increased FAR along the transit mall due to the billions of dollars the community has invested in transit. CC2035 creates a great vision for the University District, but the proposed draft doesn't get this yet. We'd like to work with staff to increase FAR from 6:1 to 9:1 and proposed 4:1 to 6:1 along the Orange Line on SW Lincoln. *see written testimony*
34. Ian Stude, PSU: Spoke to Section 2B (amendments to the TSP). Support the amendments largely, particularly the performance targets and policies about TDM and transportation options. PSU contributes to traffic in the area (about 20 percent of downtown traffic at peak times). But we are high users of the transit system and single largest bike trip generator in the Central City. Look to reestablish 4<sup>th</sup> Ave as a major city bikeway. Support the Green Loop but don't inflate it over other work. *see written testimony*
35. Carrie Richter, on behalf of Kan Du, LLC and David Leiken: Opposes staff's height reduction that interferes with opportunity to redevelop the Roseland Theater property. *see written testimony*

36. Stan Herman: Owns property at Alberta/Albina. Would like zone change to CX to develop a hotel right near this light rail station. There has been an overlay already established here. *see written testimony*

*Commissioner Smith* noted this is in an industrial sanctuary, which could be an interesting location for a hotel. Would this hotel serve the Industrial Sanctuary, or would it be accommodating regional demand?

Actually, it's zoned IG-1. We're right by the Rose Quarter, so it would be a good location for accommodate visitors for events. Rooms are smaller and affordable.

37. Dave Moore, Alt Source: CES. Purchased 1120 SE Madison this year with the intent of making it our headquarters. But it's in a designated view corridor. And we want flexibility to grow our company and build up as we have unlimited height right now. *see written testimony*
38. Walter Valenta: A big idea that isn't just zone changing in this Plan is the Green Loop. This will be the thing that this Plan could be remembered for if we actually build it. I support the Green Loop and encourage us to think about how we accomplish building it.
39. Tony Jordan, Portlanders for Parking Reform: Don't go backward on max parking entitlements. Proposed ratios should be much lower, not higher, to meet mode-share targets. Unbundle the price of parking to expose the hidden costs of parking in Title 33. *see written testimony*
40. Charles Tso, Portlanders for Parking Reform: Don't go backwards, particularly on TDM. Direct staff to bring a proposal to give Central City employees a choice for a parking cash-out to give commuters more choices and reward alternatives to solo driving. *see written testimony*
41. Bruce Burns: CES multi-block property owner and member of CES Advisory Committee. Oppose the new building height limits in the CES industrial district. Any new lower height limitations will result in loss of tax revenues, potentially in the millions of dollars for just one building. Inspirational high-rise buildings can complement historic buildings. *see written testimony*
42. Haithem Toulan: 306 SE Ivon St on the Eastbank. Please make revisions to allow development happen. This is 3 acres of bare land right now. *see written testimony (plus photo and graphic)*
43. Noel Johnson, Killian Pacific: We would like to continue to be involved in problem-solving and work on the details. We are not for or against the standards proposed, but we want to continue to have the opportunity to work with staff on the details.
44. Helmut Gieben: Owns commercial property on the Riverplace Esplanade. Built 30 years ago, and there are lots more people and bike/pedestrian conflicts now. This affects the viability of the businesses here. PP&R management is only to make sure people can get through as quickly as possible.

*Commissioner Houck* noted the signs about walking your bike in this area.

They used to have those signs, but they have not been included or restricted at this time.

*Commissioner Smith*: I don't have the classification maps in front of me, but I believe there is a designated bikeway on the other side of the athletic club. So it seems like a similar conflict to what we're trying to manage on Waterfront Park. I wonder if part of the answer is to have a more attractive facility for bicyclist nearby.

Yes, that could be between the existing esplanade and the roadway.

45. Bruce Stephenson, Pearl District Business Association: Referred to Comp Plan Policy 1.19. We should clarify that use-area specific plan should guide PDC development decisions, for example for Centennial Mills. Provide a network along the waterfront and open spaces as called for in the Pearl District Plan. Clarify that area-specific plans are followed. *see written testimony*
46. Kiel Johnson: Lives in the Lloyd District apartment and business owner of a bike repair shop at the bottom of the tram in SoWA. In favor of the Green Loop and how it continues active transportation in Portland.
47. Nolan Lienhart: West Quad AC member. *see written testimony*
48. John Southgate, for Ken Unkeles and Tom Goldsmith: Property owners on the north side of the Fremont Bridge, across the street from T1. Support rezoning to EXd. But request consideration of height and FAR; would like to proposed 250' and 4:1. It's ironic that the current IH zoning doesn't have height caps but the proposed zoning does. Thank you to staff.
49. Doug Klotz.

**Written Testimony Received** before 5 p.m.; additional testimony received will be included in the record for the August 9 PSC meeting.

*Chair Schultz* continued the hearing to the August 9, 2016 PSC meeting.

## **Task 5: Mixed Use Zones Project**

Work Session: Eric Engstrom, Barry Manning

### **Presentation**

#### *Topic 6, CE Zoning for Auto-Accommodating Uses*

The proposed MUZ zoning map is based on a process described on page 316-318 of the Proposed Draft. Its foundation is a conversion table that assigns new MUZ zones based generally on the existing zoning and the new Comprehensive Plan. As part of the zoning map conversion, some areas or sites that currently have auto-accommodating zoning (CN2, CG) were converted to a more pedestrian-oriented mixed use zone (CM1, CM2).

In the case of the CG zone, this primarily occurred in areas designated as “centers” in the Comp Plan. This resulted in an overall loss of area zoned for auto-accommodating uses. Several stakeholders (Retail Task Force, Space-Age Fuel, Albertsons, Fred Meyer, U-Haul, McDonalds, Bitar, others) have testified that they wish to retain or be zoned to CE, the most auto-accommodating zone, to support business operations or to anticipate future development where pedestrian-oriented or mixed use development is not economically feasible in the foreseeable future.

Staff recommends:

1. To apply CE zoning to a limited number of sites, primarily outside of Inner Ring and town centers in response to testimony from property owners and the RTF.
2. Do not use CE zoning more broadly in centers
3. Do not apply CE zoning more broadly based on Policy 4.24

#### *Item 1.*

See the CE Requests and RTF Recommendations map (slide 4)

- Orange dots are the CE requests
- Blue are the RTF requests

Map 6.1.A shows with green circles the areas staff recommends. This is a combination of properties not currently zoned CE and those mistakenly identified as needing a change.

Map 6.1.B includes CE requests and RFT suggestions highlighted with staff recommendations.

Option 1: Do not expand any CE Zoning.

Option 2 (Staff Recommendation): Maps A and B: Limited changes in response to testimony: accept a number of CE requests outside of centers, at the edge of centers, or in special circumstances, on collector streets and only where existing uses match CE character. This includes a combination of Owner/User requests (6.1.A) and Retail Task Force recommendations (6.1.B).

Option 3 (Option/Map 6.1.C): All of the above, plus additional sites that the Retail Task Force recommended shown on map 6.1.C. Some of these nodes, although within designated centers, are auto oriented today. The Retail Task Force suggests interim use of CE is appropriate to accommodate existing development and enable near-term investment in these nodes. Due to property values and achievable rents, staff believes that for some nodes conversion to a more urban mixed use development pattern is likely more than 10 years in the future.

If the PSC chooses to consider Option 3, the nodes that may be most appropriate for interim CE application are:

- 82nd/Foster
- 82nd/Powell
- Division/122nd

Option 4 (Option/Map 6.1.D-CM1 and Map 6.1.D-CM2): All of the above, plus broaden application of CE zoning in response to Policy 4.24 by remapping as follows:

- Additional conversion of auto-oriented CM1 areas to CE, outside of centers, outside of the inner ring neighborhoods, on collector streets.
- Additional conversion of auto-oriented CM2 areas to CE, outside of centers, outside of the inner ring neighborhoods, on collector streets.

*Chair Schultz* asked about *Commissioner Baugh's* support from the previous conversation.

- He is arguing against CE as it is inequitable for East Portland and the land that may currently be vacant there.

*Commissioner Tallmadge* asked about the difference between pedestrian and auto-accommodating.

- There is little difference between CN and CE. We want to accommodate pedestrians and transit users.

*Commissioner Smith:* Including the Hollywood Fred Meyer confounds me because it's right in the inner ring. Why would we want CE here?

- It's currently CG, and we thought it would make sense to retain this since it's more set back and more of a suburban layout than, for example, on Hawthorne.

*Commissioner Oxman* asked about the line between Option B and C. It sounds like the RTF was more in favor of C.

- RTF and many of the owners are more aligned with 6.1.C and 6.1.D. Staff wants more pedestrian-oriented centers. We are trying to avoid creating more gas stations and auto-uses in places we're designating as mixed-use centers.

*Commissioner Rudd:* If we say in CE there can be these drive-through uses, are there requirements for the developers to minimize impacts on pedestrian access?

- All pedestrian and window requirements and standards remain in CE, CM1, CM2 or CM3. CE has a broader allowance for manufacturing uses as well.

*Commissioner Smith* is thinking about the community input we've heard. I don't want to back track to more auto-oriented development, and I don't want to surrender big sections of the city to auto-oriented design.

*Chair Schultz*: Do the CM zones limit drive-through as a use? If you left it CM and embedded the fuel station, etc within a building envelop that meets all the criteria, would that be allowed?

- As currently defined, we would have to change the code so that something within the building would be allowed.

*Commissioner Oxman*: We want to think about how to involve community to have other opportunities other than auto-accommodating development. Is there a way to include community involvement to talk about what kind of development we will have?

- In URAs and NPI areas we do get substantial input where there is PDC involvement. But not necessarily otherwise.

*Commissioner Spevak*: I'm curious if the default zoning would be CM2. It sounds like the code language would allow them to rebuild drive-throughs. Is this correct?

- Currently Albertsons at Cully is CM2. Fred Meyer on Interstate would be CM3.

What is the cost to switch from CM to CM3 after this process?

- It would be a zone change request, so you have to show the new zone is the right zone and you have service availability criteria to meet. In the \$10k's and could take about 6 months.

*Commissioner Bachrach* is skeptical of the RTF recommendations. They do make an argument that people want the lower-priced food stores, and people will drive to lower-priced food if they need to get it.

- The RTF has regularly argued for more of these sites, so they were looking at the practical economics as well. We're going to allow existing drive-throughs to be rebuilt. To the extent we're concentrating CE, we're locking them into that future, and it will be difficult to change that.

*Commissioner Tallmadge* asked about Fred Meyer across from Providence Park... what is that zoned?

- It's CX in Central City (CM2 or CM3).
- *Chair Schultz* noted this is an example for a place and site that met standards they originally thought they couldn't.

*Commissioner Smith* noted Map 6.1.B and the nuances that made the pink less desirable.

- These were RTF requests, not property owners. Only difference is the source of the request.

*Commissioner Smith*: I'll suggest that Map B without the Hollywood Fred Meyer and the Cully Albertsons. A "slightly lighter version of Option 2". This is basically on the outside or edge of centers, which I'm willing to live with.

*Commissioner Houck* agrees with this recommendation. *Commissioner Spevak* is also supportive.

General PSC support of the "modified 2" recommendation.

## Adjourn

*Chair Schultz* adjourned the meeting at 8:58 p.m.

Submitted by Julie Ocken

DRAFT



Bureau of Planning and Sustainability  
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**Portland Planning and Sustainability Commission**  
**July 12, 2016**  
**4:00 - 8:00 p.m.**  
**The Portland Building: 1120 SW 5<sup>th</sup> Ave, Room C**  
**Portland, OR 97204**

### AGENDA

- 4:00 PM**      **Call to Order**  
**Items of Interest from the Commissioners**  
**Director's Report**
- 4:05 PM**      **Task 5: Composite Zoning Map**  
**Hearing**
- 6:00 PM**      **Task 5: Mixed Use Zones Project**  
**Work Session**
- 8:00 PM**      **Adjourn**

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**Ord. 188177, Vol. 2.4, page 11352**

## Portland Planning and Sustainability Commission

Tuesday, July 12, 2016

4:00 p.m.

### Meeting Minutes

**Commissioners Present:** Jeff Bachrach, Andre' Baugh, Mike Houck, Gary Oxman, Michelle Rudd, Katherine Schultz (by phone) Chris Smith, Eli Spevak, Maggie Tallmadge, Teresa St Martin

**Commissioners Absent:** Katie Larsell

**City Staff Presenting:** Deborah Stein, Eric Engstrom, Barry Manning, Bill Cunningham, Joe Zehnder

*Vice Chair Baugh* called the meeting to order at 4:00 p.m. and gave an overview of the agenda.

### Documents and Presentations for today's meeting

#### Items of Interest from Commissioners

- *Commissioner Smith:* An update. I carried our parking recommendation to City Council - they will adopt the portion on shared parking but not on the parking minimums at this time. For the first time the affordable housing advocates weighed in on the impact of parking on affordable housing. It was a good discussion.
- *Commissioner St. Martin:* An update on the Residential Infill Project SAC. Staff has been taking public comment, and it's been a lively conversation. I'm looking forward to wrapping that up.
- *Commissioner Bachrach:* I missed the June 14 meeting - did we ever send the TDM letter to Council?
  - *Director Anderson:* We will check with Julie Ocken when she is back from vacation next week.

#### Director's Report

Susan Anderson

- Director Anderson reminded Commissioners of the opportunity to have small, targeted briefings with staff on the Central City 2035 Plan.

#### Task 5: Composite Zoning Map

Hearing: Deborah Stein

#### Presentation

##### Conflicts of Interest Disclosure

- *Commissioner Spevak:* I own a residential and commercial property in Cully - I will recuse myself from that portion of the vote.
- *Commissioner Bachrach:* I own property on SE 17<sup>th</sup> that is being downzoned. I will recuse myself from that portion of the vote.
- *Commissioner Rudd:* My firm submitted a letter related to the Naito properties. I will recuse myself from the vote on that portion of the map.
- *Commissioner St. Martin:* I own property on NE Mississippi and will recuse myself from that portion of the vote.

- *Commissioner Smith*: I have a rental in the Pearl, but no conflicts.

### **Composite Zoning Map Hearing**

*Commissioner Bachrach* asked if there would be another hearing on the mixed use zones project.

*Deborah Stein*: Today there may be testimony on the Mixed Use map. If you want to close the hearing after this meeting, that would be the last opportunity to testify.

*Commissioner Bachrach*: I'm a little concerned about making changes with no further opportunity to testify. Also - a few people have asked about an upzone of their designation but not their zone. What was the thinking there to delay the upzone?

*Ms. Stein*: Some of it is site specific. In some places, if there's viable housing, we've proposed to retain existing zoning. At some point, it might be good to add commercial, but it's not needed right now. We didn't want to risk displacement.

*The hearing commenced.*

### **Testimony**

*\* indicates written testimony submitted at hearing (others submitted written testimony prior to or after the July 12 hearing.*

1. *Terry Parker\**: Representing Rose City Park NA. Asking for PSC to recommend retaining the existing R5 zoning until such time as a full range of infrastructure improvements is made.
2. *Jackie Strong\**: Requesting CM2d for their group of properties. We have been able to reach out to neighbors in adjacent areas who support this change. I have submitted letters from some of these property owners.
3. *Doug Kolberg\**: Request CM2d on NE Fremont between 46<sup>th</sup> and 50<sup>th</sup>. These owners want their properties zoned the same as properties closer to 42<sup>nd</sup>. These are all long term owned properties (Stanichs, Amalfi's). 80% of these properties have cemetery as northern boundary - this keeps impact rather limited. Why these properties don't have the same zoning potential on the same side of the street, when they have better amenities, is baffling.
4. *Vladimir Ozeruga\**: I am a builder and developer since 1992, mostly in N and NE Portland. I would like to change the zone from R1 to CM2 on my properties - 7050 and 7035 NE MLK, north side of Rosa Parks - to match the Comp Plan map. Instead of developing a couple of duplexes, I can develop 3-4 story buildings that would include first floor commercial. This will fit the people who are living there - mostly single people and people without kids. It will also create more jobs for people if we do first floor commercial. MLK is already built up with 5 story buildings, and the scale will fit as it's close to downtown.
5. *Tim Ramis\**: I'm here on behalf of Mr. Michael Foster requesting an upzone of properties to their comprehensive plan designation (1434 and 1512 SW 58<sup>th</sup>). There area being developed is zoned R2, the four properties have R2, the two properties to the north are still zoned R20. In a quasi-judicial proceeding, the lower properties were changed to R2. There was a legal finding that the interchange improvements were designed to handle R2 zoning. A professional traffic engineering study confirming this. Each parcel is a half acre, each has a structure on it - these are close to the end of their life. They are using the full acre for two units there.
6. *Michael Foster*: Part of this is confusing because of the mismatch. We think the traffic would be manageable. If the city wants infill, here's your opportunity.

7. *Joe Angel*: I'm here to testify on two issues. First, at the Burger King on Hayden Island, I'm asking for CE. The whole island is CE with a small area designated neighborhood commercial through the Columbia Crossing work, which has been cancelled. Staff has taken position that this is still on the books. I do not want to have a use that is not allowed under the base zone. I do not want to be nonconforming. Second, the building on the corner of Greeley and Rosa Parks. This building dates to 1920 and has always been a gas station or auto repair shop. It's our headquarters. I'm requesting CE so I'm not in a nonconforming situation.
8. *Bob Foglio\**: Speaking regarding 2626 NE Dekum and has testified previously. Bought property intending it for multifamily, but through this process, it has been downzoned to CM1. I'm losing 1,500 sf, which means two units lost. Please provide some sort of sunset or something, to allow folks who own properties to close leases, etc. Most of the commercial is now multifamily.
9. *Jeremy McPherson*: I am the Development Manager at Killian Pacific - we have two properties being downzoned: i) the corner of Tacoma and SE 13<sup>th</sup>; and ii) McLoughlin and Holgate. We don't have any current redevelopment plan on either. The first site is going to be split zoned CM1/CM2 - we are asking it be one or the other rather than split. The second site is proposed to be CE, but we are requesting a rezone to CM3. Without right amount of density to accept redevelopment risk, it effectively means we won't redevelop. These two sites are located close to the MAX Orange line and one is across the street from a New Seasons market. These major intersections should be considered a little differently.

*Commissioner Bachrach*: I think we've discussed going to CM2 on that one property.

10. *Allison Reynolds*: I represent WREH Lloyd Plaza. We submitted testimony as part of MUZ testimony. This is a large site - approximately 5.2 acres, proposed to remain CX. We support the CX zoning, but are asking staff to address the regulatory gap - areas outside Central City do not have access to bonus FAR and height. We are asking for 120 feet. This site has a base zone of CX which only has 75 feet height and we won't be able to maximize this site's potential. CX zones outside of the plan districts should be able to participate in the MUZ bonuses.
11. *Bill Bitar\**: With William Frank Bitar and Associates. 19 of our properties zoned General Commercial or Neighborhood Commercial will be changed to Mixed Use - Civic Corridor. You are taking away 19 of our drive-throughs. Some may not stay drive-throughs, but it takes away our option. There are good things about drive-throughs too. 82<sup>nd</sup> and Fremont (Popeye's drive thru); 82<sup>nd</sup> and Sandy (Annie's Donuts); Walgreens on 70<sup>th</sup> and Sandy; 107<sup>th</sup> and Sandy (old furniture warehouse. 145<sup>th</sup> and Division (Jaded Soul). Don't make it so hard on these small businesses. Give them a break.
12. *Matthew Nava\**: I am testifying on 2833 NE Weidler Street. I am requesting a zone change to Commercial from Mixed Use. Property is being used as a rental. I did not receive notices, so I'm a little unprepared. I bought the property in 2005 with an understanding it would be commercial. It is sandwiched between Fred Meyers and Broadway. When Fred Meyer went in, that area no longer feels like a residential neighborhood. I met with staff about a Pre App in 2009 with a few of my neighbors, and it became apparent that process would be too costly to change the zone at that time. Planners suggested he should wait until Comp Plan process, but this property was not rezoned to commercial. I'm asking that you zone it Commercial.
13. *Jennifer Kapnek*: I am the owner of 7401 N Albina Ave. The zoning there is proposed to stay R1. It has been nonconforming. I am requesting commercial zoning to get rid of my non conforming status. A CM2 designation would be my preference, but a CM1 would be ok too.
14. *Rita Lyons*: I was out of country when my zoning was changed from R5 to R2.5. There are so many apartments on Division. I don't see the point of taking a single dwelling area and changing it to allow two or three. We are crowded as it is. I just received another proposal for

another liquor license for another place on Division - with liquor in the street. That's a residential area. We have kids, we have older people, couples - please keep things as they are.

15. *Doug Klotz\**: I live in Richmond and I'm here to support changing low-rise commercial properties to CM2. On NE 28<sup>th</sup> from Davis to Everett - if that low rise zone gets moved up to CM2, we have a one block gap of CM1. Make it all CM2. I want to emphasize that I support all of the upzoning from R5 to R2.5. Not sure if this will result in row houses, but it needs to be done now. I think the market is in place, now. A few areas near Hawthorne and Chavez - now R5, moving to R1, R2.5, move them to CM1 or CM2.
16. *Myles Gilmer*: I oppose changes in the NW Industrial area. The property was purchased because of the Industrial Zoning. Manufacturing has been the mainstay of the American economy, but it can be gritty and dirty - a rezone will cause complaints from new residents. Rezoning has the potential to negatively impact my business and others in the area. I oppose rezone. My specific property is at NW 31<sup>st</sup> and St. Helens.
17. *Jan Holibaugh*: I own a home between Barbur and Corbett, near Swan Island Market. This is one of the busiest corners in the area. My property is zoned residential, but I'm asking for multi use commercial. There are only two houses there. We would like those two properties brought in to multi use commercial.
18. *Ray Leary*: I'm speaking on behalf of the Black Investment Corporation for Economic Progress, Inc. (BICEP), an economic development consortium. I want to talk about 1705 NE Alberta, a property owned by the Booker family - they have a family owned business there. They are finally in a position to redevelop their property but have been hit with a CM1 designation on their existing CS property. The designation limits their ability to maximize on a property they've owned for 20 years. That area needs to benefit the African American businesses and families on that street. Now the market place has stepped up to a point where they can redevelop, you're capping them. If not CM2, at least take the CM1 off of it. Additionally, I'm asking for maximum density on the MLK/Killingsworth corridor. It's heavily travelled. Pass on the ability to fully develop. CM3 limits footprint and opportunity.
19. *Bob LeFeber*: With Commercial Realty Advisors. We've made a lot of progress with staff. More broadly, we do need a mechanism to allow drive throughs outside of the CE areas. Drive throughs are critical to some retailers' success. Drive throughs reduce parking, which is one of the things we want to do. It seems like we're giving up a lot of the good drive throughs for the sake of urban form. We're not adding retail to support additional density. We need more CE zoning to support them. If these businesses locate outside of the city, what does this do for VMT? Mark [Whitlow] will speak later on specific areas of CE.

*Commissioner Smith* asked if the industry could come up with a drive thru footprint that doesn't detract from the pedestrian environment. Is there a way to make everyone happy?

*Mr. LeFeber*: Probably not. But there probably is a way to get creative and do it better. We also have not seen the research on the safety concerns.

*Commissioner Bachrach*: Are there other regulatory problems with CE besides drive throughs?

*Mr. LeFeber*: Yes. CE is the only one designed to be auto accommodating. If it's not a CE zone, but we're trying to do things to make things more auto accommodating, it would not be allowed, so I think it needs to be CE.

20. *Dean Gisvold\**: I'm here to talk about the properties on the corner of NE 15<sup>th</sup> and Brazee. The businesses are nonconforming - which brings with it restrictions on hours of operation and

deliveries. Properties are owned by Venerable. Current zoning is R5, but with other Comp Plan designation - we're asking for an increase to the threshold for the limitation of hours from 7,500 sf to 15,000 sf. We are not complaining about what is there now. We'd like that continued and not a 3-4 story mixed use apartment building that would be inconsistent with historic the district.

21. *Jim Tsokmas*: Property is between NW Wilson and Nikolai between 29<sup>th</sup> and 30<sup>th</sup>. Zone changes will ruin the industrial park. Change is foolhearty and ignorant. You will impact 5,000 jobs without a thought. If you add more pedestrians and bikes to the area, you'll end up with accidents. We don't want this done in the area. This will downgrade my way of life and a lot of other people's

*Commissioner Spevak*: What is job density and wage information in this area? That would be helpful to get from Staff.

*Mr. Tsokmas*: Those are middle class jobs. Higher if you're in technology. We can't erode the industrial park one more inch.

*Commissioner Smith*: We have something similar in the Central Eastside. We've developed some tools where residential folks sign waivers about nearby industrial uses. Would tools like this be useful in your situation?

*Mr. Tsokmas*: No. We have so much industrial there, the more residential you put in there (offices would be fine), it won't work out. People are already complaining about noise. These people knew what they bought when they got there. I don't think it would work.

22. *Craig Hamilton*: I am here to speak about property at NW 29<sup>th</sup> and Nikolai. There is a proposal to close a section of Roosevelt St, to allow development of mixed use facility. This is on the southern edge of the Guild Lake Industrial Sanctuary. It's loud. The expansion of residential creates potential land use and transportation conflicts, as well as non-industrial redevelopment pressures. This is a unique area and valuable resource.
23. *Thomas Karwaki*: I am representing the University Park Neighborhood Association. The UPN Board supports rezoning to R5 for properties east of railroad. We have concern about trails. Both alignments on public ROW should be shown on map. We are supporting access to the Willamette River and Slough - particular at NE 13<sup>th</sup> Ave, which is the East Columbia NA, which has asked for this access for a long time. We support the rezone of Hayden Island, but recommend change to EG zoning in Hayden Meadow area. Lastly, we are asking for a public health and safety overlay in North Portland to provide heightened scrutiny on exposure to toxics.
24. *Mark Whitlow\**: I am proposing two mapping edits: 1) prohibit drive throughs by map rather than by base zones. Before corridors were listed, and now they are not. You were presented a lot of testimony about the safety of drive throughs. Language about drive throughs being unsafe was removed from Comprehensive Plan policy language at City Council. We are presenting you a map. It over implements the new policy. This would prohibit, but would allow new drive throughs, using existing code in Title 33; and 2) implement Comprehensive Plan policy 6.17. See letter.
25. *Karen Karlson\**: To be consistent with NW District Policy Plan, there are a few changes we are requesting. In the Thurman-Vaughn area, we request the areas currently designated CM be changed to CM1 with a d overlay. Areas currently CS can retain CM2. We are requesting CS go to CM2 and CM go to CM1d.

26. *Wendy Chung\**: I am the vice president of NWDA and a member of the planning committee. We have one request: in the area changing from EXd to CM3 - we are asking for portions within the historic district be changed to CM2. CM3 would jeopardize those historic resources. See my letter and attachments. Many of these are landmarks, contributing structures, or immediately adjacent to those structures. WE ask that you refine base zoning in historic districts to take into account the character of the historic resources in the district.

*Commissioner Spevak*: If density can be transferred away from a historic property - a CM3 might have more density to sell.

*Ms. Chung*: We are less concerned about individually listed properties and more about those that are adjacent or contributing.

27. *Dean Pottle*: I bought my house in 2001 on NE Fremont across from Amalfi's. Figured it would go commercial. I'm a home brewer. My place is called Dean's Scene. They consider me commercial, but I just do this out of my basement. I remodeled the house back in 2007 - permitted and approved. Both the police and OLCC have been there to check it out - been called a "speakeasy." I should turn my own place into commercial. I have plans right now to enlarge my basement, put a ramp in, and put in a separate entrance. I will do this no matter what. Neighbors are fine with the situation. Please reconsider zoning to commercial.
28. *Wayne Elliot*: Here to speak on 1414 NE 57<sup>th</sup> Ave. I support the Rose City Neighborhood Association's comments. I am strictly opposed to any upzoning on Halsey between 52<sup>nd</sup> and 57<sup>th</sup>. I don't want to change from R5 to R2.5. I don't want to be bugged by developers. We don't want to lose our houses. We have an historic neighborhood. All the houses are well kept. We don't want to turn into condos. Every single neighborhood has a condo going up - where are all these people supposed to work? It's making traffic horrible and there's no infrastructure to support current development levels.
29. *Tom Brown*: I own property in Westmoreland. Currently zoned CS, changing to CM1. It's half a mile from MAX. Please don't rezone, but consider a design overlay instead. Downzoning real estate isn't the way to go. Please do a design overlay. We can all work with that.
30. *Mary Ann Schwab*: This has all been very confusing. The drive throughs need to be respected. I'm concerned with zoning and changes. I'm confused about where we're going. We've had a conversation about OMSI and that not being a gated community for large apartments. Just learned my 1908 bungalow will cost more to deconstruct than what we paid for it. And I found out I'm a remnant lot, 33 feet wide. Rents and properties are expensive. Parking is expensive. We know people are coming, but where are we thinking about our children? We aren't building schools. Where is the backyard for the kids? Where are the jobs?
31. *Phillip Lee*: Request rezone on 2519 East Burnside. The building contains a veterinary clinic established in the early 1900s. Currently zoned residential. Proposal is to change 2525 to commercial (adjacent property), but would also like to change 2519 to commercial to reflect existing use. In the past, we've had problems with remodels because it's nonconforming. Please rezone 2525 and 2519 East Burnside to commercial. Thank you.
32. *Cynthia Idler*: My husband and I are both deaf and live at 1205 NE 63<sup>rd</sup>, close to the railroad. We have a house. We've lived in apartments in the past. We don't have issue with noise because we can't hear. Wasco and 60<sup>th</sup> - there's a crossing there - even though there are lights there, cars just ignore it and go right through the lights, even if you have them activated. We would like to move that about 3 blocks, it might be safer. Also, the R5 changing to an R2, we are in support of that. I like that change - with people complaining about the noise, it would be a good rezoning. I've been there many many years - it's been a nice, quiet neighborhood. My

husband works at Providence on NE Glisan - it's 7 blocks there and back. The change there would be ok, keep neighborhood quiet and nice.

33. *Dirk Davis\**: I am the CEO of Sunshine Dairy. For 81 years we've been serving the community in and around the City. We have 120 employees. We are living wage jobs. In the facility at 801 NE 21<sup>st</sup> Avenue, we are surrounded by mixed use. WE also have a yogurt plant at 8440 NE Halsey. In the next 10 years, we'd like to consolidate our properties. We have partnerships in the community. The importance that Sunshine has, throughout Portland, and the state of Oregon - it is becoming increasingly difficult to operate at our facilities. Have seven tankers of milk that load on the street. We have twelve to fourteen 53' trucks that drop off or are loaded. We are looking to keep EXd in that facility so we can be consistent with that neighborhood.
34. *Peter Finley-Fry\**: I have two clients with the same problem: Sunshine Dairy and Miller Paint. Both have properties zoned EXd going to General Employment. This should not be spot zoned within neighborhoods. The adopted Comprehensive Plan describes the zone as low-rise with no residential, to limit proximity of residents to truck traffic. In both cases, both areas are surrounded by high rise buildings and residential uses. You're putting a block in an urban fabric - then saying you have to limit truck impact. Will you limit impact on the block across the street? I was blindsided by this - it got slipped into the Commercial Mixed Use Project - there's a procedural problem here of spot zoning EG within neighborhoods. This has never been vetted. EXd allows a wide variety of uses that allow entitlements to services - these are lost with this change. I would have to show that services exist to allow changes to happen. By 2019 and 2020, the surrounding uses will suck up the services and drive my clients out of the neighborhood, preventing property owners from developing in a way that's consistent with the surrounding uses.

*Commissioner Smith*: How do we keep employment in the neighborhood?

*Mr. Finley-Fry*: I consider Guild Lake to be part of the neighborhood. There's a bus line. It's flat - you can ride your bike to work. I don't understand why you need to put the employment in the neighborhood as opposed to next to it.

35. *D. Ben Henzel*: I'm here to speak about 4606 Corbett. It is presently zoned R2 - going to Mixed Use Civic Corridor, but keeping R2 - would like it to go to CM2. House is on Corbett, overlooks I-5. It's a poor place for residential. Nobody wants to live next to I-5.
36. *Dana Krawczek*: I'm here with Perkins Coie on behalf of Broadmoor, Inc. (golf course). The front 22 acres of golf course are designated industrial. The designation was changed - we requested a zone change - this change was not brought forward in composite map. Second request - we question whether the IG1 zone is appropriate - prefer EG2 due to slope. Upzone it slightly so it can actually be developed with jobs. Our proposal retains over 100 acres as open space. Employment uses on front will enhance the balance of the property. Last issue - it was never brought to our attention that there was a proposed public trail on the property. There's a lot of publicly owned land in the area - Metro area - don't put it across public golf course with golf balls flying.

*Commissioner Bachrach*: *Are there regulations that the trail impacts?*

*Ms. Krawczek*: Yes. If you pull a building permit, you have to build the trail. If we hit the monetary threshold, we have to build the trail.

37. Allison Reynolds: I'm representing SolTerra. The own two sites on Vancouver/Williams: 25 N Fargo and 3138 N Vancouver. Both of these are RX - one going to RH, one to R1, which is a significant downzone. Rationale was to match existing use. SolTerra is in process of redeveloping both properties. They want to maximize potential - will become nonconforming. Instead of R1, go to RH. If SolTerra is downzoned to RH, the ground floor commercial uses will

become non-conforming. Consider code to allow retail uses allowed under old code to be conforming - or expand definition of transit stations to include frequent bus, etc.

38. *Jack Bookwaiter*: Beaumont-Wilshire NE - we support the current proposal. We feel CM1 proposals are appropriate because of our current infrastructure. We support the proposals for both CM1 and CM2 on Fremont, as is.

39. *Alem Gebrehiwof*: I am the owner of 311 N Fremont. Have owned the property for over 20 years. The neighborhood is gentrifying - there's not enough housing. I held my property with the vision of this coming. We're only a few minutes away from downtown. There's nothing really residential. My property is conveniently located to have more affordable housing and a bigger building. I am asking you to support going to CM2.

### Written Testimony Received

#### **Discussion**

*Commissioner Bachrach*: We had a work session at which we made a tentative decision to recommend CM2 from CM1. Not sure where that was. But we're still working on that map. I think the record should be left open. We can discuss whether a hearing is necessary, but we should at least leave the record open. Did the public have knowledge about what we already recommended? Do they have knowledge about what corridors we're proposing to go from CM1 to CM2?

*Mr. Engstrom*: No, not yet. We prefer to close the testimony so you don't continue getting play by play testimony.

*Ms. Stein*: We would take the testimony we got and try to summarize it and present you with decision points. Where there's a choice, we will point that out, etc. You'll see this at the work session.

*Commissioner Oxman*: When we come back to all this, I'm assuming there will be some sort of large table - would it be possible to add a column about the implications or negative consequences of going with a requestor's proposal? It would be helpful for us to understand - are there issues with adjacent properties, transportation, etc.

*Commissioner Smith*: When I first joined the Commission, my reaction to much of this was the same as Commissioner Bachrach's. My sense of our process versus City Council process is that this body tends to hew more toward policy and being consistent. City Council is actually more likely than us to heed the call of one property owner - even against policy.

*Commissioner Houck*: To Commissioners Oxman's point - it has been helpful when staff has responded to support or not support, and provide a rationale. Having input from staff would be helpful.

*Mr. Engstrom*: That's our intent. We'd bundle them so you can have a sense of the policy intent of the group.

Vice Chair Baugh: We will keep the written record open until Tuesday, July 19<sup>th</sup> at 5 p.m.

*Vice Chair Baugh closed the hearing at 6:30 p.m.*

## Task 5: Mixed Use Zones Project

Work Session: Eric Engstrom, Barry Manning, Bill Cunningham

### Presentation

#### Division Design Initiative and TOPIC 4: Development and design standards Discussion

##### Memo from July 5

*Barry Manning* and *Bill Cunningham* began by reviewed elements of the Division Design Initiative (see presentation).

*Commissioner Schultz*: Are bay windows allowed for articulation?

*Mr. Cunningham*: They could, but bays that project into the right-of-way (ROW) cannot count toward the articulation standard. There was community concern about extending into narrow streets. You could do a bay on a recessed balcony.

*Commissioner Schultz*: Elsewhere in the city, I would like to allow bays to project into the ROW. It's more economical than a setback. And sometimes it's the make it or break it item for the proforma.

*Mr. Engstrom*: The proposal is not to prevent bays that go into the ROW. It's just that they wouldn't count toward the articulation.

*Commissioner Schultz*: If it's achieving what the goal is, it should count. That would be my amendment.

To get into step downs, I'm not a big fan of step downs to the neighborhood, but I'm ok with the idea - but I have a stronger issue with the step back along the corridors. I think this is a great option, but not a great requirement. It's expensive and it adds height. It's also a very awkward aesthetic.

On solar access: in the diagrams/pictures, we have really young, immature trees. The streetscape today doesn't look like what it's going to. The shadow line starts to be impacted by the mature trees. The shadow lines hit the trees. It's important to look at solar access issues, but we're looking at a very short period of time - the rest of the year, you can almost always find sun, even in downtown, and there are much taller buildings there. Solar access has a lot to do with trees. This is intimidating when you put the step backs with the step downs and the affordable housing piece - you're not going to get a lot built. My amendment would be to get rid of step backs on corridors completely.

*Commissioner Spevak*: I tend to agree with Commissioner Schultz, especially on the mature trees piece. I'm not a big fan of the step downs and step backs. I can imagine some cool buildings, that neighbors would like, that could not be built under these rules. These feel like Community Design Standards for mixed use buildings. Is that the way DOZA is shaping up in this area?

*Mr. Engstrom*: There's sort of three layers. The base zone applies city wide. DOZA will be looking at the design process overall and to overhaul the Community Design Standards. Those standards only apply in the d overlay. To some extent, we're talking about the "basement" here. With DOZA, we'd discuss - are there things that should be more specific elsewhere?

*Commissioner Spevak*: Could we shift this discussion on step backs and setbacks to DOZA?

*Mr. Cunningham*: One reason to have it in the base zone is that these concerns are relevant in areas that aren't in the d overlay.

*Mr. Engstrom:* Also, you are allowed to modify base zone standards through design review.

*Commissioner Schultz:* But they typically do not allow base zone modifications - they tend to require more things than what you're seeing in the base zone.

*Commissioner Smith:* I'm struggling on a few things - we have not had a briefing on DOZA yet.

*Commissioner Spevak:* On length - you have a whole bunch of buildings on a street, lots are 50 feet - would that trigger?

*Mr. Cunningham:* No.

*Commissioner Oxman:* Are building articulations required at all now?

*Mr. Manning:* In some plan districts. They're not in the base zones.

*Director Anderson:* Using the design overlays only, without things in the base zone - this would increase cost and time significantly. Currently, many areas don't have design overlays.

*Commissioner Bachrach:* Does this step back work in other cities? Or is this a response to neighborhood concern?

*Mr. Cunningham:* It's happened in some places - in Hollywood, for example. There have been projects that have done it.

*Mr. Manning:* We also did some research. We had a consultant. Toronto did some of this. We have seen it done in other places.

*Commissioner Tallmadge:* Did those studies also look at the cost of development?

*Mr. Manning:* No. But we did ask DECA to estimate - it came to 2-8% per floor to add those step backs.

*Mr. Engstrom:* It is kind of contextual. Many of the comments we received: "limit heights to 3 stories citywide." Having a step down was seen as a way to advance that concern without limiting heights.

*Mr. Manning:* The most frequent zone where this applies is currently capped at 45'. So this is extra height and we'd be stepping it back.

*Commissioner Rudd:* How does this mesh with the affordable housing costing study?

*Mr. Manning:* These step backs were worked into the modeling.

*Commissioner Schultz:* My review of your cost analysis - that 2-8% did not include the extra cost for taller building heights - and making those stepped back areas accessible.

*Commissioner Baugh:* If you eliminate either step backs in CM2 and CM3 and give that to them by right, how does that impact the bonus system for affordable housing?

*Mr. Engstrom:* The same bonuses would exist. You'd be able to use that bonus closer to the street on the upper floors.

*Commissioner Baugh:* If the price of the building goes down, the use of the bonus might go up.

*Mr. Engstrom:* That's correct.

*Commissioner Schultz:* My concern is that when you step back that building - those corridors need to stack, structurally. Instead of having a large, narrow unit from front to back, I have to turn the unit on its side to make it fit. I'm losing units with every one of those step backs. You don't want to shift that corridor because it has huge cost implications. I'm not able to maximize my units.

*Mr. Engstrom* reviewed the staff recommendation (see p. 5-6 of July 5 memo):

- 1) Retain step-downs to residentially-zoned properties
- 2) Retain Bonus step backs in CM2, CM3
- 3) Remove CM3 zone step-back over 55' on narrow streets
- 4) Retain articulation and length provisions

*Commissioner Baugh:* Retain step-downs to adjacent R zones. Is everyone ok with that? Is anyone not ok with that? *Everyone was ok.*

*Director Anderson:* We can also bring back some discussion of trade-offs in these discussions.

*Commissioner Tallmadge:* I'd like to see those tradeoffs.

*Commissioner Houck:* Images are also helpful. I want to make sure we have excellence in design. Affordable housing is an issue, but we don't give up on everything else. I'm concerned about how these buildings will look. We need to do both.

*Commissioner Oxman:* On a process level, do we anticipate coming back to these issues when affordable housing work comes back to us? Do those issues fold in?

*Mr. Engstrom:* What we're doing here is the basis of the economic analysis for the affordable housing piece. The discussion of cost and design will come up in DOZA.

*Mr. Manning:* Our intention was that the basic form/baseline would be set here and that guidance would be used in the future economic analysis.

*Joe Zehnder:* On the street front, we're talking about step back/no step back in the different zones. We could calculate the marginal difference. When you get to inclusionary zoning decisions, we'd be able to judge what the tradeoffs are. You have to make the affordable housing feasible. If building costs go up, it's going to be reflected in fewer units or less money in fee-in-lieu. Then you'd be able to weigh things.

*Mr. Engstrom:* There's also a tradeoff on spending money on process versus building to a prescribed set of standards.

*Commissioner Baugh:* It seems to me - if you say you're going to step backs on the street frontage - we have that package under the economic model. We know we might lose a few units. When you look at the Inclusionary Zoning, there are included offsets, SDCs, etc. If we're going to raise costs to build, what are we willing to give away, as a City, to get those units back? I think it's a package discussion.

*Director Anderson:* We will work to make this more clear. Also, note that the step downs to the residential zones, which you generally support, will create a loss as well - more loss than what you're losing through the corridor step backs. These are all tradeoffs.

*Mr. Engstrom:* I'm hoping to get a general sense of where Commissioners are on the corridor step backs.

*Director Anderson:* There's general agreement on step downs to adjacent R zones. On the rest, I think we need to give you a magnitude on the scale of loss.

*Commissioner Bachrach:* We understand there's a tradeoff, but we also need to maintain an aesthetic. I'm persuaded by *Chair Schultz*.

*Commissioner St. Martin:* In relationship to that, our overall goal is to make a better streetscape. I would suggest that articulation has a much greater impact on this than height. Where do you get the most bang for your buck? Focus on those areas. Street trees and plazas will have a much greater impact.

*Commissioner Houck:* I'm not wedded to the step back. I'd like to know if there are other ways to have a great streetscape and what those other ways are. We need to be thinking about articulation and street trees.

*Director Anderson:* So, we're agreeing with #s 1 and 4.

*Commissioner Baugh:* Are we ok with #3? A majority was.

*Commissioner Rudd:* What about bays in the ROW counting toward articulation?

*Commissioner Houck:* I have a general negative reaction to impinging into the ROW, generally.

*Commissioner Baugh:* I would be hesitant to do that without PBOT being here.

*Mr. Zehnder:* It would give you an additional way to meet the articulation standard. That can be an effective way to meet that requirement. You'd just be adding another option.

*Mr. Engstrom:* There's a difference in meeting articulation and pulling the building mass away from the street - the community was really interested in the latter.

*Commissioner Baugh:* Generally though, are people ok with bays over ROW counting toward articulation? *The majority was.*

*Commissioner Spevak:* In looking at a half block commercial mixed use building - it would have to step back on both sides - I'd prioritize the neighbors behind.

*Commissioner Baugh:* On #2 - How many people want to retain the bonus step backs in the CM2, CM3 zones? How many want to remove this recommendation. *The majority wanted to remove it.*

*Mr. Engstrom:* To recap: retain step downs abutting residential properties on rear, but remove step backs on street front in all zones. Keep articulation standards with Commissioner Schultz's amendment to allow bay windows in ROW to count toward articulation requirement.

*Mr. Manning:* Getting back to the Division Design Initiative...

*Mr. Engstrom:* Do you think Division should be like everyone else or let them be their own - let it stay as it is?

*Commissioner Spevak:* I'd leave it as is with the d overlay.

*Commissioner Houck:* I'm fine with that.

*Commissioner Baugh:* My concern is - it's Division - you have a whole East Portland, it does not have a d overlay. How is 25 % of our population impacted - they're not going to receive any benefit if we just talk about design overlay. This is a great win for Division - but what about the rest of East Portland?

*Commissioner Smith:* I would second that. What's the policy behind some people getting it and others not?

*Mr. Engstrom:* We'd apply the overlay in areas with the greatest scale of allowed development - centers, etc. In East Portland, it is in Gateway.

*Commissioner Baugh:* There's an equity question here. As a policy, I'm fine with Division, but what about 122nd?

*Mr. Manning:* DOZA would look at those areas as well.

*Mr. Zehnder:* And DOZA may find that it won't work there. You have to recover the cost.

*Commissioner Baugh:* How does the City recover a cost in those areas relative to the benefit that overlay might provide in low income neighborhoods?

*Director Anderson:* This is a great conversation, but looking at the time, I need to move us along. We'll come back to this as part of DOZA. I'd like us to get through drive-thru facilities.

#### **TOPIC 5: Drive-through facilities**

*Reference Memo from July 5 (p. 7)*

*Mr. Manning pulled up the presentation slides for Topic 5. Four decision points were presented:*

- 1) Retain allowance for QVS and drive through facilities in CE; prohibit new in CM1, CM2 and CM3
- 2) Make existing drive through facilities and QVS uses in CM1, CM2 and CM3 allowed
- 3) Revise code to allow "Click and Collect" facilities for grocers/larger retailers
- 4) Retain prohibition on QVS and drive through facilities in Centers and Main Street Overlay zone, but revise boundary where appropriate.

*Commissioner Bachrach:* In CM1, 2, 3 - can I tear it down and rebuild? If I want to totally rebuild, how much more difficult is it to meet the standards in CM1, 2 and 3 versus CE?

*Mr. Engstrom:* It would still have to meet all the standards of each zone - and you could fit in the drive thru.

*Commissioner Tallmadge:* On #3, that seems hard to differentiate - a drive through from a "click and collect." Think of a Starbucks. It's hard to monitor.

*Commissioner Baugh:* Is the difference the ability to order on location?

*Mr. Engstrom:* We can draw the line in several ways. Could be that. Could be about parking versus queue.

*Commissioner Smith:* #4 trumps #2?

*Mr. Manning:* Yes.

*Mr. Manning reviewed a series of drive through maps - existing and proposed. (See presentation)*

*Commissioner Oxman:* What does prohibited but rebuild allowed mean?

*Mr. Manning:* In CM1, 2, 3 - they'd be prohibited, but if you had an existing drive through, you'd be allowed to rebuild.

*Mr. Engstrom:* Are folks comfortable with the staff recommendations on the code piece? And two, should we more broadly map CE?

*Mr. Manning:* The other element we're proposing - the implication of limiting drive throughs within 50 feet of a residential area. Staff is proposing (5.2) to revise the language and change the standard to 25 feet. You cannot ask for an adjustment. We'd also eliminate the across the street provision - we'd just mitigate with landscaping as we do today.

*Commissioner Baugh:* On the retail side, what we heard today - many of the neighborhoods are not ready for the development today.

*Mr. Engstrom:* When we get to the mapping, we'll come back to that - the "readiness" issue.

*Commissioner Oxman:* The primary harms of drive throughs are pedestrian traffic disruption and danger?

*Mr. Engstrom:* Pedestrian comfort and access to the development. The collection of standards we have, including the drive through portion - are really all about discouraging uses that turn their back on the pedestrian.

*Commissioner Smith:* There's also a preference for fewer curb cuts for cyclists.

*Commissioner Oxman:* How does traffic volume affect that? Some uses would have more cars going through than others.

*Commissioner St. Martin:* I was struck by the number of banks on there [the map]. Did we hear from any banks?

*Mr. Engstrom:* We did. We might be hearing less about that because fewer people actually go to banks.

*Commissioner Spevak:* I'm ok supporting the staff recommendations. In terms of the "click and collect" thing - seems there are many ways to game the system. On curb cuts: narrow curb cuts seem less dangerous than wide curb cuts. Those feel like the biggest safety issue.

*Mr. Engstrom:* There are PBOT standards that address that. Many of wide ones are old.

*Commissioner Baugh:* I think Council is wrong in looking only at where they're prohibited - especially in East Portland. You take away opportunity. If you look at 82<sup>nd</sup>, there are tons of fast food restaurants. 82<sup>nd</sup> area residents also asked for streetcar. Streetcar and curb cuts don't mesh. There's an opportunity here about living up to our promise of healthy neighborhoods. We're saying in East Portland, not only "stay there," but "continue to operate." But I'm pretty sure when people testified they didn't want McDonalds, they want other opportunities.

It seems like we're continuing an unhealthy practice in a low income/minority area. Why would we want to do that to a population? These are neighborhoods that are not ready for prime time - they don't meet the economic standards for redevelopment. These populations are told every day, "You're not ready to do things." Now, as a City, we're going to tell them, "You're keeping all this stuff because you're not ready for something better."

When you look at where it's prohibited, it's prohibited on MLK Boulevard. 20 years ago they prohibited drive throughs on MLK to change the neighborhood. It took time but the neighborhood did change. Why don't we want to do the same for 82<sup>nd</sup> or 122<sup>nd</sup>? Why don't we give them a chance to be something different? I think Council is wrong about this issue. For East Portland in particular - we should do the original proposal - especially for 82<sup>nd</sup> and out. We gave NE that opportunity years ago, and we need to do it for East Portland.

*Commissioner Bachrach:* I'm comfortable with these recommendations - I have to go.

*Commissioner Rudd:* How effective are the non-conforming use provisions at getting things to naturally transition?

*Mr. Engstrom:* On this issue it hasn't been very effective. People keep using an obsolete building longer than usual so they don't lose their drive through.

*Commissioner Tallmadge:* I'm a little hesitant to broadly outlaw these. They provide employment - so I'm hesitant to let these places go to completely empty lots.

*Commissioner Baugh:* I think you're giving the community an opportunity to think about these areas in a different way. It seems we give up before we try for East Portland. And we recognize that East Portland might have a different view and a different voice, but we're unwilling to recognize that here with property.

*Commissioner Oxman:* I was having similar thoughts with regard to equity and the nutritional aspects. Could we single out the fast food and look at that - is that an appropriate place for an intervention?

*Commissioner Spevak:* I like what Commissioner Baugh is proposing, but I'm confused how it fits in with these bullets.

*Commissioner Baugh:* It was the original staff proposal.

*Commissioner Houck:* Was there a cause/effect relationship in what you're talking about [on MLK]?

*Commissioner Smith:* I'd like some time to chew on what you just said.

*Mr. Engstrom* wrapped up the discussion and mentioned that there might be the need for some changes in the schedule moving forward to allow needed time for work sessions on this project.

## **Adjourn**

*Vice Chair Baugh* adjourned the meeting at 8:30 p.m.

Submitted by Kathryn Hartinger



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**Portland Planning and Sustainability Commission**  
June 28, 2016  
5:00 – 9:00 p.m.  
1900 SW 4<sup>th</sup> Ave, Suite 2500A  
Portland, OR 97201

**AGENDA**

- 5:00 PM**      **Call to Order**  
**Items of Interest from Commissioners**  
**Director's Report**
- 5:05 PM**      **Consent Agenda**  
Consideration of Minutes from June 14, 2016 PSC meeting
- 5:06 PM**      **Task 5: Mixed Use Zones Project**  
Work Session
- 7:00 PM**      **Central City 2035 Plan**  
Briefing
- 9:00 PM**      **Adjourn**

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**Ord. 188177, Vol. 2.4, page 11368**

## Portland Planning and Sustainability Commission

Tuesday, June 28, 2016

5:00 p.m.

### Meeting Minutes

**Commissioners Present:** Jeff Bachrach, Andre' Baugh, Mike Houck, Katie Larsell, Gary Oxman, Michelle Rudd, Katherine Schultz, Chris Smith, Eli Spevak, Maggie Tallmadge, Teresa St Martin

**Commissioners Absent:** none.

**City Staff Presenting:** Barry Manning, Bill Cunningham, Eric Engstrom, Tyler Bump, Gina Tynan (BDS), Tim Heron (BDS), Matt Tschabold (PHB), Justin Douglas (PDC), Sallie Edmunds, Rachael Hoy, Troy Doss, Mindy Brooks, Debbie Bischoff, Mauricio Leclerc (PBOT), Judith Gray (PBOT)

*Chair Schultz* called the meeting to order at 5:00 p.m. and gave an overview of the agenda.

[Documents and Presentations for today's meeting](#)

### Items of Interest from Commissioners

- *Commissioner Baugh:* Would like to thank Commissioner Schultz for her efforts at Council and for providing a cake to BPS staff. Thanks to BPS staff for their work on the Comp Plan.
- *Commissioner Spevak:* I just got back from vacation in Europe. It's invigorating to see places where biking is so prolific. It's also interesting to see the range in ages and types of structures - the eclectic mix was fun to see.

### Consent Agenda

- Consideration of minutes from the June 14, 2016 PSC meeting

*Commissioner Schultz* moved to approve the Consent Agenda. *Commissioner Smith* seconded.

The Consent Agenda was approved with an aye vote.

(Y10 –Baugh, Houck, Larsell, Oxman, Rudd, Schultz, Smith, Spevak, Tallmadge, St Martin)

### Disclosures on Conflicts of Interest (Mixed Use Zones)

- *Commissioner Spevak:* I own commercial property in a mixed use area and will exclude myself from the mapping sections of the discussion accordingly. I also own residential property and will not vote on the residential maps.
- *Commissioner St. Martin:* I also own property in a mixed use area and will not vote on the mapping.
- *Commissioner Schultz:* I have general potential conflicts - I work for an architecture firm that has projects all over the city.
- *Commissioner Bachrach:* I own property on SE 17<sup>th</sup> that is proposed to be downzoned, so I will not vote on the residential map portion.

## **Task 5: Mixed Use Zones Project**

Work Session: Barry Manning, Bill Cunningham, Eric Engstrom

*Barry Manning* reviewed highlights of the memo sent to PSC on June 23, 2016. Tonight the plan is to talk about Topics 3-7.

*Mr. Manning* introduced bureau partners Matt Tschabold (PHB) and Justin Douglas (PDC).

*Justin Douglas*: Wanted to commend staff for an excellent public process on the MUZ project - and for being open to conversations with PDC.

PDC feels that affordable housing is the most pressing issue facing the City - and that long term commercial affordability is also critical. While there are still some things we would like to understand better, we are very enthusiastic to be a partner.

Two broader comments: 1) density is critical to maintaining both residential and commercial affordability; and 2) the provision of parking impacts the take-up of the bonus program. To the extent that there are tradeoffs between parking and the take-up, we would like to suggest that we explore district parking solutions.

*Matthew Tschabold*: Commended staff on engaging PHB staff and working together on key decision points.

With respect to the MUZ project, PHB supports it. With regard to how it's structured, we want to utilize that framework as a part of any mandatory inclusionary housing program. At a high level, the City will need to provide a basket of incentives - and we tend to fully utilize any bonuses that are a part of that incentive package, as well as other tools being suggested by our own panel of experts.

*Commissioner Larsell* asked Justin to elaborate on the relationship between parking and affordability.

*Mr. Douglas*: What we discovered - once buildings got to certain sizes and parking thresholds kicked in, a developer might be less inclined to use a bonus if they were required to build parking.

*Commissioner Smith*: With regard to the affordable housing bonus - my concern is whether the bonuses are adaptable as economic conditions change. Does it need to be recalibrated?

*Mr. Tschabold*: We're certainly calibrating it for today, and parts of it will be embedded in the Zoning Code itself. Other elements of the mandatory inclusionary housing bonus would be housed elsewhere in City Code. I don't anticipate much of the recalibration coming from changes to the Zoning Code. It will come from changes in other areas.

*Commissioner Spevak*: I appreciate this is going to get embedded in the MUZ code. I hope that can get done as quickly as possible. Based on what I've read, this is really targeted at rentals. I'd hope there's a component targeted at ownership as well.

*Mr. Tschabold*: Yes, a lot of the attention is on the rental market. But the Commissioner's Office and Bureau are working on a For Sale program.

*Commissioner Tallmadge*: You're looking at about 50% up-take from developers? If the estimate is a 50% up-take, and we want everyone to take advantage - this would lead to buildings being really tall. Are tall buildings in neighborhoods a good tradeoff?

*Mr. Tschabold*: I think PHB's opinion is that to encourage affordability for residential and commercial development, we need to increase our density, both with respect to infill and creating a denser city. Yes, in the long term, we are going to need to build up and in as a city.

*Mr. Manning:* As we're talking with PHB, 20 units is the threshold for the mandatory program, and we're expecting that more projects will take advantage of the bonus FAR because they're already in the mandatory program.

*Commissioner Baugh:* To the district parking - if you diminish parking cost, they could get more bonus, but that's an incentive. Is parking being considered as part of the IZ as an incentive? To the district parking, you have money in TIF districts, but outside of that, how would that work?

*Mr. Tschabold:* Yes, parking is being considered.

*Mr. Douglas:* You're right. We have limited tools. The two locations that we're most interested in exploring right now are Old Town Chinatown and the Central Eastside. These are both in the CC and won't be addressed by the MUZ project.

*Commissioner Bachrach:* On the commercial side, commercial leases are so much more variable than residential, how far do you have to dig in to enforce a commercial program?

*Mr. Douglas:* Will that be an attractive bonus? Will there be a demand for it? Where would it be taken up? There are a lot of things that need to be worked out. What does affordable mean? What would the term be for that affordability? What types of business?

*Commissioner Bachrach:* I certainly understand and support the policy goals of this, but I read the May, 2016 analysis by EcoNorthwest and they have a lot of skepticism about the tools being proposed. I'm troubled by the good intentions maybe not being translated into effective tools. I'm trying to understand the consequence if the skepticism bears out. What's the downside if it doesn't work? My concern is that we're going to create very few affordable units and we're going to decrease the density and number of units overall- I'm trying to understand the risk.

*Mr. Manning:* From the perspective of bonus utilization, there was some skepticism about the take-up of the bonuses. In some cases, we are proposing an FAR reduction. We feel confident we've maintained enough capacity to meet our 2035 goals, even with the reductions. I guess the one thing - as the City works through IZ, our expectation is that more projects will be in the system - and we expect that to increase take-up of the bonuses if they already have to provide some units.

*Mr. Engstrom:* Jeff, you're correct in what the risk is. We've tried to mitigate that - we didn't just change FARs, we changed the maps - the overall capacity is actually higher on the new map than the old, even with the FAR reduction. Secondly, we repeatedly did the economic modeling to check our work. Thirdly, we have an effective date in 2018 so we have enough time to work out those administrative details and pull the plug if we can't make something work. If we can't make it work, we have time to make changes.

*Mr. Tschabold:* I'm encouraged by the fact that our consultants are DRA and EcoNorthwest - and the folks that raised some of the concerns are the principals for EcoNorthwest on our team. IZ actually provides a mechanism for the City to provide more than just an FAR bonus. With other tools, there are mechanisms to help increase the up-take. The analysis looks only at voluntary up-take through FAR. If we find the utilization isn't what we'd like, we'd need to be honest about that and recalibrate.

*Commissioner Bachrach:* IZ will not be in Title 33?

*Mr. Tschabold:* Parts of it will be in Title 33, parts of it will be elsewhere. It will be a package of code.

*Mr. Douglas:* We do have the IZ code project - you will see this September 25 - we have a code concept we'll be circulating at the end of July. This is not the last you'll see of this.

*Commissioner Smith:* The Title 33 pieces of IZ will be amended against the current code rather than the 2018 code?

*Tyler Bump:* We'll be working on multiple sets of code. Both will come to you in September.

*Commissioner Rudd:* For parking, what are we talking about? Structured?

*Mr. Douglas:* I was referring to parking owned by the City or PDC.

*Commissioner Rudd:* Certain neighborhoods would be likely to have higher up-takes. Do those areas have limited parking?

*Mr. Engstrom:* There will be a shortage if we see the housing development we want. There is potential for that.

*Mr. Manning introduced BDS Staff Gina Tynan and Tim Heron*

*Ms. Tynan:* I will review continued items of concern. We did submit formal comments as part of the public record. Ms. Tynan reviewed the Complexity of Development Standards section of the handout.

*Mr. Heron* reviewed sections of the handout related to Proposed Development Standards and additional recommendations from the Design Commission/Historic Landmarks Commission.

*Commissioner St. Martin:* On increasing the ground floor windows, what is behind that?

*Mr. Heron:* The more opportunities for more ground floor active uses, the better. Going from 40 to 50 seems like a reasonable split. The current standard depends on two metrics. BPS has gone to a simpler metric. The 50% seems more reasonable (old linear requirement was 50%) and clean.

*Commissioner Schultz:* As someone who's had to modify this standard in the past, how does this still get achieved?

*Mr. Heron:* We have a desire, with the single metric as opposed to the two metrics, it seems like that might be less of a concern. There's maybe some work to be done in the metric, but I think the 50% works. If we have to modify it, that would still be allowed.

*Commissioner Tallmadge:* Why is BPS not supportive of residential entrances as active ground floor uses?

*Mr. Engstrom:* As we understand it, each unit would have a separate entrance. We've looked at what's been built in the last decade, we were afraid that was too specific.

*Commissioner Baugh:* Some of these items seem like RICAP issues.

*Mr. Engstrom:* We have committed to moving DOZA and related updates to Community Design Standards up - we'd like to do that before this comes into effect. The other one is that we're anticipating a project to do a lot of the RICAP-like cleanup that will need to happen with MUZ-related language in 33 and in other City codes.

*Commissioner Baugh:* With regard to DOZA and the Community Design Standards, it seems premature to get to some of these issues because they could change in those processes.

*Mr. Engstrom:* In some case we've taken what used to be a Community Design Standard and moved it into the base zone so they apply in areas not subject to design review.

*Mr. Manning:* I think what BDS is asking is that we just reference the design standard rather than the plan district standard.

*Commissioner Schultz:* Is it possible to implement stories as opposed to height? Some of the heights are limiting heights in units or on the ground floor. 3 stories =35 feet? Can we implement number of stories instead of height?

*Ms. Tynan:* For Planning & Zoning (BDS) we're trying to get at the form, the size, the massing - if you get into an issue where you're talking about stories, that's in building code, not zoning code. Do you then have to set height limits on floors? Our preference would be to use height to give you flexibility within the building.

*Commissioner Schultz:* Is there a way to do it though? There must be a way to give a design team a little more flexibility for design rather than just doing the smallest building?

## **MUZ Discussion**

### **Topic 3**

*Commissioner Spevak:* Does the FAR transfer allow you to go .5 or .75 above and beyond what you can earn?

*Mr. Manning:* No. You could transfer up to the maximum. You could get half of the total FAR as a transfer. The idea was that you could combine the two tools, but you could never exceed the maximum.

*Commissioner Larsell:* Why is BPS not supportive of the minimum FAR?

*Mr. Manning:* We can come back to this, but the reason we didn't include it was this is a citywide application - there are some areas where we don't think minimums make sense - where we have large lots, not enough parking, etc. The economic characteristics of those areas don't allow those things to pencil out. We did include it in the Center/Main Street Area. We felt those areas should meet a minimum density - but didn't want to apply that citywide.

*Mr. Engstrom:* We were also trying to respond to the policy in the Comp Plan about time transitions - and that we ought to be tolerant of a more incremental approach to growth.

*Chair Schultz asked for a show of hands by those commissioners who were generally supportive of the staff recommendation. All commissioners raised their hands.*

### **Topic 4**

*Commissioner Houck:* The Division design initiative addressed a lot of these issues. At one point we were told there was going to be a discussion about their recommendations.

*Mr. Manning:* Yes, on July 12.

With regard to the 4.1 Staff Recommendation

*Commissioner St. Martin:* So what's physically possible? Is 3 feet enough?

*Commissioner Schultz:* No. You need 18 feet at ground floor to do a multi-stacker. If you want to do complex stackers, you need to have 18 feet.

I can recognize the value of talking with the communities and limiting height - but that's also why I keep talking about using floors instead of height. What we end up doing is reducing ceiling heights within our unit. Most of our clients like to build 9 foot ceilings. We also like to have stackers or storefronts on the first floor. This is forcing a minimum quality building throughout the City - when what we're really talking about is a 3 story building - rather than having us look at the tradeoffs - if I want a stacker, I have to have short ceilings in the rest of my building.

On the requirements for setbacks - with the heights and the setbacks, I can't make it work and make it habitable - unless I shrink the ground floor even more. A solution is to talk about stories and then maybe the maximum height.

*Mr. Engstrom:* We're struggling a little bit with going above what we are at today when the whole point of the project was to address this development and its relationship to the surrounding neighborhoods.

*Commissioner Baugh:* The concern I have relates to the size of the unit. The units are getting smaller and smaller. Some developers are calling a 350 sf unit a single family unit. What prevents a developer from building really short stories?

*Commissioner Schultz:* Building code does have height minimums, so you can't go to 7. The current proposal basically requires you to do 8. You can't build more than that.

*Commissioner Baugh:* What are we trading off? We're looking at a very complex code. Is this the appropriate spot to start creating a complex code to tell developers this is how high and this is how many stories...I don't know if today, we want to put our foot in that conversation.

*Commissioner Schultz:* You're also talking about livability though.

*Commissioner St. Martin:* Parking is an issue, so allowing more stackable parking in a building definitely benefits a community.

*Commissioner Spevak:* I'm inclined to think - right now it's squeezed down to the minimum - but there are ways to do this in Code - to look at height and floors.

*Commissioner Oxman:* I'm intrigued by the idea. The idea of max height and max stories makes sense to me. This addresses the mass, but it allows a lot of flexibility within the building. I'm supportive of the idea at looking at variable story height.

*Commissioner Smith:* Two questions. First, there is a public policy tradeoff between public realm and private realm. I'm leaning a little toward private realm and decent ceiling heights. So Commissioner Schultz, you like 4.1D, but add a provision to limit the number of stories?

*Commissioner Schultz:* Yes, that's the way I'd be leaning.

*Commissioner Smith:* I think I'm supportive of height flexibility. I'd go ask staff to think about how to regulate this.

*Commissioner Baugh:* What is the impact of IZ/parking on this? How will height impact the parking? And how much value can we capture in the parking? This issue will come back to bite us in IZ because now you've given parking a whole bunch of room and you need to capture that.

*Commissioner Rudd:* Are we talking about making the 3 to 5 only for the first floor or can they use it wherever?

*Commissioner Schultz:* I'd be inclined to give the flexibility to the developer. It seems to me that staff needs to go do some homework. Is there support for 4.1D generally? Then we can discuss it later.

*Chair Schultz asked for a show of hands by those commissioners who were generally supportive of the staff recommendation. A majority of Commissioners raised their hands. Commissioners Smith, Baugh, Tallmadge and Rudd did not.*

## **Central City 2035 Plan**

Briefing: Sallie Edmunds, Rachael Hoy, Troy Doss, Mindy Brooks, Debbie Bischoff, Mauricio Leclerc (PBOT), Judith Gray (PBOT)

*Susan Anderson* thanked everyone for their involvement with this plan - particularly Commissioner Schultz and Rudd, and former Commissioner Hanson for their service on quadrant plan Stakeholder Advisory Committees.

### **Disclosures on Conflicts of Interest (Central City)**

- *Commissioner Smith:* I own a rental condo in the Pearl. I believe there are no provisions in the code that would affect that property specifically. I don't believe I have any conflicts.
- *Commissioner Schultz:* I work for an architecture firm with projects all over the City. We have many many many projects in the Central City - these could all be potential conflicts of interest.

### **Discussion**

*Commissioner Tallmadge:* Could you clarify where the affordable housing piece is?

*Ms. Hoy:* MUZ will be bringing together a proposal in October. We'll still be with you at that time. What I presented today was a bonus and transfer system - this will probably change by October - we'll be in work sessions, and we should be able to work through any of the changes we need to make.

*Commissioner Houck:* Really good to see the bird strike stuff. What's the issue with lighting related to bird safety?

*Ms. Bischoff:* We have two new sections of exterior lighting development standards. They state that lighting should face down and materials should not be reflective in a way that harms wildlife.

*Commissioner Houck:* With all the viewpoints along the greenway, where can you plant trees?

*Ms. Brooks* reviewed a map that highlighted areas in vegetation management areas - and where you could and could not plant trees.

*Commissioner Houck:* I'm pleased to see us moving from 25' to 50' on the setback.

*Commissioner Smith:* How do we regulate the view corridors in terms of technology? Two dimensional maps may be obsolete. Have we thought about visualizing the regulations in a new way?

*Ms. Brooks:* We are mapping it in 3D, but for simplicity - translating it into a building height makes implementation easier for BDS.

*Commissioner Schultz:* Keep in mind how you're implementing a diagonal line (from a view corridor) across the site.

*Commissioner St. Martin:* Is there any consideration on the fence on Vista?

*Ms. Brooks:* We have recommendations on it, but it is a safety issue. I don't think there is a solid recommendation.

*Commissioner Bachrach:* Are there regulations related to views other than heights?

*Ms. Brooks:* For building heights, there are a few maps in 33.510 - everything else is found in chapter 33.480 - vegetation related items, etc.

*Commissioner Spevak:* I'm guessing we're going to hear from property owners in those view corridors. Are there tools for those property owners to still use the lost FAR?

*Ms. Brooks:* Yes. They could transfer to a site after that receiving site has used the bonuses.

*Commissioner Schultz:* Is there a way to get out the information in the inventory - for the public and development community? Sort of a hey, it's not preserved but you should be aware and maybe you can design around it?

*Ms. Brooks:* Yes. We'd welcome ideas! The document costs around \$80 to print.

*Commissioner Schultz:* Maybe it could be part of a pre app.

*Commissioner St. Martin:* What was the thought process between LEED Gold as opposed to one of the other colors?

*Ms. Hoy:* It's the most comprehensive program today. It's also the most widely used in Central City over the last 15 years. We just want to continue that momentum.

*Commissioner Spevak:* I have a fundamental problem with a City requiring people to purchase a product from a specific vendor. I have a great article I'll forward on Vancouver - they did a lot of planning in their West End that made it a vibrant place for kids and families. I hope we make this a priority too. On bird safe windows and roofs - I'm curious what the trigger point is if you're modifying an existing building.

*Commissioner Schultz:* I'm a little disappointed that we're only registering for LLED. I second Commissioner Spevak's comment that it has to be LEED. I'd like to see folks develop to a standard and I don't know if registering is really going to get there.

*Ms. Hoy:* We were originally thinking of this as a requirement. But with some of the changes in the LEED program - they are going to become more stringent than the state building code - and local jurisdictions cannot require something more stringent than the state code.

*Commissioner Bachrach:* I just hear a lot of comments that there are better ways to manage sustainability in a project than LEED. I hear the same thing about ecoroofs. I'm concerned we're stifling creativity by picking something up off the shelf. If 90% of buildings are already doing this, why are we mandating the 10% do it too?

*Commissioner Houck:* There are many other benefits of ecoroofs other than stormwater - habitat, green access, heat island, etc.

*Commissioner Spevak:* If we're going to start having minimum densities - we need to make sure you can't "density dump." I also had another thought about the bonus for the greenway - why not just give them more FAR and just make them build farther away?

*Mr. Doss:* There's a lot of complexity. We borrowed the idea from South Waterfront, but it's usually easier to incent things than to require them.

*Ms. Brooks:* We have looked at different options - there are only a few places along the river where we expect redevelopment. Going back 100' takes up a lot of space. The 50' plus bonuses is where we have landed at this time.

*Commissioner Baugh:* Is the development at Tom McCall Waterfront Park targeted at some social-economic or is it just small pods? How is it programmed to be developed?

*Ms. Bischoff:* That has yet to be developed, but we have heard lots and lots of comments on the desire to activate the park. Parks has said any development would require an update to the park's master plan. Also - there are a lot of concreted areas (like under the bridges) that would be appropriate for these developments.

*Commissioner Smith:* They could not get to agreement on a bike share station in the park itself.

*Commissioner St. Martin:* You spoke about a formula for mitigating river impacts - what was the direction of this formula?

*Ms. Bischoff:* Generally, they looked at bike/ped trips, average daily trips on major public trails (mode split downtown is like 21%), what is percentage of impact new development would have with new trip generation? And then - is that substantial enough to warrant trail improvements?

*Commissioner Spevak:* Is there a plan for human being access to the water?

*Ms. Bischoff:* It is a component of our planning. It's not reflected in the regulations, but it is in our action items and in our work on the Eastbank Crescent, for example. We are working on a Central City Swimming Study to determine - what is the best site if the City decides to move forward with a formal swimming program?

*Commissioner Rudd:* The document addresses marine terminals specifically. Is there a plan for facilities for human powered craft?

*Ms. Bischoff:* If it's parks and open space, something like that would be allowed. We're not precluding anything.

*Commissioner Rudd:* Specifically, like the Portland Boat House, when it loses its lease - where can it go?

*Ms. Bischoff:* They're currently working with PDC - we're all monitoring that project. The goal is to have them continue to exist - maybe in the Eastbank Crescent area, maybe it's another location.

*Commissioner Larsell:* Was pleased to hear about seismic issues. Sounds like you're looking at URMs - it's my understanding there are many things related to hazard mitigation. Are there other things this process is addressing?

*Director Anderson:* We could have PBEM come and do a briefing on everything they're doing.

*Ms. Edmunds:* There is a separate Natural Hazard Mitigation Process that PBEM is leading. We can have someone come talk about that.

*Commissioner Smith:* There is a policy discussion without any code related to unbundled parking. I wanted to flag that for your attention. My question for Mauricio [Leclerc] is related to the Map App. I don't see any classification maps. Are they coming?

*Mr. Leclerc:* No. We've done it in the past and it's proven to be very confusing. I think it's a technology issue.

*Commissioner Chris:* I want to see the whole transportation system and how it connects to areas outside of the Central City. I'm trying to figure out if there's a discontinuity. Could you produce a Central City map that goes ¼ mile beyond the Central City boundary?

*Mr. Leclerc:* We can work on that.

*Commissioner Oxman:* I was fascinated by the reduction in the number of parking zones in the plan.

*Mr. Leclerc:* We are retaining the flexibility, but making it simpler to use.

*Commissioner Baugh:* The rationale of the MMA allowing more congestion -we want great streets and fewer cars, plus improved transit. How do we do this without some sort of TDM strategy? What's the plan?

*Mr. Leclerc:* We're continuing to work on that. The idea is there. We just don't have the mechanics figured out yet.

*Ms. Gray:* We talked about a two step approach to a TDM strategy - we asked for your support to take that second step - recognizing that the Central City needs to be treated differently. In terms of timing, we've talked about this as something that would start this year and be finished in 2017. Your support on this would be important.

*Mr. Leclerc:* Most of the projects that you see in the project list are supportive of more transit, limiting drive thrus, being smart about driveway location, jobs/housing - all of this together reduces the number of auto trips.

*Ms. Edmunds* reviewed the schedule for an amendments package, hearings and work sessions.

## **Adjourn**

*Chair Schultz* adjourned the meeting at 9:10 p.m.

Submitted by Kathryn Hartinger



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**Portland Planning and Sustainability Commission**  
June 14, 2016  
12:30 – 4:00 p.m.  
1900 SW 4<sup>th</sup> Ave, Suite 2500A  
Portland, OR 97201

**AGENDA**

- 12:30 PM**      **Call to Order**  
**Items of Interest from Commissioners**  
**Director's Report**
- 12:35 PM**      **Consent Agenda**
- Consideration of Minutes from May 17 and 24, 2016 PSC meetings
  - RW #8051 Vacation of Unnamed Alley between N Midway Ave and N Columbia Blvd
- 12:36 PM**      **Task 5: Community Involvement Program**  
Hearing / Recommendation
- 2:00 PM**      **Title 17 (TDM / Street Vacations)**  
Work Session / Recommendation
- 4:00 PM**      **Adjourn**

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**Ord. 188177, Vol. 2.4, page 11379**

## Portland Planning and Sustainability Commission

Tuesday, June 14, 2016

12:30 p.m.

### Meeting Minutes

**Commissioners Present:** Andre' Baugh, Mike Houck, Katie Larsell, Gary Oxman, Michelle Rudd (arrived 2:18 p.m.), Katherine Schultz, Chris Smith, Maggie Tallmadge (left 2:20 p.m.)

**Commissioners Absent:** Jeff Bachrach, Eli Spevak, Teresa St Martin

**City Staff Presenting:** Deborah Stein, Sara Wright, Eric Engstrom, Judith Gray, Denver Igarta, Courtney Duke, Troy Doss

*Chair Schultz* called the meeting to order at 12:30 p.m. and gave an overview of the agenda.

### Documents and Presentations for today's meeting

#### Director's Report

Deborah Stein

- The Comp Plan is at Council for a final vote tomorrow at 2 p.m. in Council Chambers. Prior to the vote is a celebration sponsored by Commissioner Novick and the Anti-Displacement Coalition in the City Hall Atrium.

#### Consent Agenda

- Consideration of minutes from the May 17 and 24, 2016 PSC meetings
- RW #8051 Vacation of Unnamed Alley between N Midway Ave and N Columbia Blvd

*Commissioner Baugh* moved to approve the Consent Agenda. *Commissioner Smith* seconded.

The Consent Agenda was approved with an aye vote.  
(Y7 – Baugh, Houck, Larsell, Oxman, Schultz, Smith, Tallmadge)

#### Task 5: Community Involvement Program

Hearing / Recommendation: Sara Wright

Sara gave an overview of the Community Involvement Program. Today is a hearing about the program, and we're seeking a recommendation from the PSC to forward the plan to Council.

#### Testimony

1. Dixie Johnston: BPS has done a remarkable job on the program/plan document, but it needs more specificity. Look at the definitions and context put together that are in the existing codes. *see written testimony*
2. David Johnston: The role of neighborhood associations and recognized associations is necessary, but the proposed draft deletes the phrase "neighborhood association". I've suggested some wording that could be inserted in the plan to emphasize the NA role. *see written testimony*
3. Laura Campos: My concern with the current document is that it seems to water down the central role neighborhood associations have. By creating the Diversity and Civic Leadership (DCL) group and spreading out responsibilities of representing our citizens and compromise our

goals, NAs lose focus. NAs need to represent more people, including people of color.

4. Greg Greenway, PIAC: I strongly urge the PSC to move the CIP forward to Council. It puts Portland in line with State Goal 1 and the stated Portland Plan goals. Chapter 2 of the Comp Plan, along with the CIP that implements it, represents a model for cities. We really support the relationship that is forming. Our letter highlights a few items we'd like to see incorporated to clarify components, but we are very supportive overall. *see written testimony*
5. Courtney Duke, PBOT: We appreciate the collaboration with BPS. Our input was received and incorporated in both Chapter 2 and the CIP. PBOT has some minor amendments that clarify legislative versus non-legislative projects and what would be part of the CIP and what wouldn't. We are concerned about the resources required, so we would encourage the PSC to ask Council to ensure funding is specified for the CIP. *see written testimony*

*Commissioner Tallmadge:* Some testimony we received said that the plan leaves little room for the community to establish their own goals and objectives. Is this something PIAC agrees with?

Greg: PIAC sees that the framework is there and it allows the public much more input in the process and the ability to monitor the work. We do see some areas for clarification as noted in our letter. Metrics could be clearer. In the supporting text, it should be clear that the role of the CIC works with and oversees staff, but it should also be a liaison group to the community.

*Commissioner Tallmadge:* How exactly is this plan watering down the role of neighborhood associations?

Courtney: It doesn't change any resources or what is funded. But there could be additional resources provided to non-NA groups.

Laura: My concern is that what I've noticed is that we have a division. People in the DCLs have been reluctant to talk to NAs. I'm concerned not about a loss of resources but a division. We should work with NAs versus creating new groups.

6. Doug Klotz: Emphasis in NAs is about home owners. It is wise that the document doesn't emphasize NAs because they generally don't represent neighborhoods as a whole. We need to look at groups that are not necessarily recognized by ONI to be sure to include them. The CIP is definitely headed in the right direction.

*Chair Schultz* closed testimony at 12:59 p.m.

### **Written testimony received**

#### **Discussion**

*Commissioner Tallmadge* noted that one piece of testimony said there wasn't clear indication of how feedback would be received and incorporated about the CIC. Is this something that should be added?

- This is asking for a prescriptive level instead of what we're aiming to get here for the programmatic level. This is something for the CIC to work on after it's established. We want the program to be iterative to let us keep improving as we learn more about best practices.

*Commissioner Baugh:* Are PBOT's recommendations going to be included?

- Yes, we have worked with PBOT and will incorporate them in the language before it goes to Council.

*Chair Schultz:* I do feel that we need to hear from a broader representation of our community. We have well-organized NAs, but the people who come before us are mostly property owners. Could we broaden the definitions even more?

- The definitions change is a proposed change to the Zoning Code. It's actually a housekeeping item because the Title 33 definition has to match the Comp Plan glossary; the language here is directly from the new Comp Plan glossary. The CIP is not limiting outreach to just recognized organizations.

*Commissioner Larsell:* How soon with this program be implemented?

- The CIC will have a relationship and reporting with the PSC. 2018 is when the Comp Plan becomes effective, but we are putting in place the work of establishing the CIC, working with OEHR and ONI now, and we're already reorienting ourselves to be following the program guidelines so we're fully up and running by the time the Comp Plan is implemented. It means starting work on what the budget looks like, ensuring we have the commitment for funding as we move forward.

*Commissioner Smith:* I bemoan the verbiage change from community involvement to citizen involvement. Citizenship is still a value I hold highly, but I also recognize this is how we get more people to share their voices with us. In the same vein, NAs are incredibly valuable for a lens for place in making our decisions; but by that nature, they won't attract some people. We have to have other mechanisms for other groups, and I'm strongly supportive of the direction of this plan in supporting this.

*Commissioner Houck:* I echo *Commissioner Smith's* comments.

*Commissioner Tallmadge:* I would love to incorporate PIAC's recommendations in terms of ensuring resources and having a liaison from the CIC to PIAC. And a community involved process about working on metrics. Additionally, I would say keep hammering in equitable resourcing to groups outside of NAs and have a more robust involvement process.

- These are items that could be included in the letter to Council.

*Commissioner Baugh* is fully supporting of the plan and broadening the opportunities for non-geographic communities to participate. The important part is about resources. We need to emphasize this must be funded by Council for the program to be successful.

#### **Motion**

*Commissioner Baugh* moved to recommend the Community Involvement Program to City Council, including the proposed changes to Title 33. *Commissioner Houck* seconded.

[withdrawn]

*Commissioner Baugh* moved to recommend the Community Involvement Program to City Council, including the proposed changes to Title 33 and include the proposed PBOT recommendations. *Commissioner Houck* seconded.

*Commissioner Tallmadge:* I propose adding in the liaison from the CIC to PIAC. *Commissioner Larsell* seconded.

*Commissioner Baugh* moved to recommend the Community Involvement Program to City Council, including the proposed changes to Title 33, include the proposed PBOT recommendations and to include a liaison from the CIC to PIAC. *Commissioner Houck* seconded.

*Commissioner Houck:* This is impressive work.

(Y7 – Baugh, Houck, Larsell, Oxman, Schultz, Smith, Tallmadge)

The motion passed.

## **Title 17 Components: Street Vacations and Transportation Demand Management (TDM)**

Work Session / Recommendation: Judith Gray, Eric Engstrom, Troy Doss, Courtney Duke

Judith introduced the two portions of the TDM proposal: one part for the Mixed Use Zones plan and the other for Campus Institutional Zones.

TDM closes the gap between expensive infrastructure and the choice the individual makes to get the most out of the system. We need to preserve roadway capacity for essential roadway trips. And TDM can help achieve our growth and climate goals. TDM programs can help in reducing vehicle trips as well.

### **TDM in Mixed Use Zones**

In Portland, we have custom TDM plans required for CUMPs and Central City Parking Review, and also some voluntary TDM programs. The Lloyd TMA (now Go Lloyd) is a great example of TDM.

We had a stakeholder meeting last week, but there is additional work to do.

New in this proposal is to require a TDM plan for residential development.

*Commissioner Smith:* We have reduced or removed the requirement for parking, but in lots of cases it is the market that drives the need for parking. So the economics for how we fund TDM may be difficult. Developers will need to build less parking but not because we're ahead with regulations. We also need to be careful as we move into the age of shared mobility (e.g. Uber), we are still using space on the road. Removing parking is a huge benefit but so is not getting into a congested state.

Staff has been working with stakeholders and other interested parties. There have been common themes in the feedback: There is support and appreciation that TDM strategies are helpful, but there are more questions about implementation, responsibilities and program details. We want to continue our engagement and working with the public.

Step 1 of a pre-approved plan includes "basic" pre-approved elements (slide 9).

*Chair Schultz* asked about the \$1100 per unit based on 2 individuals in the unit. Is there a way to charge based on how many people are living in the unit?

- To keep it simple and make it possible for this to be one-time and upfront, we don't know the number of residents. But how these are bundled, a developer could be flexible about how they are taking care of the obligation. As soon as there is an on-going component, we are getting into more of a Step 2 component.
- *Commissioner Bachrach* suggested in his letter that there should be an off-set for this, something like an SDC waiver.
- PBOT is currently revising our SDCs. It is common practice that if a developer can use TDMs up front, they can get a credit or have SDCs reduced. We'll have to think about it going forward because SDCs do provide funding for building infrastructure.

*Chair Schultz:* Why not have a TDM program from retailers? You could do a program to encourage employees to use mass transit, etc.

- BPS has discouraged this in the initial phase. Lots of the retail that's in mixed use outside of the Central City is pretty small scale, and the cost-benefit ratio is very different. We aren't opposed to this, but in the first step in how we roll out TDM in a mixed-use environment.

*Commissioner Smith:* In terms of the off-set, I believe economically there will be an off-set for parking, but it will be hard to measure. In the cities we've looked at that have successful TDM programs, who is funding this?

- It depends on market conditions. In a tight market, there may be enough return, but in others it may be passed through as additional rent. It's a bit situational.

The timing for Step 1 and Step 2: The work doesn't take effect until 2018, so we might have Step 2 developed and able to implement by 2018.

- We certainly want to have things in place by 2018. Step 1 gives a level of certainty but it doesn't preclude Step 2 from happening to build on it.

*Commissioner Oxman* was confused by the chart on page 2 about the effectiveness of a TDM program. It looks good if you include parking in the bundle, but what should our expectations be?

- Modeling for the long-term would go as high 25 percent reduction in auto trips in the long-term.
- We have a paid parking environment in much of the city. In the Central City, we would have more effectiveness in trip reduction. We are putting more than half of our mixed use growth in areas where we expect to have paid parking. And many buildings already are charging for parking.

*Commissioner Oxman*: About the \$1100 bundle, do we know what impact on turnover this has?

- We would like an on-going program for all new residents moving in. But this would be part of Step 2. We need more time to figure out the impact of the on-going option to judge the wider effects of the expansion on this approach.
- The December proposed draft included multi-modal financial incentives.

*Commissioner Oxman*: You're eliminating the targets for reduction in auto-ownership and mode share. How will we know we're effective?

- To tie an individual development to meeting a specific mode-split target instead of a community-wide standard is difficult. But this is good feedback if we want to include it in Step 2.

*Commissioner Baugh*: This plan is just for new development. But how do we work with the existing buildings?

- We know that more than half of future residents won't be included in this first Step. But for Step 2 it could be something to incorporate.

Judith walked through the key scope items for Step 2 (slide 10).

*Commissioner Baugh*: This is about our Climate Action Plan and transportation. If we can't reduce the trips on the streets, we won't achieve a lot of our other goals. We are going to have to price people out of their cars in some way if we want to have less congestion. We have to bite the bullet and look at some of the conditions and impacts when we get to Step 2. We have to step forward first then come back with what we can do. I'd also remind us that PBOT does not need to come back to the PSC to do the work. We are not in control any more, but we want to be in control because of how the policies relate to our other work. We need PBOT to work with us and come back with a solid plan for Step 2.

This is triggered by Title 33 code, which does require the PSC's approval. Title 17 is where the specific direction lives, which is outside the PSC's purview. But we would much rather have the PSC's support before going to Council.

PBOT is hoping for a letter of support to go to Council, and the PSC could mention this in your letter to Council about the mixed use zones project.

*Commissioner Larsell*: Developers would pay \$1100 per unit to go for transportation incentives. What if the person in the unit doesn't want the incentive?

- This is what we're tracking in the survey to see what's being used or not.
- The simplest way is a calculated fee, which then becomes and account for the building to use in a way that works best. The building would still have the value of the incentive, but they might want a different way to use it.

*Commissioner Larsell:* Lots of times, people really like the incentives, but if it's wasted, then others will look at it and question it.

- This is a good point. We wanted something so flexible that could be used by anyone. We will add this to make sure it's flexible enough that it's transferable and valuable.

*Commissioner Smith* remembers the genesis of Smart Trips. One of the features was that they were highly personalized and could be tailored. So incentives could take a lot of forms. I would think that in this spirit, if we want to get the most bang for the buck, I hope Step 2 is very data-driven to make sure incentives are being used well. This is a Smart Cities investment. TDM is a carrot to entice people out of their cars. It's important how we fund the carrots to make them effective.

- It is our intention to make this flexible enough for third-party implementation. We'd also like to have app developers and others, so it definitely ties into the Smart Cities approach. Even with Step 1 in Title 33 there is an option to do an alternate tailored plan; this would be suited for a larger development.

*Commissioner Smith:* On page 5 of the memo, #1 removes TDM requirements for Central City zones. But I thought the CC2035 Plan has a TDM linkage.

- We heard from stakeholders that we need to look at the Central City differently. So at this point, we are taking it out of this process and adding it to Step 2.
- Initial Title 33 proposal for CC2035 will not include TDM. *Commissioner Smith:* This is disappointing.

*Commissioner Houck:* This is like déjà vu going back 20-30 years to an analogous situation with floodplain and stormwater management when engineers wanted to build "hard" infrastructure. It's taken that long to convince utilities to combine green infrastructure approaches with more traditional engineered solutions to solve environmental problems. I like this approach which combines investment in roads but also relies on non-engineered options. But, I share Katie's and Katherine's concerns about incentives not being wasted. I like the approach of being non-structural and multi-objective.

*Commissioner Baugh:* What do you mean by third-party development? Is this private or public?

- It could be either or both. A TMA is an example. There may be other models or examples. The scale of where this makes the most sense is beyond a single building (e.g. a district) as *Commissioner Smith* noted.

*Commissioner Tallmadge:* I think we also see a geographic burden; if we're looking at East Portland and people's jobs are still mostly in the Central City, there is an increased burden of the cost of a car versus time to take public transportation. A bus pass may not be as worthwhile an incentive because of the time to get to work.

*Commissioner Smith:* Vanpool is an option that the Swan Island TMA uses effectively.

*Chair Schultz* has a concern about not including TDM in the Central City. If we're ready to do it in mixed use zones, why can't we do something similar for the Central City? There has to be a tie-in and understanding of how they work together.

- In the Central City, there is a more complex ecosystem of property owners and stakeholders. We want to take enough time to get buy-in. It's a time factor of how we propose it.
- There is a different parking environment in the Central City, and folks that choose to locate here have invested in a non-single-occupancy lifestyle in large part. If we can find a way for the CC2035 Plan to include a similar TDM plan, but I don't want to do it badly.

The hope is that we get support for the 2-step process. If there are concerns or items we want to have considered, let's get this on the table.

Troy: The PSC has raised good questions. We on the Central City team are concerned about putting something in at the last minute, without getting adequate support from stakeholders. The Proposed

CC2035 Plan comes out next week. I think we have adequate time to deal with this issue and not throw it into the CC2035 at the very last minute without stakeholder engagement. The CC2035 briefing with the PSC is in two weeks. From a code perspective, I don't know what we'd put in Title 33 now without figuring out the details first. I would add this as a high priority item to figure out, but it would be irresponsible for us to put something in the code draft in the next week. We want to make sure we get it right and are happy to work on in the next few months.

*Chair Schultz:* If the Central City lags, should mixed use zones be on the same timeline?

*Commissioner Baugh:* We want to look at how the entire city works and addresses TDM. It would be a question for mixed use zones and others outside the Central City why we're asking them to make changes before the Central City.

*Commissioner Smith:* We need to grow total trips inside and to the Central City by 50 percent, without growing auto trips, and I don't believe that's possible without a TDM component. I agree we should take the time to do it right and sort out residential versus employment TDM, which is complicated. But we have to go into our consideration of CC2035 with the expectation there will be TDM.

- Staff agrees with this. We need to look at the overall package.

*Chair Schultz* is supportive of a two-stage approach. I am concerned with the \$1100 per unit on top of other fees. It's big money, and we're fooling ourselves if we think it won't get passed on to renters unless we can provide incentive to the developers to not do so. I want to put something in the letter that while we're in support, I would like to see an off-set considered. If TDM is really going to work, that reduction in SDCs seems to be the most logical tie to me.

*Commissioner Smith* moved for the PSC to support the simplified Step 1 as a starting point, knowing it will be modified in Step 2. Step 2 should include on-going programs for new residents, a component to bring in all buildings, and looks at targeting to make sure the incentives will maximize effectiveness. *Commissioner Houck* seconded.

*Commissioner Baugh* wants to add that staff should evaluate off-sets in Step 2 as part of what comes back to the PSC.

*Chair Schultz* wants off-sets to be part of Step 1 with the continued review and updates as necessary for Step 2.

*Commissioner Smith* included *Chair Schultz'* comment to include the off-sets review in Step 1.

The PSC had consensus on this item to include in a letter to Council about TDM for mixed-use zones.

### **TDM for Campus Institutions**

Judith gave an overview of Campus and Institution requirements and the proposed requirements in the Campus Institutional Zones project. PBOT has updated and modified the Campus TDM proposal based on community input over the past few months. Judith highlighted the key changes (slide 18).

*Commissioner Oxman:* Do you have behavioral science people working with you on this? It's a human who drives a car, so changing behavior becomes very important and something to think about.

We have penciled in an August 2 date to continue discussion on the Campuses portion.

*Commissioner Smith:* A concern I had was that we got to our public hearing about campus institutional zoning, and both sides told us they didn't like it. We amended the work in line with the institutions' requests. And here again we have ideas from the institutional stakeholders, but we need to have neighborhood input for a balanced review too.

- If we can iron this out by the August 2 date, we certainly will. We will continue to work with the stakeholders.

We will have a statement in Title 33 that says you have to have a currently-certified TDM plan. There is still a required transportation impact assessment. Land use isn't how you get TDM approved, but contents can be brought to bear. This piece needs more thinking, which is what we'll be working on to include in the TDM reviews.

The Campus Institutions TDM discussion will continue at the August 2 PSC meeting.

### **Street Vacations**

Courtney presented components of the memo. Title 17 language that PBOT staff had proposed last December. We modified the street vacation policies in the Comp Plan Chapter 8. Council voted to incorporate these policies to include community uses. *Commissioner Rudd* had expressed concern about the community uses policy changes.

PBOT staff did make minor changes based on conversations with BPS and right-of-way staff to make approval criteria more flexible.

The current proposal is to ask the PSC to recommend that we consider temporary uses in the approval criteria.

*Commissioner Rudd*: I understand my policy concerns aren't shared. ROW is for transportation for a variety of means. Accessory uses are ok, but I'd rather see a property vacated if it isn't going to be used for a transportation purpose at all. Looking at the language itself, I think we need to define "temporary", "community uses" and "public services". Criteria #8 says "any other matter of like or different nature...", which to me means you can deny for any reason.

- The intent of #8 is about putting on conditions of approval.
- We can certainly add the definitions to the Zoning Code.

*Chair Schultz*: What about, for example, a street fair that happens every other year in the right-of-way?

- This could be considered a valid use for keeping the right-of-way and not vacate it.
- I think everything in the right-of-way requires a permit to use, but we can check on that.

This has to be in Title 17 and go through Council. The first hearing is in late September. This is distinct from TDM.

*Commissioner Smith* moved to give conceptual approval to the Street Vacation memo with the expectation that final definitions will be brought to the PSC on August 2. *Commissioner Baugh* seconded.

(Y6 – Baugh, Houck, Larsell, Oxman, Schultz, Smith; N1 – Rudd)

### **Adjourn**

*Chair Schultz* adjourned the meeting at 3:09 p.m.

Submitted by Julie Ocken, PSC Coordinator



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**Portland Planning and Sustainability Commission**  
**May 24, 2016**  
**5:00 – 8:00 p.m.**  
**1900 SW 4<sup>th</sup> Ave, Suite 2500A**  
**Portland, OR 97201**

**AGENDA**

- 5:00 PM Call to Order**  
**Items of Interest from Commissioners**  
**Director's Report**
- 5:05 PM Consent Agenda**
- Consideration of Minutes from May 10, 2016 PSC meeting
- 5:06 PM Task 5: Employment and Campus Institutions Zoning Map**  
\*\* These items have been continued to the July 12, 2016 PSC meeting
- 5:10 PM Community Involvement Committee Report**  
Briefing / Recommendation
- 5:40 PM Task 5: Community Involvement Program**  
Briefing
- 6:45 PM Task 5: Mixed Use Zones Project**  
Work Session
- 8:00 PM Adjourn**

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**Ord. 188177, Vol. 2.4, page 11388**

## **Portland Planning and Sustainability Commission**

Tuesday, May 24, 2016

5:00 p.m.

### **Meeting Minutes**

**Commissioners Present:** Jeff Bachrach (arrived 5:50 p.m.), Andre' Baugh, Mike Houck, Katie Larsell, Gary Oxman (arrived 5:15 p.m.), Katherine Schultz, Chris Smith, Eli Spevak (arrived 5:07 p.m.; left at 6:48 p.m.), Teresa St Martin (arrived 5:17 p.m.), Maggie Tallmadge

**Commissioners Absent:** Michelle Rudd

**City Staff Presenting:** Sara Wright, Barry Manning, Bill Cunningham, Eric Engstrom, Brandon Spencer-Hartle, Joe Zehnder

*Chair Schultz* called the meeting to order at 5:02 p.m. and gave an overview of the agenda.

### **Documents and Presentations for today's meeting**

#### **Director's Report**

Susan Anderson

- All PSC members have signed up for additional briefings about the Mixed Use Zones project on May 31 or June 1. Julie will send the schedule.

#### **Consent Agenda**

- Consideration of minutes from the May 10, 2016 PSC meeting

*Commissioner Smith* moved to approve the Consent Agenda. *Commissioner St Martin* seconded.

The Consent Agenda was approved with an aye vote.  
(Y6 – Baugh, Houck, Larsell, Schultz, Smith, Tallmadge)

#### **Task 5: Employment and Campus Institutions Zoning Map**

\*\* These items have been continued to the July 12, 2016 PSC meeting.

#### **Community Involvement Committee Report**

Briefing / Recommendation: Sara Wright; Stan Penkin, Linda Nettekoven, Allison Stoll, Howard Shapiro, CIC members

Stan introduced the four members speaking tonight, who have been part of the CIC since its inception about 7 years ago. Tonight is the final CIC presentation to the PSC. He gave a background about the CIC, its work and the function of the group. Tonight's presentation is about the Task 5 community involvement work.

Working with staff has been mutually beneficial and has had both challenges and positive results. As we move into the future with the newly constituted CIC, we have a solid foundation based on the work of this CIC.

Marty Stockton, Deborah Stein and Eden Dabbs have been with us since day 1. Sara Wright has guided us for the past 2 years. We are thankful and appreciate all staff's work with the group. And many thanks to Howard Shapiro, the CIC Chair.

Linda echoed the sentiments of how staff has worked well with the CIC and has learned from each of the rounds of work. We keep learning lessons but also have new challenges going forward. Task 5 shifted from macro policies to more of the micro, smaller-scale efforts. And we have an overlap of Task 4 at Council and Task 5 at the PSC, which is complicated for the public. The community is being asked to track and comment on many projects simultaneously. It's been difficult for people to track the projects, open houses, notices and changes. Some people simply gave up, so even for some of the most knowledgeable people, we know people are tired.

There were some transparency concerns, particularly with the MUZ processes: what happened to individual comments, how they influence the next phase and edits, etc. Staff often consolidated comments and grouped them but ultimately posted the individual comments online. Another concern was about what is happening to the character to some of the commercial districts, so staff proposed the low-rise commercial proposal at the end of the MUZ process, which blindsided some people while responding to other community members. There is an on-going concern about Measure 56 notices going to the property owner but not people on the other side of properties that may be changing. Can we post signs on or near the properties that are being influenced?

Ultimately, staff did an amazing job with their work. Measure 56 notices were more inviting and accessible than were required to be. Real people were available via the HelpLine, and drop-in hours were available in English and Spanish. Staff used the Map App to sharing lots of information and shared information about specific ways people could get involved. District Liaisons were "everywhere" providing information as it changed. There was an incredible amount of work.

Two main challenges remain: How to make people see the relevance of these changes and how to handle the complex information in ways that people can access and respond.

Allison is the director at CECN. Building on a challenge: it was a challenge on the part of the staff as well as the community to be involved in the Comp Plan. CIC members are volunteers. Creating a Comp Plan with extensive community input was a monumental task. We continue to need to expand capacity of more people in the city. We were able to work with more and more culturally diverse populations, which is great. It was important to bring the Comp Plan on a "road show" to neighborhood businesses and homes in the community to share information. We were able to reach a huge and varied group of people.

The Task 5 projects timing was challenging. Organizations are often made up of volunteers, with meetings maybe as frequently as once a month. It was a huge challenge to disseminate information, allow time for scheduling meetings, providing opportunities for discussion, and for them to formulate responses to staff, PSC, Council, etc. Sometimes deadlines got in the way. And some deadlines didn't align with organizations' meeting timelines. The communication process can continue to be improved.

Over the years, retention on the CIC became an issue. We really tried to get a diverse group to work with, but priorities kept some people from being all involved. Many factors make it hard to recruit, and retention was difficult.

Howard was the Chair of the CIC. We were staffed and led by a wonderful group. This process is about trying to get as many people informed about as many topics as possible. We made the honest effort to reach out to the community. We often heard people didn't get enough time, or we didn't give people enough time. We know this is a continuing challenge.

The CIC Memo sums up the group's work. The Community Involvement Program, Policy 2.16 of the new Comp Plan directs the City to maintain and support a CIC. We will have a new CIC to keep people informed, which is important. This current CIC should be congratulated.

We request that the PSC adopt the CIC memo and forward it to City Council.

*Chair Baugh* thanked the CIC members for their commitment of 7 years and 50 meetings. A special thanks to Howard for his work on both the CIC and PSC. I hope when we look back in a few years, the diversity will stand out from your hard work.

*Commissioner St Martin* noted this is inspirational work. Thank you to the CIC members.

*Chair Schultz* asked about the struggle with timelines and work. We know that stretching processes out also has problems. Do you have any suggestions? I feel like we're often missing testimony from specific groups, too.

- Howard: We know we saw part of the representation. Suggestions are elusive because people's objectives and interests shift.
- Allison: In the broader community, we had gone through VisionPDX, Portland Plan and started the Comp Plan. People get burnt out, and there was lots coming at them at once. If you don't have a passion for land use, particularly when the Comp Plan has been built on so many earlier projects and processes, it's difficult.
- Stan: The earlier parts of the process were quite "wonkish" and policy-oriented, so it doesn't have lots of meaning for the general populous until we bring it down to the individual level as we're doing with the Task 5 projects.
- Linda: We spend 80 percent of our time on the build-up and only 20 percent on the decision-making. This is a struggle particularly with our form of government. I would have considered setting aside some of the Task 5 work for later if possible. There is so much going on, it's difficult. But with Venture Portland, I'm hopeful we'll be better fit to engage with more commercial interest groups and individuals.

*Commissioner Houck* started in land use planning area in 1982 with a number of cities and Metro. Having participated at the table in every instance, I have not seen any effort that comes close to the CIC. I'm blown away by your work and the staff. You have done incredible work.

*Commissioner Tallmadge* commended the CIC for its work. I'm glad to hear about under-representation of businesses and keeping on more diverse committee members. Just a caution is that a single person on a committee can't represent the full community.

*Commissioner Spevak* noted only so many people have a passion for land use and civic involvement. This is the least visible and most important part of the process. So thank you.

*Chair Schultz* commended the CIC and thanked them for their phenomenal work.

Howard was part of a group that helped push "equity" along. The word has carried through all the work the CIC and PSC has done. This is the watch-word I hope we're all using when planning for this city.

*Commissioner Oxman* acknowledged the equity work and how it is going to play out in the future of planning.

*Commissioner St Martin* moved to adopt the CIC report and forward it to Council. *Commissioner Oxman* seconded.

The motion passed.

(Y9 – Baugh, Houck, Larsell, Oxman, Schultz, Smith, Spevak, St Martin, Tallmadge)

## **Task 5: Community Involvement Program**

Briefing: Sara Wright

Sara introduced the Community Involvement Program, which is one of the Comprehensive Plan Update Task 5 implementation projects.

We currently have the PSC filling the role of community involvement oversight. The document lays out a charge and scope for a new Community Involvement Committee that will take on that role. We currently have no manual. This document creates a first draft of a manual to be revised and adopted (and revised again!) by the CIC. This document also includes some minor code changes that were included in this project rather than the Miscellaneous Code Amendments project because they are relevant to community involvement. Now we have independent community involvement activities. These activities will be brought into the Community Involvement Program, which will make our activities more consistent and create systems for continuous improvement.

This document is not intended to be a final list of the things we need to do good community involvement, just to get started on the structures we need.

Chapter 2 of the 2035 Comp Plan makes a big shift in the way we do community involvement in legislative planning projects. It builds on Portland Plan frameworks for equity and sets out some ambitious goals and policies that expand community involvement to bring people to the table who haven't been there before.

We need a Community Involvement Program to help staff work toward the policies in Chapter 2, because it requires so much more than the current Comprehensive Plan does.

In the current Comp Plan, there is just one goal and four policies. The 2035 Comprehensive Plan's chapter on community involvement has 7 goals and 40 policies. This is a very robust set of policies, and while we already work toward a lot of these goals, staff does not currently have the necessary guidelines and resources in place that support consistent, continuously improving practices. The Community Involvement Program is intended to put these guidelines and structures in place.

The Community Involvement Program draft is a description of a new program inside BPS. This program is a support structure to help staff work toward the remaining policies in Chapter 2. We are establishing a structure for continual evaluation and improvement. It is intended to set basic expectations and allow project-specific flexibility. Community involvement is a field where new tools are being developed and refined every day, and it should be dynamic and responsive. This program is intended to be continually evolving, not to be a one-time recipe for perfect community involvement.

The Manual is intended to provide guidelines for staff to strive to achieve the goals and policies of Chapter 2. It includes guidelines about how to use an equity framework in community involvement, baseline expectations, guiding questions for staff to ask, for the CIC, the PSC, and the public to ask.

As directed in Chapter 2, the Community Involvement Committee will be a new independent body taking on community involvement oversight role currently filled by PSC.

This will be an advisory body that will support and advise staff and revise and update the manual. The process of establishing a charter and recruiting and selecting members will take place after adoption of the Comp Plan. BPS staff are already working with Office of Neighborhood Involvement (ONI) and will work with other groups including Office of Equity and Human Rights (OEHR) and the Public Involvement Advisory Council (PIAC) to establish a process based on best practices. We already have good feedback from the current CIC.

The legislative requirements already exist. The proposed draft doesn't change this except to Title 3 to establish the CIC and a few changes in Title 33. The Title 33 amendments are the ones relative to community involvement, but they are basically housekeeping changes.

The City will have to make programmatic commitments that put resources behind Chapter 2 to make it meaningful. It's important to note that City staff are already doing a lot of these things, but not in a coordinated way. We want to build consistency and fluency, and embed these activities in a system that prioritized continuous improvement.

There were a lot of thoughtful comments on the Discussion Draft, and you will hear new testimony on the Proposed Draft. We made some changes in the Proposed Draft in response to the comments, but we haven't made the requested changes in some areas. The changes we haven't made fall into two areas: CIC membership specifics and prescriptive requirements. Commenters made specific requests for who should be on the committee and how they should be selected, and we are not addressing this in this document. The CIC membership will be worked out in the next 18 months.

Commenters also made specific requests for specific requirements for community involvement activities. The prescriptive requirements are not appropriate for this document at this level, because we need to retain flexibility for a wide range of projects and activities over time. However, the suggestions could be reviewed by the CIC and recommended on an ongoing or project-specific basis. Staff recommend looking at the issue of metrics early on, for example.

The PSC will have a hearing on the Community Involvement Program at the June 14 meeting. After the hearing on June 14, we will be asking you to recommend that Council endorse this program as implementation of Chapter 2.

*Commissioner Oxman* thinks the guide is a great piece of work. The overall approach creates a strong expectation for staff, which sets a good tone for the culture of using it. On page 21, the discussion around meaningful participation is talked about in terms of procedures, not in outcome terms. It's possible that despite the best intentions, we may engage people lots but still ignore them, which is concerning to me. What about looking at if the outcomes are changed and if there was community satisfaction.

- That language is from Chapter 2 of the Comp Plan. We did get comments along these lines, and we can look at this and ask the new CIC to work on it.

*Commissioner Oxman*: Paying for community expertise is incredibly important. Communities should conduct data-gathering activities is positive. There are well-validated methods that can do this, for example, community participatory research framework. On page 25, there is the guidance to have the discussion around power dynamics: this is courageous but messy. It will tax the staff to do this, but don't underestimate how complex and difficult this will be... but I applaud it. On page 29, in terms of reporting as the basis of accountability, I completely support this. Who are the audiences this will be reported to? They should be identified, even though we know they will change based on the projects.

*Commissioner Baugh* concurs that how you report is important, but the audience and engagement of low-income and minority communities is vastly important. We don't just want to put things up in typical ways; we need to reflect changes in how we engage and how we report.

*Chair Schultz* asked about the CIC's responsibility. Can/should they be able to, mid-process, jump in and say "it's time to readjust"? It seems like they might be a great body to share this.

- The way it's intended right now, the CIC would be able to come to the PSC to express their concerns. But the intent is that they should be involved early on to see potential problems and provide input at the forefront.

*Chair Schultz:* In my work and outreach to neighborhoods, it seems like the commercial community is not very engaged in Portland. I want to be sure we have equity for both residential and commercial communities.

*Commissioner Larsell* asked for examples of legislative projects to which this would apply.

- Anything that changes the Zoning Code or Zoning Map.
- Anything that the PSC recommends to Council is a legislative process.

*Commissioner Larsell:* What about the staffing for this, especially if you want a real diversity of people on this group?

- The programmatic commitments have to come along with this. We know that robust staffing is necessary. In talking with ONI and PIAC, we're discussing how we can be sure to let people know the intent and commitment necessary for the CIC work.

*Commissioner Houck* was thinking about the budgetary implications for this work. I feel like this may have a huge target on it during budget cuts. The amount of work that's already been done on this is amazing. I'm also interested in how much of this work could be transferred to other bureaus, PP&R and BES for example.

*Commissioner Tallmadge:* Thank you for this work and for continuing to work with communities that typically haven't been involved in this work. This could be a great leadership development opportunities to give support to new people coming on board in organizations.

*Commissioner Smith:* Regarding the inter-bureau and Citywide ramifications, how much input did PIAC have into this document? During the Comp Plan we had testimony about relative balance for new channels of outreach and input versus traditional neighborhood association input. Are we basically in the same place as where we were with the Comp Plan?

- A PIAC subcommittee has been involved all along, and there is interest in building on this to be relevant Citywide. They will be submitting testimony.
- In terms of neighborhood associations and the balance, this is a program to implement the goals and policies in Chapter 2. We are building on what we have while bringing new people to the table. We feel like what we're doing is making all our community involvement processes more transparent, inclusive and open.

## **Task 5: Mixed Use Zone Project**

Work Session: Barry Manning, Bill Cunningham, Eric Engstrom, Brandon Spencer-Hartle, Joe Zehnder

Barry reviewed the memo, which outlines the flow for the upcoming work sessions.

*Commissioner Houck* is pleased that the Division Design Initiative proposal will be its own topic, and I'm hopeful we will have a good discussion about that before the work session so I better understand it.

*Commissioner Smith* asked if there are minor items that aren't making the list but there are Commissioner amendments, when would you want to see those to bundle them up and treat them appropriately?

- As soon as possible of course. I know we still need to discuss some of your (Commissioner Smith's) questions about streetcar.

*Commissioner Smith:* I'm also interested in the issue at 15<sup>th</sup> and Brazeo? I have a pattern question around that. Are there other areas we have an island of commercial in a sea of residential? And what is the range of sizes of these? On drive-throughs, there are situations where a business may offer 24-hour service through the drive-through but locks the front door for security. There is a storied history of cyclists attempting to use the drive-throughs and being denied. I'd ask that we put in a provision that if

a drive-through is the only way to access the business, it is accessible by cyclist and pedestrians as well as autos. Commissioners agreed with the drive-through accessibility concern.

The intent of the work sessions is to get through each code topic with the PSC's direction to staff for each item at each work session. We will have a hearing on the outstanding mapping components as part of the Composite Zoning Map on July 12.

*Commissioner Bachrach* is concerned that we have several big policy choices (TDM and affordable housing for example) for which we have broad policy with the details in Administrative Rules. I'm not comfortable proposing a plan like this if I don't know what those plans are.

*Chair Schultz* noted that when PBOT comes back on June 14 we will have a specific recommendation for an off-the-shelf plan. Then when the PSC approves MUZ, you will be enacting that plan. Part of the briefings next week will address how all the affordable housing work from the past and going into Inclusionary Housing is coming together in the future.

*Commissioner Spevak* disclosed his recent property purchase on NE 42<sup>nd</sup>. I can be included on the code work but not the mapping component of the MUZ proposal. So I am recusing myself from today's discussion.

*Commissioner St Martin* owns property off the Mississippi corridor.

#### **Low-rise Commercial Storefront Proposal [presentation]**

We heard testimony about the scale of development generally. As we moved through the Comp Plan process, we heard more about change in the core areas of the districts. We were looking for an approach to address scale issues as well as concerns about rapid change in areas the community values. We looked at historic preservation tools, but there are limitations to doing that regarding the need to have property owner consent to create a historic preservation district. This is not a historic preservation tool; it can help to ensure scale and can relieve some development pressures. Many advocates wanted lower-scale buildings, but we didn't want to fully limit capacity, so we looked for a solution that would accommodate this.

Barry shared the background, intent and consideration of areas included in the proposal. The limitations of the CM1 zone has on warehousing and distribution: if the PSC wants to retain CM1, we can amend the Main Street Overlay Zone to bring CM1 in sync with CM2.

Lots of the areas are zoned CS or CG. Both currently allow 45 feet of height. Going to CM1 would reduce this height limit to 35 feet.

*Commissioner Smith* noted that if we zone CM1, the property owner can still come in to apply for a zone change. Is there anything that prevents a property owner to go through the process to rezone to CM2?

- There would be a discretionary decision. Staff or the Hearings Officer would look at the character of the surrounding buildings and the code application. They would need to respond to the intent and characteristics of the zone they are requesting.

In the last round of Council amendments, there was a policy change in Chapter 4 that says we would be willing to use base zones to protect scale-based character.

*Chair Schultz* noted that all these locations are either CS or CG today, with the exception of a small area in Woodstock. They are 3:1 FAR zones. CM1 moves FAR to 2:1 FAR. CM2 moves 2.5:1 as a base, bonus-able up to 4:1.

Bill walked through the summary analysis for each of the proposed areas, slides 8-33.

On Division, there was no property owner testimony, and public testimony was split. The DDI was in support of the proposal.

On Foster, there was balanced testimony. This proposed change area is included in the TIF district.

The Woodstock proposal had lots of testimony, almost unanimously in opposition to it.

In Sellwood, we broke the analysis area into south and north of Nehalem on 13<sup>th</sup>. Testimony was quite varied.

Testimony in Multnomah was very much in favor of the proposal for the village. They wanted CM1 zoning for the full Multnomah Village area, not just the areas in the proposal.

*Chair Schultz:* Multnomah, Hawthorne, Belmont have historic building concentrations. Could we see these as historic districts?

- Brandon: We don't have a solid answer. The survey data we have is largely based from 1984 information, but we haven't done a historic resources inventory since then. We can't create a local historic district in any of these areas without 100 percent owner consent. For the national register, you need 51 percent, but setting an area in the national register creates a high bar.

*Commissioner Oxman* noted the testimony about economic value of CS versus CM1. Are all these areas subject to the Centers Main Street Overlay? [yes] What do the use regulations really mean?

- All area subject to the ground floor requirements. On page 229 of the report, there are development standards in the CM1 zone. This is what we used to "add back" some of the allowances that CM1 typically doesn't have but that CM2 does have.

The regulations will change to the Mixed Use Zones areas only after the Comp Plan is adopted, likely in 2018.

Slide 34 summarizes staff's initial assessment of the different areas.

Staff proposed 4 options for consideration of the Low-rise Commercial Storefront proposal, as shown on Slide 35.

The Landmarks Commission is in support of the approach in option 4. The PAC was split on how to apply the zones.

*Commissioner Smith* noted that Council enhanced and added to the Comp Plan historic preservation policies. Does that give guidance to this?

- The newly-included policy is about City advocacy at the state level. State preemption limits our ability to designating places, so this is the most clearly related.

Joe shared some information about the Design Overlay Zone Assessment (DOZA) project, which is now underway. Application of this is a long way out, so we shouldn't count on it. The assessment process is to see the practicality of expanding design review, but it's all speculative at this point.

The PSC's recommendation letter to Council about the MUZ project could include recommendations about moving quickly on DOZA and historic preservation work.

*Chair Schultz:* If the design guidelines say "in this particular area, this is the allowed height", could that override zoning? One of the problems with design guidelines is that it is so subjective.

- Joe: I totally agree. If you do this, we find a mechanism to set the height. If we want to zone a specific height, we should.

*Chair Schultz:* We don't use specific plans as guidelines. Can we start to get more fine-grained by using specific plans?

- You could. Specific plans are the way to do this. If we were creating a design overlay for these areas, we could do area-specific plans, but we really don't usually do that.

*Commissioner St Martin:* What about transferring FAR from historic to an adjoining building. If you limit height, does that eliminate that option?

- In this case, we have not gone there except if the building is identified as a landmark.

*Chair Schultz* asked where commissioners are on the various approaches.

The majority of PSC members support Option 3:

Narrow the proposal based on level of community support and other factors, and retain only the areas with neighborhood/community support.

- a. This would remove: Alberta, Roseway, Parkrose, Kerns/28<sup>th</sup>, Belmont, Hawthorne, Foster, Woodstock, Montavilla/Stark.
- b. The following would remain part of the CM1 proposal, subject to discussion:
  - Division (DDI and other support, but some opposition).
  - Sellwood/13<sup>th</sup> (NA and other support, but property owner and other opposition).
  - Moreland/Milwaukie-Bybee (NA and other support, but property owner and other opposition).
  - Multnomah Village (strong community support, no opposition).

*Commissioner Smith* noted there is no basis to support this in Comp Plan policies. He proposed an amendment to also have design standards apply to all these areas to preserve character via design tools.

*Commissioner Tallmadge:* Wouldn't that make it more difficult for property owners to downzone?

- You can still do 4 stories, but the facade would have to follow standards for what's around.
- Multnomah already has the Design Overlay, and Division has this proposed as part of the package. Sellwood and Mooreland don't yet have this.

*Commissioner Houck* commented that his rationale for Option 3 is based on what I heard in all the testimony we received.

*Commissioner Baugh* noted we don't need the development potential, so that's not an issue. What we're looking at is policy. Option 3 doesn't seem to align with this. And we have TIF districts that are overlapping and trying to grow the neighborhood. I'm trying to align our decisions around policy.

*Commissioner Smith* agrees that we want to see CM3 on streetcar corridors. In Option 3, we only have 4 areas left, and none of these have streetcar policy. I think Option 3 is aligned with the streetcar policy.

*Chair Schultz* thinks Option 3 gets more neighborhoods to what they have and what they want. I am still struggling a bit with Division. I would say we could pull Division out.

- *Commissioner Tallmadge* agrees.
- *Commissioner Houck* doesn't want to take Division out.
- *Commissioner Bachrach:* We should also take out the node at 13<sup>th</sup> and Tacoma.

The majority of commissioners support taking Division out, but we can address this during the Division Design discussion at the upcoming work session.

The majority of commissioners support want to pull the intersection of 13<sup>th</sup> and Tacoma.

**Adjourn**

*Chair Schultz* adjourned the meeting at 8:15 p.m.

Submitted by Julie Ocken, PSC Coordinator



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**Portland Planning and Sustainability Commission**  
**May 17, 2016**  
**5:00 – 9:00 p.m.**  
**The Portland Building: 1120 SW 5th Ave, Room C**  
**Portland, OR 97204**

**AGENDA**

- 5:00 PM**      **Call to Order**  
**Items of Interest from Commissioners**  
**Director's Report**
- 5:05 PM**      **Task 5: Mixed Use Zones Project\*\***  
**Hearing**
- 9:00 PM**      **Adjourn**

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\*\*Public testimony will be taken. Oral testimony is limited to a maximum of two minutes per person, which may be changed at the Chair's discretion. Testimony cards will be available beginning at 4:30 p.m.

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**Ord. 188177, Vol. 2.4, page 11399**

## Portland Planning and Sustainability Commission

Tuesday, May 17, 2016

5:00 p.m.

### Meeting Minutes

**Commissioners Present:** Jeff Bachrach (arrived 5:20 p.m.), Andre' Baugh (arrived X p.m.), Mike Houck, Katie Larsell, Gary Oxman, Michelle Rudd, Katherine Schultz, Chris Smith, Eli Spevak (arrived 5:42 p.m.), Teresa St Martin (arrived 5:35 p.m.), Maggie Tallmadge (arrived 5:30 p.m.)

**City Staff Presenting:** Barry Manning, Bill Cunningham, Eric Engstrom

*Chair Schultz* called the meeting to order at 5:05 p.m. and gave an overview of the agenda.

### Documents and Presentations for today's meeting

#### Testimony for today's meeting

#### Task 5: Mixed Use Zone Project

Hearing: Eric Engstrom, Barry Manning, Bill Cunningham

Barry gave an overview of the proposal and a recap of testimony we have heard so far. There are work sessions scheduled at the May 24, June 28 and July 12 PSC meetings.

#### Testimony

Susan Lindsay, PAC member: The PAC process was thoughtful, inclusive and worked well. It was a long process and often times complicated, but I appreciate that comments from the public and PAC members were really heard and addressed by staff. About the PPS proposal at SE Stark – I oppose this. Also, Buckman opposes the upzoning at 15<sup>th</sup>-19<sup>th</sup>. *See written testimony.*

Brendon Haggerty, PAC member: The process was very good, and staff was receptive and creative in their responses and solutions. The one part of the process that didn't receive enough air time was low-rise commercial, which only was discussed at the last couple of meetings. Low-rise and downzoning is hard to reconcile with lowering our greenhouse gas emissions and creating affordable housing. It might not be adequately addressing the problem that's been voiced. I'm concerned we might be making a sacrifice without getting what we hoped to achieve out of it.

*Chair Schultz:* Could you explain the process about step-backs and that discussion? I'm concerned about how a corner might look.

There was strong support for step-backs. But we know if every building is stepped-back, we get a "wedding cake" effect. The options to look more vertically appealed to me.

1. David Kingston: 4434 SE 26<sup>th</sup> Ave. Talked about proposed changes 179 and 170. There is a mismatch between the Comp Plan map and zoning map here. These properties have been set as mixed-use dispersed, but zoning is staying as R2 where others nearby are being changed to CE. I would like to see these properties be CE like the surrounding properties. This is an easy fix and the right place to enable infill. *See written testimony.*
2. Gary Stuart: SE 30<sup>th</sup> at Holgate/Gladstone. I support the multiuse plan, particularly at 28<sup>th</sup>-29<sup>th</sup> and Gladstone.

3. Ron Jeidy: NE 30<sup>th</sup> and Killingsworth. Opposed to the downzone from CS to CM1 here. The corner is vibrant, but if our building had to be replaced under the new zoning, we would have to shrink it to fit the proposed footprint. This is regressive in regards to density and lot coverage. *See written testimony.*
4. Danny Ngo: We should be in a commercial zone, and we have dreamed of starting a small business to serve our community. But with the proposed zoning, we won't be able to. *See written testimony.*
5. Dayna McErlean: NE 30<sup>th</sup> mixed-use CM1 property. With rezoning, where will the density go? We need to be able to build up during these times of peak desire to live in Portland. If we are putting density on corridors, why would CM1 be proposed in any of them? Asking developers to buy back density doesn't make sense when we need more housing. The node at NE 30<sup>th</sup> and Killingsworth should not be downzoned from CS to CM1. We had previously been told we would be zoned CM2.
6. Eileen Wallace: Properties in the heart of Foster. 6515-6519 SE Foster is a commercial building with residential on the top floor. We also own the adjacent single-family house to that building and nearby commercial property on SE Holgate. Thought we were going to be CM2, but recently we were notified they would be downzoned to CM1 to preserve older main street areas. We don't believe the downzone reflects the need for commercial improvement and flexibility. *See written testimony.*

*Commissioner Smith* noted the low-rise commercial program is to preserve the character of certain commercial strips. If we are limiting height and FAR, what are the essential elements that should be preserved?

Eileen: The concern is that the area immediately off the main street is where people will build instead of creating more of a main street and community area.

Dayna: The design standards should dictate this. Height and FAR doesn't mean the developer will build something that is fitting to the character. Design standards are the most important things.

7. Dean Gisvold, Irvington Community Association: Regarding three lots at 15<sup>th</sup> and Brazee that are zoned R5 but have been used commercially for decades. The MUZ plan changes this to commercial, but the current non-conforming status includes the operational practices that we want to stay (close at 11 p.m., open at 6 a.m.). This node is 15,000 square feet, but the provision is only for 7500 square feet. We want to see the threshold cover this commercial node. *See written testimony.*
8. Julie Cash: 28<sup>th</sup> and Holgate, which is a busy hub and close to the new MAX line. There is a mismatch in zoning. Please keep the existing designation as general commercial.
9. James Peterson, Multnomah NA: Submitted many pieces of testimony, but only a few items ended up in the record regarding changing CM2 to CM1. We have no problem with the density on Barbur. We want the record to be left open until the changes are known. Also, on hilly streets, we need height to be measured from the lower street, but that's not how the height would be measured. We have a d-overlay, but design guidelines are not sufficient to maintain the character of our neighborhood village.
10. Garrett Stephenson, Albertsons/Safeway: Several of our stores currently in general commercial are proposed to be CM2 or CM3 with a centers main street overlay. Would like these to be commercial employment without the overlay. We are trying to provide healthy affordable food, and keeping the sites expandable. The overlay will cause the sites to be non-conforming. The

new zoning limits access for vehicles and circulation and prohibit drive-throughs. We're requesting that the large retail commercial building set-back exemption be reduced to 40,000 square feet. *See written testimony.*

*Commissioner Smith:* I'm still struggling with the phrase "auto-accommodating". I'm trying to think about my own grocery shopping experiences. The NE Broadway store is very much auto-oriented. The recent renovation at the store on Barbur helped with achieving goals. What is it you think we can't accommodate?

Every property is different, and what we can afford to do on one we might not do on another. The zones we're asking for can accommodate this type of development. There has to be a market that would support the requisite level of investment. When we want to invest and add to the stores, it becomes more difficult with the proposed new zoning. We should allow commercial nodes to develop as the economics work out and to keep the zoning as conforming as possible.

11. Brian Hochhalter: Richmond neighborhood resident. I support the FAR requirement for mixed-use. Preservation of low-rise commercial. Downzoning here makes sense because the plans don't take into account north-south corridors. I also support creation of a SE Area Plan and support the Division Design Initiative Guidelines.
12. Debby Hochhalter: Preserve the vintage low-rise commercial areas. I do see both sides of this because some areas don't have that vintage feel, but some do, and those should be maintained. I would like to see density be shared throughout the city. Adopt the Division Design Guidelines and design review more generally.
13. Heather Flint Chatto, Division Design Initiative (DDI): We have been meeting over the past 2 years to develop guidelines. We support the inclusion of the Division Design Guidelines in the Division Plan. We support design review and an expanded design review commission and a SE Area Plan. Reducing the bulk of building is a key thing right now. We want density but are concerned we are moving away from our livability goals. *See written testimony.*
14. Linda Nettekoven, DDI: We recognize the hard work that has been put into the MUZ proposal. DDI is ongoing work of volunteers and de facto, Division has been a laboratory, and DDI has come about in light of that. Our recommendations try to reflect the experience. The low-rise vintage proposal was a last-minute strategy, and there wasn't enough discussion with specific corridors. *See written testimony.*
15. Marcy McInelly, DDI: Recommendations are partially addressed in the MUZ proposal. I urge you to not throw out the intention behind the design focus while we're struggling with an affordable housing issue. There is the FAR loop-hole and FAR to height mismatch. The MUZ proposal does mostly get this right. But now we're seeing big boxy buildings because height and FAR are about the same and the envelop is quite restrictive. We don't want uniform step-backs. Design is key, and FAR is not a representation of density. Reducing FAR doesn't mean you're reducing density. A better way to address density is to talk about the shape of the buildings. *See written testimony.*

*Chair Schultz:* The mismatch I'm seeing is what's being proposed and what's being built. Is it more appropriate to talk about stories versus height?

Yes, our recommendations include this. You have to get the height and FAR correct to get the shape right.

*Commissioner Spevak:* From the affordable housing side, I see the reasons for the proposals, but it seems like they mean we get less housing and it might be more expensive to build. Is there something that addresses this?

If you look at a building, it won't typically use all the allotted FAR. What we're seeing with the boxy buildings is that they have lots of interior light wells, but we'd like to see that variation reflected on the outside of the building.

16. Mark Whitlow, Retail Task Force (RTF)/ICSC: We've met with staff and have been discussing the proposal. Our concerns are three issues: (1) Affordable food and how to provide that citywide; this is the auto-accommodating zone issue. (2) Non-conformity and how to avoid creating it. (3) Drive-throughs and the prohibition/limitations. *See written testimony.*
17. Bob LeFeber, CRA/ICSC: Retail grocery firm that represents retailers of various sizes. The biggest concern is about with the growing population, how do we provide them with affordable goods? How can we have a complete community without affordable goods? Groceries and larger retailers want people to come by any means, but most will come by car. The only zone that accommodates this in the proposal is CE. *See written testimony and map.*

*Commissioner Smith:* Going back to the Portland Plan, I heard we want discount grocery stores and walkable neighborhoods. How do we get, for example, a Winco that will be on a streetscape where people won't be afraid to walk or bike to?

We have a new store at 82<sup>nd</sup> and Powell that will be the first Winco west of 82<sup>nd</sup>. We want to be sure we get it right. We want to solve this same question, and we are looking at "mini-Winnies" to help get at this. Grocery Outlet has been successful with this model of smaller stores in close-in locations.

18. Eric Hovee, RTF: We are requesting the BLI be refined in advance of the proposed MUZ to address concerns. Outside the Central City, Portland is under-retailed, particularly in East Portland. The city's food deserts are where building rents are often sub-par. While transit, walking and biking are on the rise, there is still 80 percent auto use. We should tie demonstration of more frequent transit and reduced auto use to determine where more development should happen. *See written testimony.*
19. Doug Circosta: Owns SW Macadam properties, which is currently CS, going to CM2. This is governed by the Macadam Plan District. In the current condition, we can't fully utilize the CS zone. When it moves to CM2, we can't take advantage of this, similar to the properties in proximity. Plan district guidelines are hindering us to take advantage of the options that may be provided. Are there other tools we can use?
20. Brent Ahrend, RTF/ICEC: We spoke about traffic impacts and the need for more affordable grocery and retail uses. Lots of the more affordable groceries have gone farther east. Lots of existing residents are driving out farther to get to the more affordable stores. *See written testimony.*
21. Garrett Stephenson, Powell-Glisan Associates: Owns four properties at 122<sup>nd</sup> and Glisan. One is proposed to CM3 and the others CM2. We would like these to be CE without the centers main street overlay. Existing drive-through use will become non-conforming. New zones will have maximum set-backs that the current buildings won't comply with. The centers main street overlay prohibits vehicle circulation areas to a transit street, and this is on two transit streets. There is a Safeway on this site, and it's a good example of a horizontally-oriented building. Please leave the record open for us to submit additional details. *See written testimony.*

22. Libby Albright: Can we incentive providing low-income housing or other housing for the homeless? *See video testimony.*
23. Ken Eiler: 3556-3568 on Hawthorne Blvd. We're talking about a 4-block area in a larger commercial district. Downzoning the small piece is inappropriate and is not supported by the CM1 criteria. This downzoning makes it difficult for small businesses to thrive going forward. *See written testimony.*
24. Carol McCarthy, Multnomah NA: We've attended all the MUZ meetings. Our business district should be CM1 in Multnomah Village with the d-overlay. CM1 designation is a better fit for our village and should be applied to our 250 CS properties. There is a need to clarify how height is measured in hilly areas. Height should be measured from the street level on the lower side, but it's not yet defined.
25. Doug Klotz: The 10-foot set-back is well-meaning but doesn't address all needs. The drive-through issues and CE rezoning requests from large grocery stores doesn't make sense to me. *See written testimony.*
26. Allison Reynolds, Killian Pacific: our Sellwood property is to be rezoned partially CM2 but part CM1 with an m-overlay. The proposed CM1 will make this undesirable for redevelopment. *See written testimony.*
27. Rick Michaelson: Thanks to staff for the work they've done. It works well on corridors, but I'm against EX to CM3 zone automatically. The areas should be looked at and evaluated individually.
28. Karen Karlsson, NWDA: Thank you to staff, who have been working with us for months. The wholesale EX to CM3 is something we also see as a problem. Would like to see some reconciling with the Plan District prior to the MUZ plan being finalized. *See written testimony.*
29. Thomas Karwaki, UPNA, North Portland Land Use Group: We have the continued concern with the health care overlay and mixed use. Specifically on mid-Lombard, there is some residential and some CM2, but we'd like to see more CM2 and even some CM3 in some areas to provide flexibility in size and height. We had concerns on mixed-use, but Council took care of those issues. *See written testimony.*

*Chair Schultz* closed oral testimony at 6:38 p.m. and extended written testimony until 5 p.m. on May 24 on the code amendments. The mapping components will continue until July 12 in the Composite Zoning Map.

## Discussion

Bill handed out the [low-rise storefront analysis document](#).

Eric reminded the PSC that we have a short work session on May 24 followed by a longer work session in June and a final work session and recommendation on July 12. Barry noted that some of the issues that were brought up by the PSC may be resolved by code or map actions.

*Commissioner Baugh* commented on the questions of plan districts and bonuses.

- Barry: There is a long list of potential code sections we may need to amend. The working premise of plan districts is that many of them provide additional height and FAR and bonuses in the current code. Our approach is that we'd honor the height allowances. We'd need to reconcile how the base and bonus FAR would fit or change with this.

- Eric: We have another project scoped that will look at the loose ends and plan districts. We want to be sure the base zones are on its way to adoption before we get into this work. This would happen after Inclusionary Housing amendments and updates.

*Commissioner Houck:* The Division Design Initiative has submitted specific recommendations regarding design, and I'd like to be more informed about what staff's reaction is. Of the things we've heard, this one is intriguing for me. I want to be more educated about these issues.

- Barry: DDI has been going for a long time and has lots of community input. We've been meeting with the group, and we're trying to find where their proposal and our base zone proposal have common ground. Ideas in the MUZ proposal such as using height and FAR to shape buildings and different building articulation are in concert. There is divergence in that the DDI has taken it further in terms of design guidelines that would be applied in a particular district. Some of this work would be useful to integrate and include in refined design standards at a later time.
- Eric: One of the things we've grappled with is that many different communities have had a process and preference for their street or area. But we are trying to match tools to similar situations citywide. So a question we've come up with is which ideas are applicable citywide.

*Commissioner Spevak:* What about the rezoning of the Division Corridor? This is history I'd like to understand.

- There was a Division main street / green street rezoning effort in the 90s. Much of the area had been a combination of CS and CN2 (lower-scale), and they were brought up to more even CS to create a more urban, pedestrian-oriented street.
- When we come back on May 24, we can layout the changes on Division and other strips over the past 20 or so years.

*Commissioner Rudd:* We heard concerns from grocery stores about becoming non-conforming. How much can you do without triggering a non-conforming use? And I'm concerned about the issue of affordable food. Is there a community benefit to tie into?

*Chair Schultz:* How do these specific properties relate to the non-conforming use? That would be helpful in looking at the grocery store issue.

*Commissioner Bachrach:* Can staff follow-up with Eric Hovee about a geographic analysis of where more affordable grocers are? And looking at where there is more transit and options as he suggested may be more useful.

- We have talked to the RTF, which reflects a number of changes in response to the conversations we've had to date. We can bring a map of transit service and frequency. Mode split is something we can look into as well.

*Commissioner Bachrach:* We heard about CM1 from lots of small business owners. How do we "get there from here"? I'd generally side with them and promoting density. I understand why it's on the table, but how will we resolve this? Are there design options we can look at or code tweaks that could help?

- We can have a robust conversation and look at the areas individually or other options we've looked at to see if we want to revisit these.

*Commissioner Houck shares Commissioner Bachrach's concerns.*

*Commissioner Smith:* Regarding where we are and aren't expanding design overlay areas, what's the logic for where we did and didn't? Other issues and questions I having coming out of today's session: EX to CM3 changes; height FAR match and how this affects building shape; in the CM1 issue, if there are places where there is alignment between property owners and neighbors, I'd suggest we keep it. If we're trying to preserve building stock in historic, maybe there is a better tool. I don't know if it's the height and FAR we need to use to preserve. The issue of grocery stores and auto-accommodating: I think the correct question is about how we pace the conversions with additional density so all parties

are well-served. This is tricky, but totally avoiding non-conformity results in no change, which isn't what we want.

*Commissioner Larsell* gave Barry a list of ideas a couple days ago. Today I was interested in the design review comments, and I'm not familiar with this tool. Why or how would you use this instead of zoning? This is a 101 for me. And I want to learn about how the bonus works with Inclusionary Housing.

Susan: We are going to set up some informal briefing session with staff in June so we can talk about Inclusionary Housing and bonuses and how those can work together. This is also part of the height and FAR question. And... the question of why we're taking height versus stories.

*Commissioner Spevak*: It would be helpful to understand the design review process and what may be coming with that project. I also feel a bit unprepared about CM3 versus employment zoning trade-offs and would like to know more about that.

- This is basically the current EX versus proposed CM3. It is important to know that CM3 allows a full range of employment uses.

*Commissioner Baugh*: The City was engaged in activities in North and then East Portland to get affordable grocery stores throughout the city. I'd like to get a sense of what those efforts looked like, what the bonuses were, what was put out for the project so if we look at other options we can see what's already been tried. We should see the maps of what TriMet is doing in terms of frequent service expansions over the next 5 years as well as the streetcar map.

*Commissioner Tallmadge*: Is industrial development in central employment restricted? I'm thinking about hazards and air quality.

- Lower-impact and lighter industrial is allowed. Heavier is typically not allowed in the EX zone, which we tried to mirror in CM3. Industrial service category, railroad yards and waste-related uses are not allowed in the EX zone, and we're proposing they are also not allowed in CM3.
- Manufacturing in Portland is mostly smaller-scale e.g. breweries and clothing manufacturing.

*Commissioner St Martin* is struck by harkening back to the streetcar era, but we are missing a forward-focused development versus restriction to current forms. Newer, good design can be built together with historic. How can we incorporate this architecture without limiting redevelopment of substandard buildings?

- In general, much of the Zoning Code is form-focused as opposed to style, which is fairly intentional. We are looking at heights and bulks and relationship to the street. At the base-zone level, we are forward-thinking and limit the amount of design guidelines and components in the code itself.
- We are dealing with base zones and parameters that are going to be applied citywide. We have developed plan districts where we allow additional design flexibility to achieve the more forward-focused design. So we do accommodate this, not in the base zones though. The one element that does get at this is for plan development review for large sites, you can go through design review and ask for more height above the base allowance.

*Chair Schultz* commented that we currently have zones that split mid-block where we're trying to increase density is increasing this tension. I keep struggling with this concept, and I'm not sure we've gotten it quite right. Can we rethink how we grow or step-down into the neighborhoods?

General recap of topics to discuss and that staff will provide more information about:

- Revisit the low-rise storefront proposal.
- Drive-through and auto-oriented allowances and non-conforming situations these could run into.
- Inclusionary zoning: We'll have briefing sessions about this and it will be a topic we can get into more depth into at the June work session.
- Building form questions.

- Transit service and where we're allowing for auto-oriented.
- What aspects of the DDI proposal were integrated and what aspects are still outstanding.
- Travel behavior and retailing.
- Design guidelines and where we've expanded the d-overlay.
- EX versus CM3 question.
- Circling back to the TDM requirements and how that relates to MUZ.
- Individual zone change requests: our intention is to pull this together, sort and organize so we can see what fits into the more thematic issues and how we can address those similarly (or not).
- Design elements as well as Design and Historic Landmarks commissions' testimony.

We will have other bureaus joining us (PDC and BDS and Housing) at the June 28 work session. There will be some suggested code changes based on the implementers' input.

### **Adjourn**

*Chair Schultz* adjourned the meeting at 7:28 p.m.

Submitted by Julie Ocken, PSC Coordinator



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**Portland Planning and Sustainability Commission**  
**May 10, 2016**  
**12:30 – 4:30 p.m.**  
**1900 SW 4<sup>th</sup> Ave, Suite 2500A**  
**Portland, OR 97201**

**AGENDA**

- 12:30 PM**      **Call to Order**  
**Items of Interest from Commissioners**  
**Director's Report**
- 12:35 PM**      **Consent Agenda**
- Consideration of Minutes from April 26, 2016 PSC meeting
- 12:36 PM**      **Solid Waste Rates**  
Hearing / Recommendation
- 1:10 PM**      **Task 5: Mixed Use Zones Project**  
Hearing
- 4:30 PM**      **Adjourn**

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**Ord. 188177, Vol. 2.4, page 11408**

## Portland Planning and Sustainability Commission

Tuesday, May 10, 2016

12:30 p.m.

### Meeting Minutes

**Commissioners Present:** Jeff Bachrach (arrived 1:25 p.m.), Andre' Baugh, Mike Houck, Katie Larsell, Gary Oxman, Michelle Rudd, Katherine Schultz, Chris Smith, Eli Spevak, Teresa St Martin

**Commissioners Absent:** Maggie Tallmadge

**City Staff Presenting:** Joe Zehnder, Michael Armstrong, Bruce Walker, Barry Manning, Bill Cunningham

*Chair Schultz* called the meeting to order at 12:30 p.m. and gave an overview of the agenda.

### Items of Interest from Commissioners

- *Commissioner St Martin* commented on the Residential Infill Project and the advisory committee process. Shortly there will be summary reports available, and there is a large and public outreach effort forthcoming.
- *Commissioner Houck:* On my recent travels, I was in Western Kyoto, which has an amazing focus on shared space. We should be thinking about how we can have and create more shared space. It's pleasant and quiet. Something to think about in terms of our designing.
- *Commissioner Smith:* There are two pilots going on that I'd invite people to check out: Better Naito and Better Broadway.

### Director's Report

Joe Zehnder.

- At 3 p.m. tomorrow we have the second Council work session on the Comp Plan. There are 30+ issues to discuss and vote on tomorrow including the topics PSC members had individually commented on.

### Documents and Presentations for today's meeting

### Testimony for today's meeting

### Consent Agenda

- Consideration of Minutes from the April 26, 2016 PSC meeting.

*Commissioner Smith* moved to approve the Consent Agenda. *Commissioner Baugh* seconded.

The Consent Agenda was approved with an aye vote.

(Y9 – Baugh, Houck, Larsell, Oxman, Rudd, Schultz, Smith, Spevak, St Martin)

## Solid Waste Rates

Hearing / Recommendation: Michael Armstrong, Bruce Walker

### Presentation

Michael reminded the PSC that this is the first year the PSC will recommend residential SWR rates to Council. We are looking for a recommendation to City Council, which is having their rates hearing next week.

Monthly residential rates are proposed to go down ~. \$20 / month for 35-gallon roll cart. This is the fourth year in a row that rates have either gone down or stayed the same. As of January 2016, engines of all trucks are no older than 12 years.

Proposed rates for each cart size are shown on slides 4-6. This shows the incentive for smaller cart (discount) and disincentive for larger carts. We want to balance the incentive and not create an undue burden for larger households. This year's proposal closes the gap a bit but still includes a financial disincentive.

On the commercial side, the City collects a commercial tonnage fee, but we don't set rates. We are proposing to increase the fee due to the expansion of the public trash can program in FY16-17. Distribution of the public trash can program has mostly been in and around the Central City, and this year we are expanding to about 400+ cans in other business districts, which we will roll out over the next 5 years.

*Commissioner Houck* noted that Metro relies heavily on the tipping fees for most of its programs, including their Parks and Nature program. Part of the rationale for using funds for Park and Nature is the amount of illegal dumping that occurs in their natural area parks so funds are directed to those clean up needs. I was pleased that we are talking about expanding the garbage can system with tippage fee income. It is a huge issue here. Is this really sufficient to do the job? Have you met with PP&R to discuss the issue of illegal dumping in their parks and natural areas like Oaks Bottom? Could funds be used for those purposes as well?

- We would have to look at that because the fees have to directly relate to solid waste. We have spoken to PP&R in the past, and they have some concerns about costs. There has not yet been a proposed funding.

*Commissioner Houck*: We might want to look more broadly when we get more funding to look at this option.

*Commissioner Oxman*: What's the aggregate revenue with increased tonnage fee?

- About \$300,000/year.

*Commissioner Baugh*: I'm pleased we're increasing trash cans in districts around the city. What about starting on the outside edges of the city and working our way back in as we distribute them? Frequency of pick-up is an issue too (e.g. in NW Portland).

- We are developing criteria for which areas get serviced first.

### Testimony

1. Alando Simpson, City of Roses: First African American-owned waste company in Oregon and the first solid waste B-Corp. We have concerns around the franchise system as it has created barriers for minority-owned businesses that have obstacles to overcome. I'm a third-generation small biz owner. This is an area we can address to becoming a sustainable city. Our company has a reputation to be the construction and demo/debris leaders. Commercial haulers don't have guaranteed revenue since we are confined by the City. We have to compete with multi-national companies that have so much more control. We hope to open the system up for other participants.

2. David White, Portland Haulers Association: Residential haulers representative. The Portland rate-making process is robust and thorough. We have an open dialog, and it's a fair system that creates reasonable rates. We support the rate proposal. It's remarkable that rates have remained the same or have gone down in the past 4 years. Efficiencies have grown. We now want to fully cart garbage (currently about 80 percent) by July 2017.

*Chair Schultz* closed testimony at 1:00 p.m.

*Commissioner Oxman* is concerned about issues Alando brought up in terms of minority-owned and small business owners.

- Commercial haulers have a low barrier to entry. On the residential side, the franchises have a 10 year contract. At the mid-way point (5 years), we begin to review current franchises. We won't see a change until 2022, but we will be discussing starting next calendar year.

*Commissioner Baugh*: As part of our recommendation, we can include a note to Council to study how we would open the system to more minority, etc firms.

#### **Motion**

*Commissioner Baugh* moved to adopt fees as proposed in today's staff memo. *Commissioner Houck* seconded.

(Y9 – Baugh, Houck, Larsell, Oxman, Rudd, Schultz, Smith, Spevak, St Martin)

The motion passed.

### **Task 5: Mixed Use Zone Project**

Hearing: Barry Manning, Bill Cunningham

#### **Presentation**

Barry gave an overview of the proposal. Better tailor new zones to meet demands and challenges of next 20 years in specific areas. Staff has worked closely with a 20+ member Project Advisory Committee (PAC) on the proposal. PAC members will share their input today too.

*Commissioners Smith* asked about the low-rise retail criteria used to select CM1 zoning.

- We looked at identifying concentrations of low-rise streetcar-era districts of about a couple blocks. What is rare is the concentrations that are large enough, looking at where the predominant scale was no more than 1-2 stories. We have mapping of the analysis areas. We did hear some testimony from neighborhoods, but we did go out objectively to see where across the city we wanted to be more consistent.

*Commissioners Smith* asked about the use of phrase "auto-accommodating". In transportation, we talk about something being designed for one mode and accommodating another mode. This seems to be the opposite.

- We are trying to balance transit, pedestrian and autos. This type of place has ample parking on-site. We are using this phrase versus "auto-oriented".

We did make some changes in setbacks for large retail uses. The current threshold is a 100,000 square foot building. Orientation can be set farther back, but we are reducing the threshold to 60,000 to accommodate more retailers.

*Commissioner Larsell*: Commented on the idea of the bonus for builders if they meet certain requirements. How does this work with inclusionary zoning [inclusionary housing (IH)]? Also, in testimony there was a comment about the bonus system being scammed. How can we know if this is true or not?

- Bonuses and IH: We are still in the process of looking at how IH will play out in the current code and in the new Comp Plan. The bonus structure meets the return for developers to build affordable units and more FAR. So for now, we are not totally sure how this will be implemented, but we think the current proposal is in sync with IH legislation envisions. We will have more information later.
- We did economic testing and modeling on the bonus structure. It looked like the incentive was an incentive when affordability is set at 80 percent MFI. Still waiting for the final modeling from the consultant

*Chair Schultz* asked about the bonus system. But if IH is implemented, people will be required to build a certain number of units as affordable, so this part of the bonus is really part of the base development.

- We are working through that detail right now. Part of the way IH will work is the requirement to provide units and some level of benefit. This could be part of an optional program. Other ideas for benefits could be SDCs, tax waivers and others (as in State code).

*Chair Schultz*: If FAR becomes part of the off-sets for mandatory, I would hope we look to other opportunities for bonuses.

The bonus is related to certain amount of additional FAR for the builder and items for public benefit. IH will have the same kind of structure. When the IH program is settled, the MUZ project will be at Council. We will redesign this particular bonus provision to work with IH. For now, we need to make sure the bonus structure with MUZ is sound and works on its own. Whatever gets approved with MUZ and other Task 5 projects still have to be submitted to the state, so they don't become effective until 2018. But IH would come into effect 30 days after Council adopts, so that could potentially be early 2017.

*Commissioner Spevak* noted it is a question to do lots of downzoning in this proposal, knowing that it's difficult to build back up before we know how IH will be implemented.

*Chair Schultz* asked about the setbacks proposed along corridors. What about side streets and setbacks on those streets?

- The corridor setback applies only to a small selection of outer corridors. They won't apply to inner corridors. An example of what it would look like is PCC's new SE campus. We are responding to concerns about creating a nice street environment along busy streets, so it doesn't apply to most inner corridors. There is a 10 foot setback if abutting a residential setback will be the standard.

*Commissioner Bachrach* noted the testimony about downzoning... There are lots of properties that thought they would be CM2 were downzoned to CM1.

- This was intended to be applied strategically. We ran some numbers on impacts on housing capacity. From the CM1 proposal, we would lose about 800 units out of 100,000 ... less than a one percent impact. Comments we had heard at public meetings and Comp Plan testimony. strategic decision.

*Commissioner Bachrach*: I have a concern that we are artificially lowering FAR to have developers earn back a more reasonable FAR through housing bonuses. But in CM2 to CM1, is that the same issue?

- The CM1 and low-rise storefront is a reduction from CM2 overall. It's a parallel idea, but they are very different zones.

### Testimony

Doug Klotz, PAC member: Proud to be a PAC member for 2 years. Staff did a good job and shared good options. I am also concerned about the affordable housing proposal/scheme. Low-rise commercial downzoning came very late in the process (CM2 to CM1). But overall, staff did a great job with the complex issues.

Vicki Skryha, PAC member: Where we ended up was in lots of compromise because the issues are so difficult. I share the concern about affordable housing; preserving Portland's sense of place; and overlays and plan districts. We can make the bonuses more effective and better utilized. *See written testimony.*

Damien Hall, PAC member: Compliments to staff and the process. We participated in surveys, tours and open houses in the community to have conversations. We have a good product overall. But need to think about low-rise storefront potential still.

Tim Brunner, PAC member: This was "an 18-month sprint". Great job by staff. I represented East Portland on the PAC and have concerns about how East Portland is unique. We have large pieces of properties with now CM2 and CM3 zoning proposed. The CE zone seems to be a bit more reasonable. Auto-oriented development is part of the character of parts of East Portland, and lots of businesses are successful. We don't want to lose sight of this, and with good design we can have both. CM3 might not allow that though.

James McGrath, PAC member: Commend staff and their work. Skepticism on a few points: lower entitlement and bonus up... bonuses still left might not work and won't have much up-take. The proposal might not address fit and form, which is something I thought of as key in the project. Reducing to single-story in the centers is antithetical to the Comp Plan. We shouldn't eliminate the possibility of going big. Reliance on design review process is too heavy based on the structure currently.

*Commissioner Bachrach* asked about affordable housing bonuses and FAR.

- Damien is a bit more optimistic than others. There wasn't a clear light that it would be widely be taken advantage of at 80 percent MFI, so that is a concern.

*Commissioner Baugh* asked about the bonus system and affordable housing. What are you not in favor of?

- Damien is in favor of affordability, but the question is the economic off-set for the developer.
- James: affordability is important, but I'm not sure this is the right tool to deliver it. There used to be more/different bonuses on the table related to fit and form that would provide more certainty.

1. Damien Hall on behalf of Joe Angel: Opportunities are lost by rotely following the conversation chart for 1225 N Jantzen Drive. At my client's property at 6454 N Greely Ave, characteristics of the site would be better to rezone to CE instead of proposed CM1. At 3830 SE 82<sup>nd</sup> Ave, we run into the drive-through caveat. I'd propose an amendment to create a safe harbor for existing drive-throughs. *Will submit testimony in writing.*

*Commissioner Smith* noted this is the first of what we expect to have much testimony about rezoning to preserve drive-throughs.

*Commissioner Baugh* asked about the trade-off to preserve and increase the ability to have more auto access. Is that correct?

Damien: The optimal way to address this would allow for preservation of current as conforming but will have the regulations of new drive-through limitations. We're trying to thread that needle.

2. Jennafer Furniss: Sellwood-Moreland resident, which is a predominantly family-oriented neighborhood that was built over 100 years ago. We know and embrace density as the future of the city, but we are concerned about the design requirements. We need smart pedestrian design to maintain our area.

3. Jay Eubanks: Woodstock has become thriving and walkable. But we have a big concern: we have no affordable housing nor are we planning for it in our neighborhood. People who work on Woodstock can't afford to live there. This is economic segregation. Under new CM1 guidelines, we would have to redevelop as retail on the first floor and residential above. If the city mandates affordable housing the upper floors, we wouldn't financially be able to upgrade. If zoned CM2, it would allow an additional floor, which would make this economically viable.

*Commissioner Smith* noted the testimony that Woodstock should be CM1 and not CM2. Are you worried about losing the character of the area?

4. Beverly Bookin, The Bookin Group: The new New Seasons building is being proposed to be downzoned from CM2 to CM1. But the building was just completed in 2015, and under the new CM1 zone, the building will be significantly non-conforming. We understood this was supposed to be a CM2 zone. It's important to note that the Centers Main Street overlay zone will give back somethings except for height. Woodstock corridor is not typical of others in the low-rise study. *See written testimony.*
5. Angie Even, Woodstock NA: Oppose downzoning of the 7 commercial properties in the Woodstock core. We should not be included in the down-zoning proposal. We want our commercial zoning reestablished to CM2. This is taking Woodstock in the opposite direction from the Comp Plan goals. *See written testimony.*
6. Laurie Flynn: Property owner in Woodstock and on NE Fremont and a member of the Woodstock Stakeholders Group. There is nothing historic about our properties. The NE Fremont building was made in 1951. On proposed map, we will be "short" compared to our neighbors. This doesn't fit into a growth plan. *See written testimony.*

*Commissioner Smith* asked if commercial property owners (versus developers) had representation on the PAC.

Angie: No commercial property owners were included. We shouldn't be grouped with developers.

7. Tim Even, Woodstock: Property owner. Supports the exemption of Woodstock properties from the low-rise downzone proposal. An 80-foot right-of-way should have a greater zoning. We didn't ask for this.
8. Pat Dieringer: Property owner on Woodstock Blvd. Don't downzone; we should be exempt from these proposed changes. *See written testimony.*
9. Jon Denney, Portland Nursery: We often have a hard time fitting in the code as a nursery. Greenhouses are equipment for us, and we'd like to request an exemption for them in normal FAR calculations.
10. Doug Kolberg, Stanich's: CM2 is a better zoning than proposed CM1. *See written testimony.*
11. Jackie Strong, Strong Family: Request CM2 versus proposed CM1. We have lived here for over 60 years and have experienced gentrification in our area of N/NE Portland. We're looking to do an affordable housing project on our property. To be zoned at a lower density is perplexing even though we are so close to Mississipi, Albina Arts and Alberta districts. *See written testimony.*

12. Douglas McCabe: Thank you to the PSC for your time. Between our properties (owned by the Strong families and mine), this could be a jewel of the city. Make the right decision and award us the CM2 zone here.
13. Chuck Martinez, Strong Family: Concerns with the Williams and Alberta property. We have an opportunity to plan to a greater scale since there is collaboration and about an acre of property here. We should have a broader palate of options to develop on this property.

*Commissioner Baugh* about the property development.

We are definitely looking at including affordable housing if it shows it makes sense; we will also look at what level MFI we could offer. But we can't even do that with the current zoning proposal of CM1.

*Commissioner Spevak* was wondering if there is another issue for the property that zoning might not solve.

14. Mike Connors, Space Age Fuel: 4 properties are affected by the MUZ proposal. We're concerned that for 3 of the properties they won't be allowed be gas stations or drive-through facilities without opportunity to redevelop. We should consider broadening mixed-use zones to allow these types properties. Modify the drive-through provisions to make sure they apply to gas stations as well. *See written testimony.*
15. Jim Pleska, Pleska Investments: We want to be able to keep our similar zoning to allow our business to continue. *See written testimony.*

*Commissioner Smith* noted the VMT goals/statements in the Comp Plan. So we'll need fewer than half as many gas stations as we do today. How do we set zoning to preserve your ability to do business today and to have fitting opportunities for future redevelopment?

We need to be able to adapt and remodel to whatever the product may be. We want to have this ability to run our business and change based on the climate. From a zoning perspective, one of the goals is to match zones and not convert existing uses to non-conforming. What we're proposing does fit the surrounding zones. Alternatively the drive-through facility could be broadened. Redevelopment potential for gas stations is more difficult than for other industries.

16. Cynthia Brown: Owns a business at the SE corner of SE 13<sup>th</sup> and SE Tacoma. Currently zoned CS, and we don't believe it should be downzoned to CM1. We are in the heart of the Sellwood community. We are part of the Tacoma E-W corridor. *See written testimony.*

*Commissioner Smith* commented on the low-rise commercial issue. Woodstock doesn't want to be a part of this. In Sellwood, I heard lots of people who want to keep the streetcar era form. How do I reconcile this?

The property owners didn't know this process what going on. This affects the future development potential.

17. Aaron Brown: There will always be trade-offs when there is redevelopment. Development will happen, but we should look at where there will be the least amount of impact on the residents. Lots of the places have a Main Street Overlay as well. *See written testimony.*

18. David Schoellhamer, SMiLE: Our commercial corridors are neighborhood scale. We endorse the proposed CM1 along SE 13<sup>th</sup> and Bybee and Milwaukie. But the northern boundary should be at Malden St instead of Nehalem. We should also look to expand Design Overlay Zone. *See written testimony.*
19. Brent Carpenter: 3905 SE Main St, at the intersection of Cesar Chavez. Our property is the only one not zoned commercial at this corner. Change to Commercial Mixed Use as supported by the Mayor. *See written testimony.*
20. Gerald Lindsay: Property across from the North PCC Campus on Killingsworth. It's currently slated to be CM2 but would be better to be CM3.
21. Libbi Albright: 1427 N Bryant. I'm in favor of proposed zoning (CM3) that allows higher density, particularly for low-income housing. *See written testimony.*
22. Bryan Scott: 2624 SE Division. Agree with change to CM2. *See written testimony.*
23. Terry Parker: We need adequate off-street parking to mitigate impacts of development. *See written testimony.*
24. Ed Wagner: SE 39<sup>th</sup> and Powell. Request upgrade to CM3 and establish the Transit Overlay Zone at this and other sites to concentrate density at transit stations. *See written testimony.*
25. Michele Reeves: Against CM1, specifically spot zoning on NE Killingsworth around 30<sup>th</sup>/33<sup>rd</sup>. Property owners here have all submitted testimony to this effect. We need more dense zoning on our corridors, and we won't get it with the bonuses. R2 and R2.5A is our current surrounding zoning, which is more dense than on the corridor.
26. Doug Klotz, Portland Neighbors for Sustainable Development: We appreciate staff's efforts with changes. I'm concerned about the bonus plan that reduces capacity but doesn't help with affordable housing necessarily. We will see a reduction of housing throughout the city. We should use IH to get affordable housing and could reach as low as 40 percent MFI. The low-rise corridor scheme doesn't help with increasing density in centers and corridors; it should be CM2. We do support limitations on drive-throughs. *See written testimony.*
27. Lori Meuser: Property at 36<sup>th</sup> and Hawthorne. If we want to increase density on corridors, the burden is disproportionately placed on those of us in core areas. We are now CM1 and have to put the brakes on our redevelopment where we were thinking of going up to 4 stories. Adjacent areas could go up to 5 stories, and I don't see how being towered make this more of a main street. *See written testimony.*
28. Jude Hardesty: 5027 SE 70<sup>th</sup> Ave, just off of Foster, owned for 13 years. Recently remodeled to a B&B with carriage house. Under CM2, I am not sure about the carriage house, and I want to be able to retain this option. Change CM2 rezoning to CM3 or CE with a "horse clause".
29. Kenneth Eiler: 3556-3568 SE Hawthorne properties. Owned since 1986. Oppose the downzoning to CM1 and the spot-zoning in particular.
30. Tom Sjostrom, BOMA: BOMA represents 100s of commercial building properties and owners. We have concerns about the MUZ project. Overall the timing of the project is poor because we don't know the IH impacts. Substantive changes will be needed and this plan should be postponed. FAR transfers is counter-productive. Encouraging owners to upgrade may not be helped by this proposal. Handling of parking has not been thought through fully.

31. Tom Brown: SE Milwaukie and Bybee block owner. I have been buying Westmoreland property for many, many years. Proposal to CM1 is taking away about one-third of my property value and development rights. Don't downzone my real estate. I am shocked I have to fight this battle, particularly because the new Orange Line is just half mile from this property. *See written testimony.*
32. Mark Strong, Strong Property: See testimony above from the Strong Family representatives. I am the Life Change Church pastor at Williams/Vancouver just off of Fremont. We have an opportunity to meet the need for affordable housing and bringing healing to the community. By making the change from CM1 to CM2, there is opportunity to create something good for the community here.
33. Garrett Stephenson, McDonalds Corp: Don't have 4 of our sites zoned that will make the drive-throughs non-conforming. Zone to CE to allow drive-throughs. Concern is that the business relies on the drive-through for at least 70 percent of our sales. These sites are suitable for CE because the surrounding areas have been developed to be auto-accommodating. *See written testimony.*
34. Allison Reynolds, WREH Lloyd Plaza: This is a 5.2 acre site next to Benson. CX is current zoning, which is appropriate for this property. Under CX base zoning, we can't earn bonus height. We propose to either (1) amend MUZ to allow additional height in CX zones or (2) include Lloyd Plaza in the Central City Plan District. *See written testimony.*
35. Hilary Adam, PHLC & DRC: The two commissioners send their thanks to BPS and PSC members. *See written testimony.*
36. Ruth Adkins, Oregon Opportunity Network: Support the prioritization of affordable housing. We need a full array of tools to assist this. *See written testimony.*
37. Rekah Strong: I've seen big development deals, which seems like an easier process compared to family-sized business wanting to redevelop. Portland should be affording the same access for community businesses to develop and allow them the same access as large developers. Request to move the family property from CM1 to CM2. The shift doesn't have an impact just for my family but it's an opportunity to make a policy decision to have fix some of the decisions from the past.
38. Barbara Berg: I support the Irvington Community Association (ICA) proposed amendment on NE 15<sup>th</sup> and Brazee. Proposal to CM1 in the MUZ proposal. This is a commercial corner in the midst of residential. We don't want the commercial business, with a full liquor license, to be allowed to be open until 2:30 (OLCC rule); currently they are only allowed to be open until 11 p.m., which is fitting for the area.
39. Helen Richardson: Support ICA proposed amendment. I care about the time limitation of how late the business can be open in the midst of our residential area.
40. Lynne Coward: Multnomah property between 19<sup>th</sup> and 21<sup>st</sup> on the south side of the street. Going through Council, the frontage on Multnomah was returned to RH, but the back side still has CM3. The entire site should be developed at RH. *See written testimony.*
41. Bitar Companies: Own mostly low-rise, multi-tenant properties. Our primary concern is restriction on drive-throughs and downzoning, which will have negative impacts for businesses and for those who must use cars. What about service-based drive-throughs? Lack of parking? Build in flexibility for those who need it. Keep general commercial in the mixed-use plan.

42. Alem: Boise Eliot resident. We need more affordable housing and small businesses on Fremont. My property is here, and I want other dreamers to be able to buy and build here. 311 N Ivy, between Gantenbien and Commercial streets.

*Chair Schultz* continued the hearing until May 17 at the 5 p.m. PSC meeting. The meeting will be held at The Portland Building in Room C on the second floor.

### Discussion

*Commissioner St Martin* commented on the number of comments from Woodstock Neighborhood and the downzoning issue there.

*Commissioner Rudd* struggles with the non-conforming use issue. When you rezone, you do make some things legal non-conforming because you ultimately want them to go away. But then you potentially give incentive for the property owners not to redevelop and change. Is there a way to do this without creating a “monopolistic” behavior?

*Commissioner Spevak*: On the drive-through issue, do we have a sense of how much demand we’ll have for them over the next 20 years? Also, there was written testimony about the 7500 square foot provision and limitation of hours of operation... I need more details about. I don’t know the status of the design review update process and what that process looks like.

- Design review assessment is underway. We hope to have things to report on by the end of the calendar year. We want to be able to use design review overlay in more places, but we have to make sure it works, so that’s why we’re beginning this review. We can get you more information.

*Commissioner Smith* will share his list of questions and issues via email. I do want to know about the economics of the bonus system and seeing if that works. I’d like to be better briefed on that point prior to our work sessions.

*Commissioner Bachrach* is skeptical about the bonus system how it has been laid out. I don’t think it makes sense at this point. It would be better for us to go up a level instead of artificially dropping our zoning then trying to build it back up with a bonus system. I’d rather see this in combination with IH when that comes through. Zoning is a secondary mechanism to money... dollars into the system need to be used wisely. Also have concerns about TDM and the next steps with that to be incorporated.

- PBOT will be coming back to the PSC in June and August with Title 17 work.

*Commissioner Rudd* asked about state law on IH. Doesn’t fee in lieu have to be an option?

- Yes.

*Commissioner Baugh* talked about map alignment with the Comp Plan and this process. Please remind us how that will work. For the bonus system, we need definition around “unit”... is it the size of the unit and its value? Can it be different in different areas of the city? Similarly for the definition of “commercial space”. I’d also like to see the criteria for CM zones and how that’s applied. Regarding policy and bonuses, we are in a position to move down a track, so the bonus system is almost like a place-holder until IH if all goes well. But we want something in place today, and with IH we can review and replace. But as a policy decision, we have to look at what value affordable housing is as a product. Do we take some risks that we can then figure out a solution over the next years while staying relevant as a Commission to Council.

*Commissioner Oxman* commented on the volume of testimony about the affective downzoning from current CS to proposed CM zones. Is that intended, and if so, what is the rationale? Both at the policy and the detail levels. On drive-throughs, we’re trying to move to a less auto-oriented community, but in the next 20 years, how disruptive are drive-throughs compared to other things? We heard from a number of investors and real estate families. Familial transfer of wealth is critical, so I’d like for us to have further discussion around this.

*Commissioner Spevak* commented on developers clipping buildings at 30 units based on the parking minimums. We should look into this. We heard testimony about Powell and 39<sup>th</sup> and Hawthorne and 39<sup>th</sup> and bus access there.

*Chair Schultz* wants follow-up regarding design goals of the overall project. I'm still struggling with step-backs. I'm not completely convinced about how we've gone about forming the mass of the building. Is there a tie to the base zone and neighborhoods' discussions about scale?

- This was a fundamental discussion: building mass and scale and what makes sense for the neighborhoods. This will help information and respond to *Commissioner Bachrach's* questions as well.

## **Adjourn**

*Chair Schultz* adjourned the meeting at 4:57 p.m.

Submitted by Julie Ocken, PSC Coordinator



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

**Portland Planning and Sustainability Commission**  
**April 26, 2016**  
**5:00 – 9:00 p.m.**  
**1900 SW 4<sup>th</sup> Ave, Suite 2500A**  
**Portland, OR 97201**

**AGENDA**

- 5:00 PM Call to Order**  
**Items of Interest from Commissioners**  
**Director's Report**
- 5:05 PM Consent Agenda**
- Consideration of Minutes from April 12, 2016 PSC meeting
- 5:06 PM Multnomah County Courthouse**  
Hearing / Recommendation
- 6:15 PM Deconstruction Code Language**  
Briefing
- 6:35 PM Solid Waste Rates**  
Briefing
- 7:00 PM Task 5: Residential & Open Space Zoning Map**  
Work Session
- 9:00 PM Adjourn**

For background information, call 503-823-7700, or email [psc@portlandoregon.gov](mailto:psc@portlandoregon.gov).

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**Ord. 188177, Vol. 2.4, page 11420**

## Portland Planning and Sustainability Commission

Tuesday, April 26, 2016

5:00 p.m.

### Meeting Minutes

**Commissioners Present:** Andre' Baugh (arrived 5:35 p.m.), Gary Oxman, Michelle Rudd (arrived 5:35 p.m.), Katherine Schultz, Chris Smith, Eli Spevak, Teresa St Martin, Maggie Tallmadge

**Commissioners Absent:** Jeff Bachrach, Mike Houck, Katie Larsell

**City Staff Presenting:** Susan Anderson, Michael Armstrong, Bruce Walker, Troy Doss, Shawn Wood, Deborah Stein, Nan Stark, Marty Stockton, Tabitha Boschetti, Chris Scarzello, Joan Frederiksen

**Guest Presenters:** Commissioner Judy Shiprack, JD Deschamps, Multnomah County

*Chair Schultz* called the meeting to order at 5:01 p.m. and gave an overview of the agenda.

### Items of Interest from Commissioners

- *Commissioner Spevak* gave an update on the Residential Infill Project.

### [Documents and Presentations for today's meeting](#)

### [Testimony for today's meeting](#)

### Consent Agenda

- Consideration of Minutes from the April 12, 2016 PSC meeting.

*Commissioner Smith* moved to approve the Consent Agenda. *Commissioner St Martin* seconded.

The Consent Agenda was approved with an aye vote.  
(Y6 – Oxman, Schultz, Smith, Spevak, St Martin, Tallmadge)

### Multnomah County Courthouse

Hearing / Recommendation: Troy Doss; Commissioner Judy Shiprack, JD Deschamps, Multnomah County

### [Presentation](#)

Troy gave an overview of the site for the new Courthouse. 200' is the current height allowance, which could be up to 240' with bonuses. In the West Quad Plan, we talked about bridgehead height and that 325' would be appropriate here. There are some views to be aware of, but this site is not impacted by any of those concerns.

The proposal is to push the height limit up to 325' on this site.

We are looking at 460,000 square feet for the area of the Courthouse. It's slated to be 17 floors, and we need at least 18' for courthouse rooms, which is higher than most offices, hence the need for additional height here. A judges stand, jury boxes and mechanical equipment can't fit into typical 10' floor height.

Shadow analysis: There will be some shadows created, but they primarily will be on the Hawthorne Bridgehead.

The max height would be 325' through the CC2035. This is the absolute max; no bonuses allowed to push the height farther.

*Commissioner Smith*: If the County would wait for CC2035 to be adopted, we wouldn't need anything different today, correct?

- Yes, but the Federal funds allocated include a clause that the project needs to break ground by Q1 2017. This height is what was discussed in the West Quad Plan.

*Commissioner Tallmadge* is curious about financing. Was there MWESB contracting in this process?

*Commissioner Oxman* asked about the 18' ceiling height. Does this have to do with the grandeur versus needed physical layout? Is this standard for courtrooms?

Commissioner Judy Shiprack (SE District) has been advocating for a central courthouse since 2009. She shared her strong support, which is also informed by her experience as deputy district attorney for the County. The current Courthouse is structurally obsolete. We have been studying how to renovate the building for over 40 years now. We have completed a robust process to select this site and design work and now have commitments of millions of dollars in funding. The City has been a good partner. The building will reflect the pride Portland feels in its appearance and cityscape and compatibility with the river. State funding contingent on starting in early 2017, so we need the approval of the 325' to make this happen.

JD is the project manager for the County. Troy gave a good update about the project and needs for a new courthouse.

Regarding the question about MWESB firms, the County set a goal for the architect and contractor. We selected the architect without subs. The contractor has committed 18-20 percent subs as MWESB.

We've hosted outreach events each month to fill the team.

For the question about floor height of 18': this is actually low but what the architect has typically used for courtrooms. It accommodates the dais for judge, jury and the witness box. The ceilings with mechanical equipment are different from standard buildings because we can't have noise transferring from room to room.

## Testimony

1. Sam Galbreath: A member of the National Historic Preservation board who works on community development and adaptive reuse. I don't object to the zone change or recommendations, but I'd suggest a consideration to place before City Council regarding the Jefferson St substation. I commend County staff for gaining control of this full block. But the plans still call for the preservation of the substation, which is mediocre at best. Its removal from the list of historic buildings could open the way to its demolition so the architects can use the full new block at the new FAR and height limits on the entire block.

*Commissioner St Martin* asked what's in the substation building.

It used to be materials for a generating station. It was steam-powered from a plant that was on the Willamette River. It's now almost all been converted to offices. *Commissioner Smith* commented this is the Veritable Quandary. No, the VQ is actually a separate parcel.

*Chair Schultz* closed the hearing at 5:25 p.m.

## Discussion

Troy noted we received 6 letters regarding the project, from a private citizen in opposition and 5 letters in support from various County and State officials. The opposition was about height and made reference to the West Quadrant Plan since the final zoning height has not yet been adopted.

*Commissioner Spevak:* If you were following, rather than jumping ahead of, the City's timeline to increase the height limit at this location, linkage fees for affordable housing might apply. Would that be something the County would pay if the City adopts linkage fees between now and when the code goes into place? Also, it seems like there would be a potential to save millions if they took down the existing building, and the funds could be used elsewhere. I would encourage the County to look at this option.

- The County's new budget includes \$10M for homelessness work. The rest of the question is beyond staff level but could be brought to the County Board.
- JD: I asked the architects initially about demoing the building. Biggest risk would be protest, City Council delay, and no project to bring to design review, then no state funding since the project would be much delayed. Our design includes looking at a number of building orientations. One of the advantages is the overhead train at Jefferson Station.

*Commissioner Tallmadge* asked about energy efficiency, which is a goal the City has for new buildings.

- We are aspiring for LEED Gold. All team members are involved and informed to make sure we get it right.
- *Chair Schultz* suggested LEED Platinum.

## Motion

*Commissioner Smith* moved to recommend the height limit on Block 8 be raised to 325 feet.

*Commissioner Tallmadge* seconded.

(Y6 – Oxman, Schultz, Smith, Spevak, St Martin, Tallmadge)

**The motion passed.**

## Deconstruction Code Language

Briefing: Shawn Wood

Shawn reminded the Commission about the briefing on the resolution that directed BPS to develop code language to require deconstruction if the house/duplex was a historic resource or if it was built before 1917.

Since February 17, staff have been developing code language; this has been a partnership between BDS, BPS, City Attorney and the Deconstruction Advisory Group. We have a 4 week public comment period now on the draft language.

Lots of codes are simple in terms of what you want to get out of it; ensuring compliance is the tricky part. We are proposing to use Certified Deconstruction Contractors, which will be trained and certified in accordance with guidelines from the Building Materials Reuse Association (BMRA). A pre- and post-deconstruction form will be used to identify and verify the process. We will require receipts and documentation. BPS would also do random inspections and posting the site with signage and who to call with concerns (similar to erosion concern signs). Outreach will be needed for the building and development side as well as community/neighborhood side.

We are working with a local consultant to do the training and certifying of contractors and workforce. The process kicks off on May 18, at the end of the public comment period.

Training program for labor: this code effectively will triple the amount of deconstruction work, so workforce development will be key.

We know deconstruction can typically cost more. We have a deconstruction grant program that is on-going. Initial funding was \$50k and just received a DEQ grant for an additional \$50k. We have spent about \$28k already.

We are bringing the ordinance to Council on June 29, and it's slated to be effective October 31.

*Commissioner Baugh* commented on the potential penalties and potential liens. How much could these be?

- See page 5: there are two tiers. Infractions for not posting signage would be a minor one, costing up to \$500. The worst case would be a project completely ignores and demolishes and uses improper mechanical equipment, which is up to \$10,000. There is an appeal process as well if necessary.

*Commissioner Baugh*: For minority contracting and certification, how are you working that?

- Our consultant helped BPS when we were developing Clean Energy Works program. We're using a similar approach now. We've extended invites to a number of organization for the May 18 meeting already. We will rely on the consultant to have people trained and the hiring aspects.
- Projects that the City does use a prime contractor and development program; MWESB are the contractors that do this work. The pool is about 20-30 contractors from that already.

*Commissioner Baugh*: Materials that come from deconstruction: is there a market for them?

- Yes... locally, West Coast and nationally. There are buyers from international that come to Portland to buy as well. We're less concerned about the demand than the requisite labor to do the deconstruction work.

*Commissioner Spevak*: What about additional permitting fees? I'd encourage not additional fees even though there is more staff time needed.

- Fees for deconstruction will be the same as for demolition.
- Also, similar to BDS fees, tipping fees are cost recovery, so this is less of an easy idea.

*Commissioner Tallmadge* asked about the penalty. Would someone demolishing a building save substantially more than \$10k? Would that need to be reevaluated?

- Just houses and duplexes, so it would have to be something like a mansion for the cost differential to be higher. \$10k is a working number at this point.
- *Commissioner Spevak* concurred. But the stop work order would be more of a penalty for the developer, so that's the real deterrent.

*Commissioner Tallmadge*: If we look at MWESB, a majority of the owners are still white men. Can we get around this for this program? Can you incorporate required subcontracting if it's a large project?

- Preliminary conversations: We would rely on local organizations to identify people in their existing programs to go through the training program. We'll have sources of funding. Then an apprenticeship-type program, and we know the Rebuilding Center is already interested in supplementing this.

*Commissioner Oxman* noted grandfathering in of existing practitioners. Is there code language?

- The Administrative Rules will detail this, and they will come right after the code language is adopted. We have training for the contractors/firms as well as the laborers. Existing practitioners still need to do the field work exam, just not in class. Contractors have to demonstrate 2000 hours of work.

*Commissioner St Martin* asked if there are plans for tracking the materials and telling the story of successes.

- The pre- and post-form requirement will help with this. We have a number of goals with the deconstruction grant program, including data-gathering. We have information about costs, hours, lessons learned, etc. We will use lots of this in the requirements so we can report on the amount of materials saved, etc.

*Commissioner Smith* noted this is going to be administered by BPS. But the day-to-day activities are what BDS does regularly.

- When we first started talking about code language, we worked closely with BDS. We decided the Zoning Code was not the best option for this code. Title 24, Building Code, was also an option. This would seem to fit in there neatly. But BDS suggested we should use Title 17, where Ban the Bag, Energy Benchmarking and Solid Waste are in there. BDS is a willing partner, but from a life-safety standpoint, this doesn't fit directly in their purview.

*Commissioner Spevak*: What about changing the language so it's consistently for buildings 100 years or older?

- In future phases we might expand this, but for now we're keeping the 1916 date.

If you were a certified deconstruction contractor and you want to expand the employee base, an obvious choice would be a graduate from the program. They will be better prepared instead of someone who doesn't have deconstruction experience. At least one person from the firm has to be a certified deconstruction contractor.

June 29 is the Council date. May 26 is the date to file Council documents.

A few PSC members are inclined to write a letter of support for the project. They will work with Shawn to draft the letter and can send it around for PSC members' approval.

The way the resolution reads, as well as on the back of the 2-pager, we were originally planning on going back to Council in 2017 with an update on the program. Then two years would look to raise the bar. The Mayor is interested in having more established goals after the first year. This wouldn't be codified but, for example, would target a 10 percent increase in the percent of homes deconstructed compared to those demolished. *Chair Schultz* would like the project to return to the PSC in a year as well.

## **Solid Waste Rates**

Briefing: Michael Armstrong, Bruce Walker

### [Presentation](#)

Michael reminded the PSC that this is the first year the PSC will recommend residential SWR rates to Council. At the next PSC meeting, we will have a public hearing on the rates.

Residential curbside collection includes single houses up to 4-plexes. Haulers serve geographic territories through a franchise system; the City sets the rates, administers rules and assists residents.

Bruce shared the factors in rate-making. BPS oversees 14 haulers that provide residential curbside services. Key cost factors for rate-setting include:

- Labor and fuel costs as adjusted for inflation
- Garbage disposal costs (can weights and tip fees)
- Yard debris/food scraps tip fees
- Recyclable material sales revenue
- Incentives/disincentives

The most common service level is the 35-gallon roll-cart. Slide 4 shows the breakout of costs that make up the fees associated with these costs. The proposed rates are adjusted based on costs, economic projections and haulers' input. There are slight adjustments from the current fiscal year and looking into what we expect costs to be next year.

Overall, we are proposing a \$0.20 monthly cost decrease for the 35-gallon roll-cart, which is the most common service level. This is the fourth year in a row we will see rates staying flat or decreasing, which is a testament to haulers becoming more efficient.

*Commissioner Baugh* asked if the reduction is as result in more composting by customers. Or is it just efficiency of the haulers?

- There is greater efficiency in the collection. Lower fuel costs play into this as well.
- People are also creating less waste in the first place. We are doing better and better at moving things from garbage to compost is also a savings. At the next meeting, staff can break out the various rows/buckets to a finer grain.
- Garbage \$96.25/ton tipping rate; compost is \$63/ton. So there is a substantial savings when we compost.

*Commissioner Oxman* asked about the tipping fee increase. Does this have to do with the difficulties working with food scraps?

- This gets to the 2 composting facilities' operational costs and charges. Material is all delivered to Metro stations, and they set the rates that include the transfer fees to the composting facilities.

*Commissioner Spevak*: How does this compare to commercial rates? Who determines or makes sure what is being claimed as a residential property is a 4-plex or smaller?

- The Solid Waste program works with the BPS Tech Services staff who helps with mapping, so we know the individual properties on a tax lot.
- Because we don't set commercial rates, we don't know the comparison. Some likely pay more, others less. Businesses always have the option of choosing the same service (at the same rate) as residential customers, if that level of service is sufficient for their business.

At the May 10 PSC meeting, we will have a final number and hearing before we take the rate recommendation to Council on May 19. Rates take effect on July 1.

*Commissioner Smith* asked if the meeting on May 10 is a public hearing.

- Yes, May 10 is a hearing for the PSC. The PURB accepted public comment when they had purview of these rates. Historically it has been the haulers coming to testify. There have also been composting and recycling advocates who have testified in the past.

*Commissioner St Martin*: Are the haulers happy with this?

- They have been good partners. They think this is a fair process.

*Chair Schultz*: We have seen lower fuel costs. Since we're setting for the year ahead, is there a buffer in case fuel costs rise?

- We are comparing against what is in the current rates and an estimate of what the fuel portion is. Then we forecast costs based on the U.S. Energy Information Administration that provides projections about costs.

*Chair Schultz*: Is there a mechanism to have an emergency change?

- There is an emergency clause in the franchise contract. But we wouldn't just look at one component in isolation. E.g. the market for recycling would likely rise with a huge rise in fuel costs.

*Commissioner Spevak*: So this is like "a regulated monopoly".

- Yes. A hauler can sell the franchise to another company with consent from City Council. This has happened numerous times over the years. There is a limit that no one operator can have more than 40 percent of the residential market.

## **Task 5: Residential & Open Space Zoning Map**

Work Session: Deborah Stein, Nan Stark, Marty Stockton, Tabitha Boschetti, Chris Scarzello, Joan Frederiksen

### Presentation

Deborah introduced her team and the work session. As a reminder, we have 4 categories of residential and open space zoning map changes in the proposed draft. You have received testimony on these (and will continue to receive testimony through the public hearing on the Composite Zoning Map in July).

Including testimony you received at your April 12 public hearing, the PSC has received approximately 200 pieces of testimony. Staff has summarized testimony by general theme in the memo dated April 21. Most of the testimony focuses on category #4: to match 1980 Comp Plan designations.

Tonight we're looking for general direction from the PSC about what goes into the next iteration of the Zoning Map. This map will be a compilation of all the Zoning Map layers (Residential and Open Space, Employment, Campus Institutions and Mixed Use) and will be published in early June, with opportunities for public review and testimony to the PSC at a public hearing on July 12.

Because the record for testimony on the Residential and Open Space Zoning Map Update remains open through July 12, the direction that staff seeks from the PSC today is provisional only. The timing of the Composite Zoning Map will allow staff to incorporate any Zoning Map changes needed to align with yet-to-be adopted City Council amendments to the Comprehensive Plan Map.

If in doubt, we'd suggest that the PSC direct staff to include the property/concept in the Proposed Draft Composite Zoning Map so that affected property owners and neighbors have more opportunity to review, understand and provide testimony. It's easier to do this if there is something on the map to respond to.

*Commissioner Oxman* commented about the economic distribution of the rezoning, and that the response was limited. What about the question of the properties and the differences between these and the rest of the city. Would you be able to provide some more depth? Inter-generational wealth transfer is something I'm really interested in, and I'm happy to work with staff on this.

- We hear that some things we are proposing will diminish property value, but we think by allowing more options on property could increase potential the property value and wealth potential. We are very concerned about displacement and changes that might prompt the displacement of lower-income tenants and owners.

*Chair Schultz*: Is there empirical data that tracks rezoning?

- We have asked our economic team about this. Some is situational and location-specific, but we can come back with some examples to better evaluate zoning changes.

*Commissioner Tallmadge*: How are you tracking displacement of tenants? Can we see where these areas are?

- We don't have a way to do this. We're using generalize assumptions about owner-occupancy versus renter-occupancy. Renter-occupied we were more cautious about proposing a zone change.
- In the March proposal, we have a page or two about each of the zoning review areas. What it doesn't show is similar data for where we aren't proposing changes.

*Commissioner Spevak:* If something is zoned R2.5 but R5 in zoning, I understand that can happen in this proposal. What about changing to R3 instead of R2.5?

- We could look into that. But it does impact the Comp Plan Map, and we can't change the Comp Plan designation to R3 since that is at Council at this point.
- Some R5 and R2.5 are 5000 square foot lots, so R3 doesn't work for those lots.

*Commissioner Tallmadge* commented on a study to see if keeping the designation and holding back up-zoning could be a value-capture opportunity. How would that apply to this work?

- We looked at this for various scenarios. But it doesn't play out in a feasible way going from R5 to R2.5.

**General discussion question #1:** Should any of the following factors be the basis for modifying staff's proposals for residential Zoning Map changes?

- a. Increased potential for demolition of existing homes.
- b. Effect of redevelopment on neighborhood character and scale.
- c. Pressures of redevelopment on parking and local traffic.
- d. Effect of zone changes on property values or taxes.
- e. Potential impact of a zone change on the racial composition in neighborhoods that are experiencing gentrification.

*Commissioner Baugh* would like to see this more in the context of if we have data to look into this based on high-rental neighborhoods or high-diversity areas. We would want to be consistent with the Housing Bureau's homeownership strategy; make sure zoning is not hurting the efforts, for example, in N/NE or on Powell-Division.

The April 21 memo includes a list of the criteria staff have looked at; the factors have been taken on balance in our recommendations. Slope hadn't originally been a factor, but that came out of a community conversation, so we added this for consideration.

*Commissioner Tallmadge* was shocked (e) wasn't in the original staff list of considerations.

*Commissioner Oxman* continues to struggle without having a quantitative framework for how big a decision is relative to the goal of accommodating the new households coming to the city. The size of the trade-off matters in each decision.

This relates to how this is a piece of a larger puzzle. We were zeroing in on where there is already a Comp Plan designation in place, not every area of the city.

*Commissioner Baugh* noted he's not sure how much this moves the needle in single-family housing. I am concerned about the Portland Plan measurements, particularly demographics and middle housing. I'd like to see the accumulation of this data.

*Commissioner St Martin* noted (d) is interesting in a higher-level discussion.

*Chair Schultz:* a-d fall within discussions we've had about the Comp Plan.

Staff will relook at the proposals through these screens to see if we'd like to alter anything from the original proposal.

**General Question #2:** Does the PSC generally support proposed Zoning Map changes in the David Douglas School District, recognizing the temporary reduction of development potential on affected properties?

As a reminder, the down-zone for the David Douglas School district is coupled with a Zoning Code change that is part of the Miscellaneous Zoning Code Project. The Zoning Code change will give the

school district a “service provider” status and include them as a reviewer with veto power in land use reviews for zoning map amendments and land divisions within the David Douglas SD boundary.

They will have the ability to review Zoning Map amendments and land division applications for capacity within the school catchment area that serves the site under review. Theoretically, if the local school does not have capacity, the school district can deny the application.

There are about 63 properties included here, equating to fewer than 200 units under current zoning. With the reduction in density, it will drop a bit more. R1 to R2 still gives some multifamily opportunities. We’re not touching properties in the Gateway area, where there is lots of capacity.

We’re only heard from 2 property owners who were in opposition to this proposed down-zoning.

*Commissioner Smith* noted “temporary” downzoning. What is the duration of “temporary”?

- It is the context in the Comp Plan Map changes. The larger map shows lots of down-designations in DDS, which are permanent until we update the Comp Plan in 20 years. These are temporary because the property owner can make the request to rezone, but DDS would be able to deny the request.
- DDS is actively pursuing opportunities to expand their capacity, which is the condition under which we are proposing the temporary down-zoning. We will have an IGA and will have an option to reconsider if things don’t move forward.

*Commissioner Spevak* is happy to hear the IGA is in the works.

Staff intends to bring the IGA back to the PSC for review.

*Commissioner Oxman* thinks the policy makes sense, but have we thought about unintended consequences of this?

- Susan: Part of this is about how many units this will affect, and staff will look into this. What we’re doing is basically giving breathing space before a new school can be built. This is only looking at reducing the ability to do a zoning map amendment or land use division, not anything that is already allowed by right that could have an impact on the school district.

*Commissioner Rudd*: I like this as a step to help the school district. It is appropriate.

Staff should think about any unintended consequences of this recommendation, but advance these changes with the next iteration of the map.

**Area-specific question #1:** Does PSC support retaining the R5 zoning/pattern in the Rose City Park Neighborhood near the MAX station? Or should the zoning be changed to reflect location at 60<sup>th</sup> Ave station area?

Rose City Park doesn’t want high-density housing in proximity to the freeway. Their proposal to Council is shown on slide 9, which is a big change from the current RH, R1 and R2 zoning. This was an area with opportunity for growth, but it didn’t happen. There might not yet be the demand to build out yet, so we’d suggest to go with Comp Plan designations but not Zone change designations.

The majority of testimony we heard is that people want to keep the single-family neighborhood. The lack of transportation infrastructure that doesn’t support the higher density is one of the neighborhood concerns.

*Commissioner Smith*: For context, just south of here is N Tabor, which very similar in character and is begging for more density.

Key items from testimony: Preserve existing character and scale of neighborhood. Rose City Park Neighborhood Association talked about health concerns about high-density housing near the freeway. Inadequate infrastructure. This is a stable area and change could effect affordability and cause displacement; parking would be more exacerbated with higher density.

RCPNA voted to retain R5 zoning with exception of properties that are developed other than single-family housing. This creates a fairly spotty map.

Staff foresee the changes would be slow and incremental. This is mostly a pattern of 5000 square foot lots, so we'd see duplexes and attached houses. R1 would be a bit of a game-changers, so we could see some redevelopment of the area.

Also, there is the question of what is on the constrained list in the TSP. A big issue for PBOT is making the case for the improvements if the density and zoning isn't there to support it. The NA does recognize this.

*Commissioner Smith:* If we zoom out, would we be better off letting the density go to N Tabor and not take on RCPNA until after that center is established?

- *Commissioner St Martin:* 53<sup>rd</sup> is a bikeway. Because of what's already been developed, I think it's a prime area for middle-housing there. Why not have both N Tabor and Rose City Park upzoned?
- *Commissioner Spevak:* There are a couple different "flavors" of density we could see for middle-housing here.
- *Commissioner Baugh* would rather think about this in the middle-housing thought process.

*Chair Schultz:* Does this go along with some issues to continue to look at and giving that direction to staff to continue to look at the proposal in the next map iteration?

- Yes, it would be easier to keep this on the map for discussion rather than pull it off and try to put it back. We can keep it on and take into consideration these ideas you've provided before returning.

*Commissioner Tallmadge:* This could be a good place for increasing density, but I do want to be cautious about the potential for displacement.

- Nan: As an example, right now we have a 10-plex in an R5 zone (non-conforming). In an extreme condition, it could be torn down and replaced with a single-family house. This is very unlikely, but possible.

*Commissioner St Martin:* The residential infill project is finding that people want the middle-housing but are somewhat NIMBY about it. We'll likely have to identify some areas to rezone to R2.5 to try middle-housing options.

Deborah: In the memo, there is a response about the question of how PBOT considers transportation infrastructure deficiencies as we look at rezoning. This doesn't match what RCPNA is commenting on for this proposed area. If we leave R5 for now, things will not change; there won't be a vehicle to improve substandard streets and sidewalks, so that's the trade-off.

*Chair Schultz:* We are hearing general consensus for staff to continue looking at changing to R1 and R2 instead of retaining R5.

**Area-specific discussion topic #2:** Rose City Park, Euclid Heights: proposed change from R5 to R2.5. Does the PSC support retaining R5 zoning in order to preserve existing character and recognize the 20 percent slope?

Staff's proposal to change to R2.5 was based on the area's service-rich location (within half-mile of Hollywood/42<sup>nd</sup> Ave Transit Center and proximity to Providence, a major employer).

Testimony: We are a stable neighborhood. Single-family in scale. Old enough for some preservation.

*Commissioner Oxman:* The write-up mentions a 20 percent slope. Is this taken as a symbol of landslide danger? Or a building and planning issue?

- A building constraint.

*Commissioner St Martin:* I would support the neighborhood's comments about the stock and quality of housing. And it is very single-family looking and feeling.

*Commissioner Smith:* This is a more suitable middle-housing opportunity than RCP. We'd want to see more ADUs here. But I don't know if it's better to leave it at R5 instead of changing to R2.5.

*Commissioner Spevak:* I don't think going to R2.5 takes down nice old houses. I can't think the economics would make things change. I'd like to see this be upzoned to R2.5, and the market may or may not do anything with that.

*Commissioner Tallmadge* has a similar inclination. I'd support R2.5.

Staff should continue to look at area this for R2.5 zoning.

**Area-specific discussion #3:** SE Henry St (in Woodstock; proposed change from R5 to R2.5).

Testimony we heard: SE Henry Street is a dead end without an approved turnaround, and residents are concerned about fire safety and constraints on emergency response. Other testimony included concerns about increased need for parking; there are large trees on the church site, so fire concerns in relationship to it being on a dead end street.

Staff has consulted with the Portland Fire and Rescue. The street has a 55' right-of-way. East-west length is about 466'. It is a fully improved street. It's 32' curb-to-curb with parking allowed on both sides. PF&R has been really responsive and helpful.

Marty detailed the concerns and mapping about fire and access concerns.

*Commissioner Tallmadge:* This is a really accessible street compared to others in the area. I'm in favor of R2.5.

*Commissioner Spevak:* I thought there was compelling public testimony, but with the information from the Fire Bureau, I'm inclined to keep going for R2.5. If you want to get a building permit, and you're too far away from a fire hydrant, the Fire Bureau can create requirements for additional things from the builder, independent of zoning (e.g. additional hydrant, sprinklers in the building, etc).

Smith: At some point, we'll be looking at sprinkling for all residential properties.

Rudd: I understand new developers will sprinkle the new houses. But I'm concerned about the current houses, so what about a closer hydrant?

- The hydrant isn't the issue; the dead end street exceeds the 300 linear feet. There isn't a problem getting to the fire, but they'd have to back out a truck since it's a dead end.

Staff should continue to look at area this for R2.5 zoning.

**Area-specific topic #4:** Maplewood at SW 45<sup>th</sup> and California (proposed change from R7 to R1 to correspond with the Recommended 2035 Comprehensive Plan Map).

Does the PSC support retaining R7 zoning here, in response to testimony? This would require a property owner to apply for a quasi-judicial Zoning Map Amendment and would require additional public process.

*Commissioner Spevak:* This seems like an exceptional area for R1 zoning.

*Commissioner Baugh:* Is this an area for potential value-capture? I'm all for going to R1.

- Yes, this certainly would be a candidate area.

Staff should continue to look changing from R7 to R1 to correspond with the Recommended 2035 Comp Plan Map.

**Area-specific topic #5:** In locations with R5 or R2 zoning and Commercial/Mixed Use Comp Plan designation (either new for the 2035 plan or applied in 1980), should the Composite Zoning Map...

- a) Consider rezoning to Mixed Use?
- b) Consider rezoning to match the adjacent higher intensity residential zone?
- c) Retain the existing zoning?

We are not proposing to upzone existing residential unless they are either (1) split-zone; (2) non-conforming commercial; or (3) if there had been a formal and vetted public process.

Marty walked through a few examples of this question.

1. Woodstock is an example of where existing commercial designation was expanded to a full block Mixed Use-Neighborhood comprehensive plan designation.
2. On SE Caruthers, the lots are on the south side of Caruthers, and are directly north of commercial properties on Division St as well as the west side of SE Chavez. They have had a Comprehensive Plan designation of Commercial (UC(b)), for over 30 years. Planners in 1981 were looking forward when they designated these lots commercial. They were also influenced by the three lots on Caruthers at 37<sup>th</sup> that were in Commercial uses already at that time.
3. Properties south of Hawthorne and on the west side of SE Chavez. Properties along Chavez have nonconforming residential densities.
4. SE Holgate and Chavez: there are some duplexes in the R2 zone, which would ultimately become mixed-use. To the east is zoned R2 but Comp Plan R1... we're not proposing to change this at this time.
5. SE 50<sup>th</sup> and Powell: The property at 4831 SE Powell is a split zoned/nonconforming commercial use (U-Haul). We want to move forward to add to the mixed-use project. Properties east of SE 50<sup>th</sup>, north of Powell are single-family residences.

The question is if these areas should be taken to be review in the residential areas match the higher residential zone. They are mostly to R2.5. knowing they will retain mixed-use comp plan designation, so they could become mixed use in the future.

Smith: these seem to mostly be adjacent to mixed use, so I'd be inclined to see these in the mixed use proposal.

Status quo is keeping the zoning residential and designation mixed-use. The question is if the City should initiate any change in the near-term.

*Commissioner Baugh:* If we do R2.5, they are still getting an upzone but not to commercial. R5 to commercial is a really big lift.

*Chair Schultz:* I'd encourage us to look at what it means to go to a mixed-use zone. The fall back would be to the R2.5 zone.

### **Next Steps**

Staff will be consolidating Zoning Map changes into a single "Composite Zoning Map" in June.

The Composite Zoning Map will be up on the Map App and avenues for testimony will be open via the Map App, email, letter and at the July 12 public hearing.

If we're adding new properties to the composite map, they will get a new Measure 56 notices sent on or about June 6 to:

- Any property owners with properties newly added to the zoning map (first notice of any potential change)
- Any property owners who received a previous M56 notice, but now we are proposing something different

The PSC will hold a public hearing on July 12 about the Composite Zoning Map, and you are scheduled to have a work session on August 2 to deliberate and make recommendations to forward to City Council.

### **Adjourn**

*Chair Schultz* adjourned the meeting at 8:58 p.m.

Submitted by Julie Ocken, PSC Coordinator



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**Portland Planning and Sustainability Commission**  
**April 12, 2016**  
**12:30 – 4:45 p.m.**  
**1900 SW 4<sup>th</sup> Ave, Suite 2500A**  
**Portland, OR 97201**

**AGENDA**

- 12:30 PM**      **Call to Order**  
**Items of Interest from Commissioners**  
**Director's Report**
- 12:35 PM**      **Consent Agenda**  
    • Consideration of Minutes from March 22, 2016 PSC meeting
- 12:36 PM**      **RW #8070, SW Florida St west of SW 45th**  
**Hearing / Recommendation**
- 12:50 PM**      **Task 5: Transportation System Plan**  
**Work Session / Recommendation**
- 2:50 PM**      **Task 5: Residential & Open Space Zoning Map**  
**Hearing**
- 4:45 PM**      **Adjourn**

For background information, call 503-823-7700, or email [psc@portlandoregon.gov](mailto:psc@portlandoregon.gov).

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**Ord. 188177, Vol. 2.4, page 11434**

## Portland Planning and Sustainability Commission

Tuesday, April 12, 2016

12:30 p.m.

### Meeting Minutes

**Commissioners Present:** Jeff Bachrach (arrived 12:42 p.m.), Andre' Baugh, Katie Larsell, Gary Oxman, Michelle Rudd, Katherine Schultz, Chris Smith, Eli Spevak, Maggie Tallmadge (left at 2:30 p.m.)

**Commissioners Absent:** Mike Houck, Teresa St Martin

**City Staff Presenting:** Joe Zehnder, Susan Anderson, Deborah Stein; Lance Lindahl, Denver Igarta, Courtney Duke, Peter Hurley, Judith Gray, Zef Wagner (PBOT)

*Chair Schultz* called the meeting to order at 12:30 p.m. and gave an overview of the agenda.

### Items of Interest from Commissioners

- *Commissioner Smith:* I have been in a couple meetings discussing the Smart Cities concept. The City has a formal proposal into USDOT for a \$40M grant, and there was a meeting with equity partners today. Also, as I think you know, Council is doing final consideration of Comp Plan Amendments (Thursday @ 6 p.m. and April 20 at 2 p.m.). I'm considering writing a letter about digital equity and open data if other PSC members are interested in signing on.
- *Chair Schultz* will be at the Comp Plan hearing on Thursday to do a short introduction on behalf of the PSC. If there are other items that PSC members want to write letters about like *Commissioner Smith* is doing, we can share via Julie who will see if others want to co-sign. Open data, industrial lands and golf courses, and downzoning of Eastmoreland are topics we've discussed at the officers' meeting.
  - Joe clarified that the letters would be from individuals, not from the PSC as a whole. One of the golf courses is out, and Broadmoore is in and being rezoned. The concern was that there isn't the same amount of acreage.
- *Commissioner Spevak* noted there are a few middle-housing amendments that have been proposed by Council members that he'll be writing about.

### Director's Report

Joe Zehnder

- There is a proposed ordinance going to Council tomorrow about tightening rules around lobbyists and current/past City officials. In the draft there is a provision that applies to the PSC that we've asked to get clarified since it's not totally clear how it would affect PSC members. Those concerns have been shared with the Auditor's office to try to clarify things. The decision is to pull that particular provision in the ordinance tomorrow. We could get the Auditor's office to come to a PSC leadership meeting for direct dialog, and BPS is prepared to offer comments to what comes out as well. The ordinance includes PDC and the Design Commission as well.
  - *Commissioner Smith* was part of the original advisory group that helped create the lobbying code. He explained that the prohibition would be to prohibit a Commission member to lobby City Council for money/compensation.

[Documents and Presentations for today's meeting](#)

[Testimony for today's meeting](#)

## Consent Agenda

- Consideration of Minutes from the March 22, 2016 PSC meeting.

*Commissioner Smith* moved to approve the Consent Agenda. *Commissioner Baugh* seconded.

The Consent Agenda was approved with an aye vote.

(Y8 – Baugh, Larsell, Oxman, Rudd, Schultz, Smith, Spevak, Tallmadge)

## RW #8070, SW Florida St west of SW 45<sup>th</sup>

Hearing / Recommendation: Lance Lindahl

Lance introduced the proposed vacation and gave the background of this being the last piece of a vacation that was approved in 2012.

### Testimony

1. Jim Winkler, Winkler Development Co: This is the “street to nowhere”. Adjoining property owners didn’t want to pursue the LID, which is why they were against it. This portion of the street has no connectivity. We are fully supportive of the LID and improvements that will bring.
2. Doug Klotz: I did oppose the larger vacation several years ago. Looking at it at this point, I see it’s not worth keeping this little piece. But we need to look closer at vacations more generally.

*Chair Schultz* closed the hearing at 12:47 p.m.

### Discussion

*Commissioner Baugh* noted there is no need to have any kind of sidewalk or easement to connect, right?

- There is a stream just to the west of this vacation, and there are other connections being made with the LID.

### Motion

*Commissioner Baugh* moved to recommended the street vacation #8070. *Commissioner Bachrach* seconded.

(Y9 – Bachrach, Baugh, Larsell, Oxman, Rudd, Schultz, Smith, Spevak, Tallmadge)

The motion passed.

## Task 5: Transportation System Plan

Work Session / Recommendation: Denver Igarta, Courtney Duke, Zef Wagner, Peter Hurley (PBOT)

### Presentation

Denver introduced the project and recapped the meetings the PSC has held. There have been over 400 comments about the plan.

There are 3 lists before the PSC today:

- Consent list. Items here could be voted on as a package.
  - *Commissioner Tallmadge* asked to pull #3 for discussion.
  - *Commissioner Baugh* asked to pull #4 and #7.
- Discussion list. There are seven items on this list for discussion.
- No change list. These are items proposed not to change and delay to a future public process.
  - *Commissioner Smith* asked to pull #4 for discussion.

Denver gave an overview of the discussion list items, in which staff has offered options and their proposal/recommendation.

### ***Autonomous Vehicles (Attachment K)***

Courtney described the changes to objectives made for Stage 2 of the TSP. We got recommendations for additional objectives in Chapter 8, and our response to that and most other additions was to put them in the Stage 3 work for the TSP. We're starting this stage shortly and expect to finish it about this time next year. Public facilities work, Vision Zero and additional analysis of the Comp Plan after Council adopts it are major components of Stage 3. The objectives will be part of the TSP, not the Comp Plan. That why the change to objectives is fairly narrow for this stage.

*Commissioner Smith* has a growing degree of concern that autonomous vehicles will have a big impact on the city in the next 20 years, and I want to get ahead of this. They are shared mobility tools, but we could have a situation of cars without passengers actually creating more VMT, for example. I assembled an informal group of "thought leaders" on this topic. The objectives language I submitted favors shared mobility, considers equity and looks at other things we want to get out of autonomous vehicles to benefit the city. I'm in agreement with staff that we shouldn't adopt this for Stage 2, but I would like to make a more specific motion than the one in the staff report:

I move to direct staff to include language substantially similar to the amendment in the Stage 3 discussion draft. *Commissioner Spevak* seconded.

*Commissioner Bachrach* asked if this is the appropriate time to do this. Is this premature?

- Stage 3 is where staff will be putting forward new objectives, so the timing is good.

*Commissioner Baugh* is concerned autonomous vehicles would take away from other basic transportation needs and not look at equity as a component of implementation. They are the "shiny new penny". Who and/or where will we need to take money from to make this happen?

- *Chair Schultz* suggested it could be an effective and efficient way to get to our goals. If we don't put it in and have a discussion.
- *Commissioner Smith*: I don't want the technology to happen to us, so I see this as a precautionary measure to get ahead. The goal of the objectives is to make us pay attention.

Courtney noted that including direction to staff in the PSC's letter and the next discussion draft would be to make sure we're looking at people and equity.

*Commissioner Tallmadge*: My concern is the study and what studying for this may displace resources in terms of other projects or objectives.

- Autonomous vehicles has been on the objectives for Stage 3 list since the beginning. There are also PBOT staff already working on this that we can tap to help us.

*Commissioner Bachrach* asked if we are at the level of evolution that private developers

- ODOT region 1 has been working with various companies and researchers around the region. It's not an "if" but more of a "when" question, so we want to have policies in place.
- *Commissioner Smith*: One of my deliverables is to get Portland ahead of ODOT and map our destiny. I think we have a better idea of urban needs.

*Commissioner Spevak* thanked *Commissioner Smith* for bringing this up.

*Commissioner Baugh* asked to amend *Commissioner Smith's* amendment to include the discussion of location, target audience and inclusion of how this meets the Comp Plan for complete neighborhoods. *Commissioner Smith* seconded.

(Y9 – Bachrach, Baugh, Larsell, Oxman, Rudd, Schultz, Smith, Spevak, Tallmadge)

The amendment passed.

*Commissioner Rudd* noted it's a good idea to think about getting out of the way of testimony, but I tend to think industry should pay for it at this point.

*Commissioner Smith's* to direct staff to include language substantially similar to the proposed amendment, with *Commissioner Baugh's* additions, in the TSP stage 3 discussion draft. *Commissioner Spevak* seconded.

(Y9 – Bachrach, Baugh, Larsell, Oxman, Rudd, Schultz, Smith, Spevak, Tallmadge)

The motion passed.

***Traffic Diversion: Neighborhood Greenways***

There is just a two word change to add traffic diversion a tool for use on neighborhood greenways. Denver provided the glossary definition of neighborhood greenways including that they are low-traffic streets with priority for bicycles.

The proposal is to make more explicit “traffic diversion” as a specific tool on neighborhood greenways. This is consistent with new Comp Plan policies about traffic diversion on city greenways.

*Commissioner Smith* noted his Comp Plan amendment to strengthen the language around diversion. Staff used this for other parts of the TSP already. I am supportive of this staff recommendation.

*Commissioner Oxman:* Is there a need to include this versus “other available tools”?

- We wanted to be very specific about what tool to use; traffic diversion is what we want to use on greenways.

*Commissioner Smith* moved to accept the staff recommended Option A. *Commissioner Oxman* seconded.

(Y9 – Bachrach, Baugh, Larsell, Oxman, Rudd, Schultz, Smith, Spevak, Tallmadge)

***NE 7<sup>th</sup>/9<sup>th</sup> Bikeways (Attachment M)***

The bulk of testimony on this topic was about extending the bikeway on NE 7<sup>th</sup> farther north and to move the Major City Bikeway to NE 7<sup>th</sup> from NE 9<sup>th</sup>. Other testimony from people was about the concern of diversions, but they weren't necessarily saying not to make this a Major City Bikeway.

Staff recommends to extend the bikeway on 7<sup>th</sup> north and extend the Major City Bikeway on 9<sup>th</sup> farther north. We felt it was appropriate to stay with the recommendation of the Bicycle Master Plan for Stage 2. We could have a larger public process in the future.

*Commissioner Smith* noted that currently 7<sup>th</sup> has a high volume of cut-through traffic for people to avoid MLK. Some testimony was to tame this traffic. Other testimony said that 7<sup>th</sup> would be the better bikeway if there were no cars. The problem is about cut-through traffic and the diversion tools we use. Will we have the will to try to tame the cut-through traffic to put it back on MLK, or will we live with the level of cut-through traffic? Going back to Policy 9.6, if we want biking to be the preferred mode, then we need to make sure we are protecting the full neighborhood, not just one street (e.g. residents on 8<sup>th</sup>). Between the options we have before us today, I like option C, but I don't have strong feelings right now.

*Commissioner Spevak* uses this bikeway and has been experimenting with it lately. 9<sup>th</sup> runs into Irving Park, which is a serious diversion.

*Commissioner Spevak:* I move to support 7<sup>th</sup> as the Major City Bikeway (Option A) but to switch the MCB over at about Sumner to put it on 9<sup>th</sup>. *Commissioner Smith* seconded.

(Y7 – Bachrach, Baugh, Oxman, Schultz, Smith, Spevak, Tallmadge; N2 – Larsell, Rudd)

The motion passed.

*Commissioner Rudd* asked about the concern about not having enough public outreach at this point.

- Option C would negate any MCB in this area for now, which is not supported. Both A and B would at least provide guidance to have a MCB in this area.
- The project list has a 7<sup>th</sup>/9<sup>th</sup> bikeway project included.

All the options for City Bikeway are the same as for Major City Bikeway. We tried to have a similar spacing between routes.

#### **“Major” Bicycle Map Amendments**

Staff recommendation is to keep the classifications until there is further public process about moving or changing MCBs. There are inconsistencies with the Regional Transportation Plan (RTP) we’d need to analyze and share with the public.

*Commissioner Smith* was using a frame of Civic Corridors as we identified as the most intense land use in the Comp Plan. Are there other corridors in the RTP that may get upgraded to MCB status?

- These were the ones we got the most public testimony about, but there are other corridors in the RTP as well.
- The 2018 RTP is a back-and-forth process, so we can offer ideas about the mapping, and it likely will be a mix of the two.

I’d be inclined to include “in Stage 3” in our recommendation.

*Commissioner Spevak* noted some advocacy for the Mason route is at a specific intersection. I own property at this intersection, but I want to check if a CB or MCB would de-prioritize this.

- Mason-Skidmore is a high priority and is on the constrained list, as is Going-Alberta.

I didn’t catch it until yesterday, but I know there is a proposal to make Sandy a MCB just from 42<sup>nd</sup> out. I think we should extend this to where it comes in and links to Burnside.

*Commissioner Larsell* asked why Burnside (used lots by cyclists in East Portland) isn’t included as a MCB in East Portland.

- It is actually included east of 71<sup>st</sup>, and it stays a MCB out through the city.

*Commissioner Tallmadge* asked about SE Foster Rd, which is going to be getting a road diet. If that doesn’t happen, would a major bikeway be safe there?

- Foster’s road diet is because we have designated it a City Bikeway.
- MCB is a new classification in this stage of the TSP, so we aren’t sure what the implications will be. SW Capitol Highway is our first test.

*Commissioner Oxman* asked about if we are envisioning separated bike lanes on Sandy and Foster in the future.

- MCB can be a greenway, separated bikeway or otherwise. It’s only laying the groundwork for capacity of bike traffic.

The staff recommendation is to defer this to a future public process because people haven’t seen these thick lines on a map yet.

*Commissioner Smith* moved to direct staff to take this discussion and evaluate proposed MCB amendments and other MCB testimony for inclusion of recommendations in the discussion draft of Stage 3. *Chair Schultz* seconded.

*Commissioner Baugh* is not in favor of this proposal but is rather in support of staff’s recommendation as described in Option B. I’m ok looking at it, but I want to take our time to do so.

- Staff doesn’t feel they would have adequate time for a full study in Stage 3. Looking at bike classifications were what we thought would be part of Stage 2, so this isn’t currently included as a priority for staff in Stage 3.
- *Commissioner Smith* was under the impression that conforming to the RTP is a main goal of Stage 3.

- Judith Gray: We are very interested in responding to concerns, but it's difficult to take it as direction right now since we've been adding items to our scope of work for Stage 3.

*Commissioner Smith* rescinded his amendment and restated it:

I move to direct staff to take this discussion and evaluate proposed MCB amendments and other MCB testimony to harmonize with the 2018 RTP. *Chair Schultz* seconded.

(Y8 – Bachrach, Larsell, Oxman, Rudd, Schultz, Smith, Spevak, Tallmadge; N1 – Baugh)

The motion passed.

***Consent Item 3 (pulled for discussion)***

*Commissioner Tallmadge* asked about pages 7 and 9 in Section 4. She wants to add more explicit language around targeting low-income neighborhoods for increased bicycle safety infrastructure and education.

Courtney noted that, process-wise, we would need the exact language to approve or continue the work session to another date. Staff is supportive of the ideas and having additional conversation about under-served areas, but we would want to be sure we are covering the right issues. So generally we are supportive, but we would need to write it as we speak without public input or review.

Joe also noted that we'd have to come back to the PSC with the specific language. We could vote to include the "gist" of the recommendation in the PSC's letter. Between now and Council, we could draft language, and a Council member would have to be the one to bring the amendment, which we could do.

*Commissioner Larsell* appreciates this conversation and supports *Commissioner Tallmadge's* recommendation. East Portland is one of the areas where it's generally harder to put in bike facilities, but they are needed.

*Commissioner Smith* is supportive of the concept. *Commissioner Spevak* is as well.

*Commissioner Tallmadge* asked to apply the same principles on page 9 as well.

PSC members are in support of including this in the letter. *Commissioner Tallmadge* also wants to target areas and neighborhoods that have been under-served in this. *Commissioner Rudd* wants to be sure we are checking for consistency in other language that talks about investing in areas that traditionally have received less.

***"Minor" Bicycle Map Amendments (Attachment O)***

This is a continuation of the bicycle classification map amendments. This was testimony we received of a smaller scale, smaller segments of streets. It seemed like they were good suggestions to fill in gaps that the Bike Plan may have missed. Some of the list is technical corrections. Staff recommends making these corrections based on public testimony received and other technical edits.

*Commissioner Smith* moved the staff recommendation A with an extension of NW 22<sup>nd</sup> to Everett from Flanders. *Commissioner Tallmadge* seconded.

(Y9 – Bachrach, Baugh, Larsell, Oxman, Rudd, Schultz, Smith, Spevak, Tallmadge)

The motion passed.

***Hayden Island Pathway and Item #4 from the Consent List***

What we heard through testimony and hearings were two issues: the Hayden Island pathway is already designated on the north shore of the island as a bikeway. We were trying to be consistent with Council

adopted bike classification map. Staff made an initial error, so in the consent package we want to remove this from the proposed draft so we match Council's vote. We also heard testimony about the west end and removing the classification along the river. In 2009 Council removed the bicycle classification from the eastern segment but adopted a pedestrian classification as part of the Hayden Island Plan.

Staff recommends staying consistent with what's in the TSP and staying consistent with Council's 2009 decision. The question about construction of a trail on the west side: we don't have any recommended projects to improve this path in the TSP or the Bicycle Master Plan, so it likely won't occur unless it is required as a condition of redevelopment.

*Commissioner Baugh* had asked to remove Consent #4 because in 2009 this was a blank piece of property; today it's built up. We had a lot of discussion about Hayden Island, and there was a sense we wanted to put lines on the map to provide the opportunity to make this bike- and pedestrian-accessible along the river. In 2009 there was the consideration of the CRC, which is now gone. The opportunity to have a line on the map around a bike path is something we should hold onto, whether or not it's built. If you take it off, we will never have the opportunity to ride here, and we have very few places along our rivers where we have a connected river path.

On Consent item #4, I want to leave the line on the map and retain what's there and keep the bicycle classification in the Proposed Draft. On discussion item 6, I'm looking at Option B.

Also see Attachment D, exhibit C in the packet.

*Commissioner Baugh* moved to recommend Option B for item 6. *Commissioner Bachrach* seconded. *Commissioner Bachrach* is comfortable with the proposal to put this back in front of Council since it's been over 6 years since their initial vote.

*Commissioner Rudd*: Where is the map causing the concern about mobile homes being lost? I don't see how the path would be cutting through a neighborhood. It's on the edge.

(Y8 – Bachrach, Baugh, Larsell, Oxman, Rudd, Schultz, Smith, Spevak)

The motion passed.

*Commissioner Baugh*: For consent item #4, I move that we reject staff's recommendation and keep the bicycle classification in the Proposed Draft. *Commissioner Rudd* seconded.

*Commissioner Smith* noted he would introduce the errata to support this initially.

Joe clarified the reference in the motion: no change in the recommendation that is in the Proposed Draft, which *does* change what's in the TSP.

(Y7 – Bachrach, Baugh, Larsell, Oxman, Rudd, Schultz, Spevak; N – Smith)

The motion passed.

The PSC discussed mode share targets for all trips (Attachment G: Order of Objectives) 11.13. *Commissioner Baugh* moved that the order should be walk, bike, transit, carpool. *Commissioner Smith* seconded.

(Y8 – Bachrach, Baugh, Larsell, Oxman, Rudd, Schultz, Smith, Spevak)

The motion passed.

### ***Transportation Demand Management (TDM)***

Judith reminded the Commissioners of what TDM is and gave an overview of the TDM proposed process (slide 11).

The scope of work in the packet is intended to be draft; working with the SAC, we'll likely change this and update priorities.

We want to ensure the process for the decision is correct. Any new fees to developers must go to Council for approval. Additionally, we would take a presentation to Council for all of the TDM program and administrative rule, if recommended by the SAC or Transportation Commissioner. If requested by the PSC, we would present to the PSC of course; but in thinking about the timeline of completing the work, we are leaving this as an optional item instead of required.

Title 17 lays out PBOT's requirements. Title 33 is where we'd relay the trigger mechanisms that refer to the specifics of what would be required in a TDM plan, the specifics of which live in Title 17.

*Commissioner Spevak* asked about modifying performance targets. Who makes the decision? Can this be clarified?

- PBOT staff makes a recommendation, but the approval is either by BDS or, in certain cases, the Hearings Officer. This is where we're suggesting language to clarify this.

Staff intends to provide notice if there are changes. Changes to the Administrative Rules would be minor modifications. Who we'd notice would be specified in the Admin Rules. We don't currently have a formal process for notification, but it's a fair question and one we want to hear from the Advisory Committee or PSC about.

Peter walked through some of the specific Title 17 amendments (slide 13). These only apply if and when Council acts on the Title 33 code, not until then. This is to make TDMs consistent and everyone would know what the 6 components are. These are in response to comments from the public.

*Commissioner Bachrach* asked about what we're trying to achieve with these plans and objectives. Ultimately there is a lot of discretion even with code and objective standards. I'm concerned from a policy standpoint that a large campus or industrial user can bring in lawyers, etc, and they have more ability to navigate the uncertainties of the process. As this starts to apply to mixed-use, we're now dealing with smaller developers as well. It's a tricky proposition for smaller projects for sure, but I'm not sure how we check that we are achieving the goals. It seems very premature to approve Title 17.106 at this point.

- The Mixed Use Zones Project will include a pre-approved plan option because we don't want people to have to spend a lot of time and money on this for smaller projects. An applicant can take advantage of the pre-approved plan, unless they choose to do a custom TDM plan.
- Title 17.106 won't apply to Mixed Use Zones unless the PSC recommends, and Council approves, requiring TDM plans for mixed use buildings.

It's really hard for a developer to go to so many code chapters in Title 33 and then be referred to Title 17. Who am I talking to at that point to get approval?

*Commissioner Spevak* commented on the off-the-shelf plan and how it doesn't seem feasible for small (e.g. 10-20 unit) plans. How do you even talk about small projects?

*Commissioner Oxman* asked about what the institutional scope for TMD is. Is there an intended scope in terms of size?

- The 15 institutions in the Campus Institutional zones would be included.

Is there an intent to expand to other new or existing entities?

- In the Mixed Use Zones proposed draft, there is a proposal for pre-approved TDM mixed-use developments greater than 10 new units. Similarly in CC2035 there is a proposal for pre-approved TDM plans unless you want to do a custom plan.

On element C, removal of a TDM plan, was that just a question of timing?

- It's to be consistent to be sure it's the Hearing Officer or BDS to make the recommendation for approval of a plan.

Joe suggested we should bring the TDM item back to the PSC with an attempt to clarify some of the questions. TDM is integral to how we've built the Comp Plan in terms of vehicle capacity, so if it's not TDM, we'd need to adjust something else to get the forecasted performance to work (e.g. changing parking ratios).

*Commissioner Baugh* commented on the idea in (F): Is this the idea that if they're not meeting one but they are doing ok on all other performance targets ok? Not all items are equal in terms of impact to the goal.

- When a TDM plan is submitted it says they will implement certain actions. We want this commitment to be enforceable. Because there are other variables affecting performance, we thought it was fair to make sure they are doing what they said they would do rather than if they are getting the exact performance results.

*Chair Schultz* noted that if the process is foggy to PSC members, it must be to the public. Can we have you come back after public outreach so we can see how it all comes together, etc?

Clarity and consistency has been the intent. We know it's a confusing process. We hope we can address the questions and get them approved at the same time the Comp Plan is being implemented.

Joe recommended not to vote on the TDM today. Staff will come back with clarifications *or* say we can't clarify in this time frame. I want to be sure consider, so we can advise on the implications, too.

*Chair Shultz* asked if whether the concern from some PSC members was about TDM or about the process.

*Commissioner Bachrach* stated that he didn't realize that having some TDM was essential to capacity analysis and completing the comprehensive plan.

Joe responded that he wanted to quantify the implications of TDM and explore options.

*Commissioner Baugh* asked to remove Discussion Item 7 from the current document today for consideration but ensure it comes back before the Comp Plan TSP hearings and finalization because we need a TSP that includes TDM to close the deal.

Joe stated that we would have to bring this part (TDM) back before the whole thing could be supported.

*Chair Shultz* proposed that the other parts of the TSP be voted on today, and TDM brought back at the next work session.

*Commissioner Smith* moved adopt the remainder of today's consent list and direct staff to develop "trips avoided" targets. *Commissioner Baugh* seconded.

(Y8 – Bachrach, Baugh, Larsell, Oxman, Rudd, Schultz, Smith, Spevak)

The motion passed.

*Commissioner Smith* moved to recommend that City Council:

- Amend the City of Portland Transportation System Plan (TSP) as shown in the Proposed Draft of the TSP Update, Stage 2, Sections 1-13 (as amended today);
- Amend Title 17: Public Improvements, as shown in the Proposed Draft, Section 16 (as amended today)

*Commissioner Larsell* seconded.

*Commissioner Rudd* would like to remove Section 16 (about street vacations).

*Commissioner Smith* withdrew his recommendation and restated: I move to amend the City of Portland Transportation System Plan (TSP) as shown in the Proposed Draft of the TSP Update, Stage 2, and Sections 1-13 (as amended today). *Commissioner Rudd* seconded.

(Y8 – Bachrach, Baugh, Larsell, Oxman, Rudd, Schultz, Smith, Spevak)

The motion passed.

## **Task 5: Residential & Open Space Zoning Map**

Hearing: Deborah Stein

### Disclosures

- *Commissioner Bachrach* owns a 4-plex at SE 17<sup>th</sup> that is on a list at Council. I won't vote on any section in this area. I'll clarify this before the April 26 work session.
- *Commissioner Spevak* owns property at 47<sup>th</sup> and NE Going that is potentially in the plan for a zone change.

### Presentation

Deborah introduced the public hearing and provided a reminder/overview of the timing Task 5 early implementation projects. We will be bringing a Composite Map back to the PSC for a unified zoning map that will incorporate PSC feedback about each project. The timing also will allow for reconciliation of any amendments and changes from Council about the Comp Plan.

Staff set out to do a focused update of the zoning map, not a complete citywide overhaul. We focused on these 4 categories of changes (described at briefing in February). I'll talk briefly about categories #1, 3 and 4 (#2 is essentially "clean up" and is very straightforward). We expect most testimony you'll hear will be about the 3<sup>rd</sup> and 4<sup>th</sup> categories.

As a reminder: Portland has a 2-map system:

- The Comp Plan map paints a picture of land use in 2035.
- Zoning tells us what can be developed today.

In most places and situations, these two match. In categories #1, 2 and 3, the Zoning is proposed to match Comp Plan designations (including newly applied through the 2035 Comp Plan Update, and designations that have been in place since 1980).

However, in category #3, staff is proposing Zoning that does not match the Comp Plan designations.

### **Category #1**

The PSC made recommendations to City Council about the 2035 Comprehensive Plan Map last year, and this map is now in front of City Council for decisions. The Comp Plan Map includes recommended changes to reflect a number of situations, with some changes increasing residential densities and some decreasing densities (for example, in areas with natural hazard risks, stormwater management and drainage challenges).

Your recommendations also included adding the Open Space designation to properties currently in – or proposed for – open space uses. These properties are all owned by public agencies. Where staff has proposed Open Space on the Comp Plan Map, we are also proposing Open Space zoning. City Council is now considering a number of Comp Plan Map amendments, and some of these amendments would likely affect the proposed zoning map before you today. If these amendments pass, we have an opportunity to reconcile these differences in early summer when we publish the Composite Zoning Map.

### **Category #3**

Staff proposes limited down zoning within the David Douglas School District (Mill Park and Hazelwood neighborhoods) to temporarily ease the district's overcrowding situation.

Here we have areas that are well-served by services and transit *except* for school capacity. Once new schools are constructed and capacity exists for additional enrollment, staff asserts that the higher Comp Plan designations would be appropriate.

This situation differs from elsewhere in Powellhurst-Gilbert (also within the DDSD), where staff proposed Comp Plan down-designations to reflect a lack of connectivity, services and infrastructure. These proposals were strongly supported by EPAP and the PGNA as well as the school district.

DDSD is finalizing its Facilities Plan now, and is also actively pursuing opportunities to acquire new school sites and construct new elementary schools to meet demands.

This proposal is strongly supported by the David Douglas School District Superintendent and board members, and EPAP members. We anticipate you'll hear testimony from affected property owners who have expectations to develop at the current Comprehensive Plan designation.

### **Category #4**

About 3.5 percent of properties across the city have zoning that doesn't match the Comprehensive Plan residential designations applied in 1980. The City of Portland Official Zoning Map depicts such areas with a dotted line. Properties are labeled with the zoning designation, followed by the Comprehensive Plan designation in parentheses.

Following publication of the Discussion Draft Residential and Open Space Zoning Map Update in November 2015, we evaluated 42 of these areas (known as "Zoning Review Areas") for their suitability and readiness for zone changes, considering current conditions and changes since the Comp Plan was drawn in 1980.

Where criteria were met, these areas have the potential to provide a blend of single family houses and duplexes near opportunity areas that are walkable, rich in amenities and services, and close to transit.

In the evaluation of Zoning Review Areas, staff considered a number of physical and social factors. Staff reviewed 42 areas in all. Based on this evaluation, 24 were proposed for a Zoning Map change. Each of the 24 is described in the Proposed Draft with a 1-2 page write-up, summarizing evaluation findings. In addition, the notes from neighborhood discussions are included in the appendix of the Proposed Draft.

Generally, residential zones in areas with relatively strong infrastructure investments, proximity to transit, amenities and services, and lack of development constraints are proposed to change to match the long-standing Comprehensive Plan designation.

The majority of proposed changes are modest in scale — most typically a change from R5, which mostly allows single-family home development, to R2.5, which allows single-family home development as well as duplexes and row houses.

What can this map change mean for a property? A change from R5 to R2.5 would allow a property owner to:

- Do nothing (retain an existing single family house)
- Convert an existing structure into a duplex
- Demolish a sf house and replace it with one sf house
- Demolish a sf house and replace it with a duplex

Note that if an interior lot is 4749 square feet or smaller, a change from R5 to R2.5 would not result in any change.

### Testimony

1. Arlene Williams: Against R2.5 zoning on SE Henry St. This is a dead-end street that ends abruptly. Don't upzone this area. *See written testimony.*
2. Laura Miller, MD: Opposed to R5 to R2.5 on my street. *See written testimony.*
3. Laurie Kovack: Opposed changes from single-family to multi-family east of Lone Fir Cemetery, between Stark and Belmont (930 and 931). *See written testimony.*
4. Susan Whitney: We have a fully-developed, sustainable neighborhood with houses mostly built over 100 years. Don't upzone my property as well as the other houses along SE Division and SE Hawthorne just behind the main commercial streets. *See written testimony.*
5. Dominic Anaya, Boise Eliot NA: Opposes the proposed change #1471, amendment M to the Comp Plan, North Fremont corridor from R1 to CM. The traffic with the current development is a mess already and it becomes unsafe when school gets out.

*Commissioner Baugh* asked about how the zoning change would affect the affordable housing units.

It seems like where there is room to develop, it's already being taken. I'm concerned about potential replacement of existing units.

6. Lara Mendicino: The proposal includes a change from R5 to R2.5 in Piedmont (N Kerby and N Borthwick). These streets are full with old, beautiful homes. We shouldn't rezone in this area. The only redevelopment in our neighborhood that has been successful is one towards the north part of the Piedmont neighborhood, but we shouldn't be shoved into a zone that was once open space.
7. Terry Parker: I'm speaking for myself, but I support the RCNPA testimony provided to the PSC about the 60<sup>th</sup> Ave MAX station area. Inconsistency of proposed zoning changes. *See written testimony.*

8. Max Oxman: This zone is proposed to go from R5 to R2.5. It will destroy the community. I'm concerned about the timing of this hearing, and we who are here are speaking on behalf of a number of our neighbors. SE Lambert. *See written testimony – images.*
9. Bob Kowry: Own 10861 E Burnside and 9 NE 109<sup>th</sup>, which are adjacent properties. Currently zoned R2, and proposal changes to R5. This would devalue the property; we are right on the MAX line, so we'd be unable to develop larger even though we're near the light rail.
10. Doug Klotz: I support all the proposed upzoning in the review areas in the Proposed Plan. We need to take advantage of what's coming up in the Residential Infill Project, so R2.5 may mean lots of other things with options and flexibility. I am opposed to downzoning in the Eliot Conservation District. *See written testimony.*
11. Allen Brown: RCPNA, just north of the NE 60<sup>th</sup> Ave MAX station. Don't upzone this area. The PSC heard from the public 5 years ago and unanimously decided to not upzone this area. Not much has changed in the past 5 years. We would be ok to upzone some higher-density properties that are currently non-conforming.
12. Terry Griffiths, Woodstock NA: Unimproved streets in my neighborhood are a very big issue (around the Woodstock Neighborhood Center). This is currently designate neighborhood commercial on one block either side of Woodstock. In the proposed draft, it changes from designated R2.5 to zoned R2.5. We don't object in principle, but we need the infrastructure (streets) to upzone. *See written testimony and map.*
13. John Neidig: Duplex at SE Insley and 18<sup>th</sup>. Proposed from R1 to R5. I try to provide affordable housing to people, and I've owned this building over 20 years. I'd like to expand to a 4-plex. Across the street is a 16-unit building going in. This isn't a good mix with the R1 zoning across the street. I object to the proposed changes.
14. James Gorter: S Burlingame neighborhood. I'm concerned that the rationale for changes is to conform zoning to the Comp Plan map. Many changes result in higher density. Complete neighborhoods will incentivize demolition of viable homes with less affordable housing.

*Chair Schultz* continued the hearing to July 12 with the composite map.

#### Next Steps

- April 26, 2016: discuss testimony received to date and make an *initial recommendation*
- June 2016: staff publishes proposed Composite Zoning Map
- July 12, 2016: public hearing on Composite Zoning Map

The plan for the Composite Zoning map is to notice people where there is a change to what's being proposed (e.g. from City Council's decisions). For people where the proposal is the same, we won't be sending an official new notice, but we will be letting people know of the July 12 hearing.

*Commissioner Baugh* noted the PSC's decision 5 years about the 60<sup>th</sup> Ave Transit Station. *Commissioner Smith* noted we looked at a number of station areas, but the economic modeling didn't look to work out; the market wasn't right for the redevelopment.

Five years ago, 60<sup>th</sup> Ave wasn't ready because some of the transportation improvements were not yet in place. Many are now on the TSP on the constrained list, which is part of why we're proposing to upzone.

Measure 56 Notices are legally-required to property owners if/when there is a proposed zoning change to their property. Includes information about the hearing and how they can otherwise provide

testimony. We have been using these notices much more extensively, as a communication vehicle, instead of only what's legally required.

In some locations, addition of new development could trigger new transportation improvements that otherwise wouldn't happen in the area. This could work out to be beneficial for the neighborhood.

*Commissioner Spevak* noted on the Residential Infill Project, the timing is a bit off; as we heard, that project will provide some changes that may address some of the concerns we've been hearing about upzoning.

Are there particular things staff should provide additional information about for the work session on April 26?

- *Commissioner Smith*: Comments about downzoning as "takings".
- *Commissioner Rudd*: What Council is considering with downzoning in Eastmoreland and what the criteria is... so we can apply that filter to other neighborhoods.
- *Commissioner Baugh* noted Eastmoreland seems similar to 60<sup>th</sup> Ave station area. Are the criteria the same?
  - No, 60<sup>th</sup> is very specifically a station / amenity-rich transit station area. Eastmoreland is more residential.
- *Chair Schultz*: How will staff be synthesizing all the testimony we've received, particularly those comments we received via the Map App and other written testimony?
  - We'll be reviewing all testimony and "batching" types of areas to review. We may find that we have a different recommendation at the work session.

*Chair Schultz* restated that the Zoning Map hearing is continued to July 12. There will be preliminary recommendations after the work session on April 26.

## **Adjourn**

*Chair Schultz* adjourned the meeting at 4:44 p.m.

Submitted by Julie Ocken, PSC Coordinator



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**Portland Planning and Sustainability Commission**  
**March 22, 2016**  
**5:00 – 8:00 p.m.**  
**1900 SW 4<sup>th</sup> Ave, Suite 2500A**  
**Portland, OR 97201**

**AGENDA**

- 5:00 PM Call to Order**  
**Items of Interest from Commissioners**  
**Director's Report**
- 5:05 PM Consent Agenda**
- Consideration of Minutes from March 8, 2016 PSC meeting
- 5:06 PM Task 5: Mixed Use Zones Project**  
Briefing
- 6:15 PM Task 5: Transportation System Plan**  
Hearing
- 8:00 PM Adjourn**

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**Ord. 188177, Vol. 2.4, page 11449**

## Portland Planning and Sustainability Commission

Tuesday, March 22, 2016

5:00 p.m.

### Meeting Minutes

**Commissioners Present:** Andre' Baugh, Mike Houck, Katie Larsell, Gary Oxman, Michelle Rudd, Katherine Schultz, Chris Smith, Eli Spevak, Teresa St Martin (arrived 5:39 p.m.), Maggie Tallmadge

**Commissioners Absent:** Jeff Bachrach

**City Staff Presenting:** Susan Anderson, Eric Engstrom, Barry Manning, Bill Cunningham; Denver Igarta, Courtney Duke, Peter Hurley (PBOT)

*Chair Schultz* called the meeting to order at 5:01 p.m. and gave an overview of the agenda.

### Items of Interest from Commissioners

- *Commissioner Baugh* opened the Planning Magazine and noted the article about Portland on page 21.
- *Commissioner Houck* was in Seattle for 3 days and stayed on Capitol Hill. He was impressed with the number and quality of design of multi-family housing units that match the neighborhoods they have been built in.

### Director's Report

Susan Anderson

- Update on the Comp Plan and City Council. They've had 5 hearings and 1000s of comments from the public. We now have a full list of "final" amendments from the Council members. There will be another round of hearings about the amendments in April and discussions with staff in detail about policy and specific location issues. There are about 200 amendments, about half are more clean-up and the others are more substantive. The PSC has an opportunity to hear and talk about these; at the March 31 PSC officer meeting we'll discuss, so if other PSC members are interested in attending that session, please let Julie know.

### Documents and Presentations for today's meeting

### Testimony for today's meeting

### Consent Agenda

- Consideration of Minutes from the March 8, 2016 PSC meeting.

*Commissioner Baugh* moved to approve the Consent Agenda. *Commissioner Smith* seconded.

The Consent Agenda was approved with an aye vote.

(Y9 – Baugh, Houck, Larsell, Oxman, Rudd, Schultz, Smith, Spevak, Tallmadge)

## Task 5: Mixed Use Zones Project

Briefing: Eric Engstrom, Barry Manning, Bill Cunningham

### Presentation

Eric introduced the project including the Centers and Corridors growth strategies map. We are working to update the zoning that applies to these places. Outside the Central City, about half the city's growth is expected to occur in these areas.

The Urban Design Framework also establishes a common language for different types of places related to their scale: Town Centers; Civic Corridors; Neighborhood Centers; and Corridors.

One note is that inclusionary zoning (IZ) was passed at the state legislature recently. We don't know exactly how this will affect the MUZ project. The City is working on regulatory language that will pass the MUZ project, so by the time we are ready for the PSC's recommendation on this project, we will have some better ideas. MUZ affordable housing bonuses will likely have a part in that framework for inclusionary zoning to fulfill the state requirements.

*Commissioner Smith* asked about where in the Task 5 project program where IZ will come to the PSC.

- It's planned to go to Council in about 6-9 months. We are working on that scheduling issue now.

Barry gave an overview of the project's objectives (slide 5). The goal is to better support housing and commercial development as outlined in the Recommended Comp Plan. He also walked through the public process and input that has brought us to the current Proposed Draft. He also walked through the key updates in the Zoning Code. Changes to development standards will be much more specific than as currently.

There are 4 new proposed zones as shown in slide 11. There are also proposed bonus options for public benefits as shown on slide 21.

*Commissioner Spevak* asked about the time/length of the affordable bonus.

- It's a 60 year commitment on affordable housing; 20 year on affordable commercial. This would be a partnership with PHB and PDC respectively, and we'd create Administrative Rules with these agencies so developers would work with them on instituting.

The bonuses were modeled a couple times, most recently in the past couple of months. The incentive is that the developer would gain FAR. 80 percent MFI on housing and 20 percent on affordable commercial is where we think we are settling, but we'll have a final report from EcoNorthwest that we'll share with the PSC.

*Commissioner Tallmadge* asked about the 25 percent below market rate for commercial. Is this applying to more central locations?

- FAR needs to have value for the developer, so that is currently mostly in central (60<sup>th</sup> and closer in on the east side) areas of the city to take advantage of the bonuses at this time.

In terms of density, we aren't proposing a drastic change. We still aren't regulating the number of units being built, so it is driven by the market. In this new proposal, we do include residential in the FAR, which is different from the current framework. This creates a more predictable outcome for how the building and design will be.

We are currently looking at how we'd look at making a zone change within an existing zone. This will be based on the locational characteristics, as shown in draft on slide 25.

The Centers Main Street Overlay zone will require active/commercial ground-floor uses and some height flexibility on the ground floor. More ground floor windows, requirements from street orientation, minimum FAR and limiting/prohibiting non-pedestrian uses.

Bill provided background about the proposed development design standards. Scale of the street and scale of buildings is important. Even where we are proposing the big CM3 zone, there still needs to be limits to building mass and scale to keep them proportional to the street and ROW width.

Other responses about building scale: we are proposing that larger buildings have facades broken up into smaller components, e.g. off-set from the larger facade. There are also limits to building length, which is more of an issue outside of the Central City where block lengths can be up to 400 feet.

There are new proposed requirements to step-downs to residential zones. Requirements include deeper landscape buffers, balcony limitations and limitations on drive-throughs in areas adjacent to residential zones.

Stakeholders commented on the design of the ground floor. Window coverage is an increase from 25 percent to 40 percent in the proposal and 60 percent in the centers main street overlay.

*Commissioner Tallmadge* asked about windows and the potential for them to decrease energy efficiency in the buildings.

- This would be a consideration, but it is a trade-off that the community requested to making the mixed-use zones work.
- *Chair Schultz* noted there are already energy codes that developers and builders have to meet, so we should be covered on the efficiency issue.
- Public art can substitute for some of the window coverage requirements.

*Commissioner Larsell* asked about the commercial requirement on ground floor.

- This is only required in the centers overlay zones.
- We want to make sure centers have commercial, but we don't see the market to make this requirement for all corridors, for example.
- *Commissioner Larsell*: The difference for mixed-use development in East Portland is very different from other areas of the city.
- We did economic modeling within the past couple of months in both inner and outer neighborhoods, as well as urban design renderings of different lot sizes. The code is structured differently for different areas of the city. Also, we did have members from East Portland on the MUZ committee and met with the EPAP economic development sub-committee as well.

There are a number of "green options" for development in the inner neighborhood CM2 and CM3 zones.

On large civic corridors, we're proposing a minimum 10 foot set-back to give more room for pedestrians. There is interest to include green elements on these corridors as well.

Another new component is a residential outdoor space: the proposal requires 48 square feet per unit of private balconies/patios, common outdoor area, rooftop deck or community indoor space.

There are another number of proposed code changes as outlined on slide 57.

Eric alluded to the TDM changes and proposals to increase TDM for mixed-use buildings in tandem with the TSP proposal. He also mentioned that PBOT has been working on refining the residential parking permit concept.

Finally, staff outline a few items the PSC may hear from the community about during their hearings on the MUZ project at their May 10 hearing.

*Commissioner Tallmadge* asked about the low-rise commercial storefront areas. It looks like areas with lower height are in SE, so is this equitable regarding which areas are taking on more density?

- We looked for continuous segment of low-rise commercial storefront, so the map shows what came out of the review. The inner SE district has the most growth potential in the plan.

*Commissioner Spevak* commented that it seems like changes make housing more expensive, more unpredictable and take longer to create. I worry that the affordable housing bonus is “window dressing”, so I’m curious about this.

- This proposal is for mixed-use commercial zones only. A big part of the project was to provide better context and design standards, which is what we’ve heard about from the community as being important. We’ve looked a pro-formas and what could be built under these standards to bring us to what we came up with in the proposal.
- There will be trade-offs as with everything. You’ll hear about this with the DOZA project as well. There is a desire to have great mixed-use zones, but the trade-offs are real.

*Commissioner Larsell* commented on incentives. Did you think about incentives for storefronts in east Portland?

- We talked about different bonus options, but we landed on affordable housing and commercial storefront.

*Commissioner Smith:* The Mayor has proposed amendments to add streetcar corridors to the unconstrained list. He’s asked about zoning and if they support these corridors. At the street-level, I keep saying “we have to ask Barry”. It seems like we do in some areas and not in others. My request is for staff to produce a memo about the corridors the Mayor is asking about and what the timing/appropriateness would be.

*Commissioner Baugh* asked about affordable housing at 60 percent MFI versus 80 percent. I am trying to figure out how 80 percent will help solve the affordable housing problem.

- There are a few levers we can pull; the percent is one, the amount of bonus is another and the amount of the building we’re requiring is another. The calibration is to make sure the bonus makes sense to the developer. You could layer the affordability. To get to 60, we had trouble making that financially work unless we got into getting a bigger financial bonus.

*Commissioner Baugh:* Regarding the green requirements, can’t we scale these down to just a few options?

- We started with this code loosely based on the Seattle green factor. This is still an open discussion for us with you.

*Commissioner Houck:* I applaud the design issues you brought up. The acceptability to people in the neighborhoods is great. We obviously still need to address affordable housing issues. In terms of the green options, I like more options than fewer.

*Commissioner Spevak:* I like some ideas re: design, but am concerned these changes collectively send us backwards on affordable housing issues – towards fewer, more expensive, units. Although that design concerns was one motivation for this code update, housing affordability is a bigger priority for me.

*Chair Schultz:* I would like to have the economics behind how you looked at the corridors. I’m concerned about set-backs. I’d also like to know if there has been discussion about how set-backs could play into middle housing and a multiple-block transition to the neighborhoods. It’s expensive to do set-backs mid-block. Additionally, our building codes now show that 7 stories won’t be obtained with wood construction, so we still need to work with the building department on this issue. This plays into some of the bonuses at the top end too because it is much more expensive with steel. I’m also in support of more options on the green front than fewer.

Staff will work on compiling responses to PSC members' questions, and Commissioners are welcome to continue to send questions/input to staff as they read through the report. The Mixed Use Zones project will return to the PSC for a hearing on May 10.

## **Task 5: Transportation System Plan**

Hearing: Denver Igarta, Peter Hurley (PBOT)

Denver reiterated the Hayden Island Bike Path update that staff reviewed at the initial TSP hearing.

Peter commented on the TDM comments. We have been meeting with stakeholders and will continue to do so. *See memo from staff.*

*Commissioner Baugh* asked about the Administrative Rules and who the "City official" is.

- This is often the Bureau Director.

### **Testimony**

1. Chris Schwartzkopf: Resident of the Hayden Island manufactured home community. I'm worried about homes being removed along the two bays. You'll be removing affordable housing, and I don't understand how a bike path is going to help here. Traffic to the island is another issue bicyclists would have to deal with.
2. Alastair Roxburgh: Hayden Island resident. There will be an egregious loss of home to make the TSP come to fruition. The N Hayden Island bike plan is a bad idea, and displacement of homes is potentially a serious problem with it. *See written testimony.*
3. Tim Helzer: You are on the edge of an environmental injustice. If the plan goes forward for the bike path, there will probably be 500 people who will become homeless. 112 units will be removed to accommodate this bike path.

*Commissioner Smith* asked if what's being asked for is a roll back something that City Council adopted in 2009... the designation around the island? Also, I don't necessarily see what the presence or absence of the CRC has to do with the presence of this bike path.

Tim: Yes, all the infrastructure planned was based on a new bridge and I-5 plan. The Hayden Island Plan has never been realistic since it was adopted. Why would you proceed with a bike plan that's part of the plan that's never worked in the first place?

4. Luke Gilmer: Advocate for the lower 45 bike/foot path that's in the 2030 Bike Plan and the 2035 Comp Plan. The path is missing in the plan, and I'd like to see it included as a major bike path. Biking is a big deal in this university area. *See written testimony.*

*Commissioner Smith:* I thought all classifications in the Bike Master Plan were transcribed into the TSP. Maybe this particular path is in the Central City 2035 Plan, not in the TSP? This path would be right on the edge. Staff will check this.

5. Terry Parker: The plan is convoluted, supports non-auto modes and too much spending. *See written testimony.*
6. Rebecca Hamilton: Supports telecommuting as a mode to be discussed and promoted in the TSP. It has a significant effect on all other transportation modes. It has been the most successful way in keeping commuters off the road. It also provides recognition for people who are physically unable to bike or walk, and for people who live in areas that aren't well-served by other transportation options. Suggest education and outreach to large employers about

offering telecommuting. The biggest barrier to working from home is cultural. We could encourage 1 day/week for government employees, and I'd particularly suggest a City-promoted work from home Friday since that is the busiest traffic day. A citywide fiber-optic cable system would be key to making this a true possibility.

*Commissioner Spevak* noted the type A to type B home occupancy permit for home working occupancy is minimal. This is a good idea.

*Commissioner Smith* noted if you're an employee of a company that lets you work from home, you don't even need to have a permit.

7. Michael Robinson, Providence: Providence has three main issues with the TSP regarding TDM. We have concern about use of Admin Rules to guide the TDM. If rules are amended, we want to be sure people have notice about the changes like they do in land use changes. We want to be sure the TDM doesn't turn into a more inefficient process and more contested cases. Finally, we want to be able to use proven and effective TDMs as Providence has now. *See written testimony.*
8. Dave Bodine, Providence: Manages parking and TDM issues for Providence. We have done some great work including a new comprehensive management plan. We are currently offering free TriMet passes. We have a bike/pedestrian coordinator. Telecommuting options. Car-share. Different work shifts. Transit center shuttle from Providence Park to the hospital. EV charging stations. Cycling facilities. In neighborhoods, we are working with Neighborhood Associations through transportation work groups. *See written testimony.*
9. Matt Meskill, Providence: Cycling coordinator for Providence. Our facilities have lots of bike parking and continues to expand. Cycling newsletter to staff. Transportation-themed internal website. Bike-buddy system. Leads rides with leaders and executives to do a bike train periodically. *See written testimony.*

*Commissioner Baugh* commented on the Providence TDM plan being good through 2023 and that we don't know what the future is after that timeline. One thing I don't understand is how you support the Climate Action Plan goals about carbon reduction but not the improvements to the TDM to reduce driving.

Michael: You're correct about the TDM timing and situation. The system that's before you now will have many land use appeals, so we are concerned after our current plan expired. We shouldn't throw out an existing TDM that has been effective in getting people out of their cars. It's not a dispute about the CAP. The regulatory mix is going to make us go through a discretionary land use process, even for just little changes. Our concern is about how we do what we agree should be done. Think about developing Title 17 and Title 33 rules that encourage TDMs that work and support goals that we're all aiming for.

10. Michael Darrow: Director on MESD (Multnomah Educational Service District) and currently a candidate for Position #4 on City Council. Advocate for more shared housing models. Against use of City funds to subsidize 80 percent MFI; it needs to be at least 60 percent MFI for City funding.

*Chair Schultz* closed the hearing at 7:11 p.m.

## Discussion

*Commissioner Smith* asked about keeping the record open for written testimony.

Denver: Staff is looking to April 12 for the work session with the PSC. We want to provide staff input and compile any PSC members' amendments. Our suggested timeline is to have all PSC members' amendments by the officer meeting on March 31 to give us time to work through these and provide response.

*Chair Schultz* confirmed written testimony will be open until this Friday, March 25.

*Commissioners Baugh*: Regarding the Admin Rules for TDM, is the proposal to have participation from stakeholders, or is this plan already underway internally? Please clearly articulate this rule-making process in your response.

*Commissioner Rudd* asked to include how the Admin Rule process gets revisited in the future. I'm also interested in knowing the rationale for the Admin Rule proposal instead of having these rules in the code.

*Commissioner Baugh*: Is this the first time we've done Admin Rules?

- There are a number of Admin Rules that PBOT uses. The City is also looking at more streamlined way to create and implement Admin Rules. Staff can share other Admin Rules as examples.

*Commissioner Spevak*: What does PPD stand for? What determines "land use decision"?

- PPD is Portland Policy Documents, which is a repository for Admin Rules and other documents that aren't part of land use code.
- A land use decision is related to use and development of land. There are 1000s of pages of case law that clearly defines this. The assumption is that you put land use rules in the ZC. Things that are likely to change often typically go into the Admin Rules. When it's behavior change, not building/developing, that is a good way to think about the differentiation.

*Commissioner Smith*: It would be useful to plan a meeting with staff to talk about amendments to the bicycle map... I'll work with staff on this. Regarding Hayden Island, the Mayor and his work on the project list is proposing an arterial bridge project, so should we adopt a street classification for that bridge? Would that be helpful and would you have a recommendation for the classification?

*Commissioner Smith*: To the testimony about work at home mode share, I'm a fan of including this. Would this shift both the numerator and denominator in how we count? [yes]. I think the challenges to getting there are somewhat technical, but they are largely cultural. The trip avoided is a win, but we don't count this currently, and I want to count it as a win. I'm happy to propose an amendment that gets us to including this in the mode share.

Courtney commented on the telecommuting options and work-from-home and tying other mode split goals. This could be a place to influence other City policies too.

*Commissioner Smith* asked about the 2009 Hayden Island Plan and pathway round the island.

- *Commissioner Baugh* did retrieve the old meeting notes from the Planning Commission about this recommendation. There was broad discussion of a path and the need to be near the water because we were increasing density on the island. We didn't say what that might look like during that process.

*Commissioner Houck* commented it would be inconceivable to remove homes to put in the bike path, so I need more clarity.

- It's a pathway classification in the TSP, and there is no capital project, so there is no initiative for the City to build there. I can't think of a scenario where any displacement of homes would happen. Staff will continue to look at but want to stay consistent with the adopted plan that Council approved.

- The line appears to go through the mobile home park, but it was just to draw an aspirational line on a map.
- Staff will clarify this and what it means in the short- and long-term. We are not proposing to add a line, we just want to be consistent with what's already adopted.

*Commissioner Oxman* is intrigued by Table 11.1. Can you explain this in more detail and where the discussion/controversy around this may be?

- The Regional Transportation Plan (RTP) was updated, and this was added in 2010. As part of being in compliance with the RTP, we have to incorporate this table. At the same time, we do want to develop alternative mobility standards. Volume-to-capacity is the measure.

*Chair Schultz*: I'd like to hear consideration for the notion of looking at TDM options... if the current TDM meets the goals, can you accept the current TDM? Also, there was written testimony regarding NE 7<sup>th</sup> as a proposed bikeway; how this is being considered?

- NE 7<sup>th</sup> and 9<sup>th</sup> are currently classified as bike routes, with 9<sup>th</sup> being a major city bikeway. Some people want to emphasize 7<sup>th</sup> over 9<sup>th</sup>, so we want to look at the traffic conditions and think it through. The discussion could be about which is the correct major city bikeway.

*Chair Schultz* reopened testimony.

11. Brad Perkins: Forget about 7<sup>th</sup> being a corridor; 9<sup>th</sup> makes much more sense. Regarding Sullivan's Gulch, the problem we have now is the conceptual plan that Council adopted in 2012 has gone nowhere. We will finally get "stars on the map" after the Comp Plan is approved, but we don't have the funding devoted to it. All the development opportunities could be used for TIF, and this could be a new URA. We need engineering money to make a freeway for bicycles that is safe.

*Commissioner Smith* is also enthusiastic about this project. Do you need anything in the way of classifications? Or do you have what you need?

If it can be part of the new land use map, we're ok. But it only goes out to Gateway, and we'd like to get out all the way to Multnomah Falls.

*Chair Schultz* closed testimony.

## **Adjourn**

*Chair Schultz* adjourned the meeting at 7:40 p.m.

Submitted by Julie Ocken, PSC Coordinator



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**Portland Planning and Sustainability Commission**  
**March 8, 2016**  
**12:30 – 4:30 p.m.**  
**1900 SW 4<sup>th</sup> Ave, Suite 2500A**  
**Portland, OR 97201**

**AGENDA**

- 12:30 PM**      **Call to Order**  
**Items of Interest from Commissioners**  
**Director's Report**
- 12:35 PM**      **Consent Agenda**
- Consideration of Minutes from February 23, 2016 PSC meeting
- 12:36 PM**      **NW District Parking Update Project**  
Hearing / Recommendation
- 1:30 PM**      **Task 5: Transportation System Plan**  
Hearing
- 4:30 PM**      **Adjourn**

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**Channel 30:**

Friday at 3 p.m. | Sunday at 7:00 a.m. | Tuesday at 7:30 p.m.



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**Ord. 188177, Vol. 2.4, page 11458**

## Portland Planning and Sustainability Commission

Tuesday, March 8, 2016

12:30 p.m.

### Meeting Minutes

**Commissioners Present:** Jeff Bachrach (arrived 12:42 p.m.), Andre' Baugh, Katie Larsell, Katherine Schultz, Chris Smith, Eli Spevak, Teresa St Martin

**Commissioners Absent:** Mike Houck, Gary Oxman, Michelle Rudd, Maggie Tallmadge

**City Staff Presenting:** Susan Anderson, Joan Frederickson; Denver Igarta, Courtney Duke, Peter Hurley (PBOT)

*Chair Schultz* called the meeting to order at 12:33 p.m. and gave an overview of the agenda.

### Director's Report

Susan Anderson

- Additional meetings

### Documents and Presentations for today's meeting

### Testimony for today's meeting

### Consent Agenda

- Consideration of Minutes from the February 23, 2016 PSC meeting.

*Commissioner Smith* moved to approve the Consent Agenda. *Commissioner Baugh* seconded.

The Consent Agenda was approved with an aye vote.  
(Y6 – Baugh, Larsell, Schultz, Smith, Spevak, St Martin)

### Disclosures

*Commissioner Smith* is a resident of the NW neighborhood; his residence just outside the boundaries of the district. He also has a long history of being involved with parking issues in NW. And his employer, Xerox, does business for the City, including red light cameras.

*Commissioner Baugh:* My company, Group AGB, is currently working on a project for Multnomah County on the Burnside Bridge, which is owned by the County.

*Chair Schulz:* My company is working on a project in the NW district that may or may not be affected by today's hearing.

### Northwest Parking Update Project

Hearing / Recommendation: Joan Frederickson

### Presentation

Joan gave an overview of the project, noted a few minor amendments and shared information about the plan district.

The area has capacity for a significant amount of development. And this plan district continues to steadily experience growth. This growth coupled with a historic streetcar era development pattern where many of the earlier developments did not include parking and a continually popular shopping district and employment areas, continue to create a very constrained parking environment.

After over a decade of effort on this front, an on-street Parking Management Plan was adopted for the NW District area in 2013. Under this plan the existing Area Permit Parking program has been expanded and new parking meter areas are on their way.

The Management Plan also established a Stakeholder Advisory Committee, to be appointed by the commissioner in charge of PBOT, to bring on-the ground perspective to the management of on-street parking.

The NW Parking Management Plan will evolve as new management strategies are adopted, notably through tools being developed through PBOT's Centers and Corridors work.

I've shared this for context. In addition it a useful moment to call out that at the most basic level there's parking that happens "on-street" – at the curb, and parking that happens "off-street" – on the property side.

The regulations here are related to off-street parking, basically parking lots or buildings.

The purpose of this project is to more closely align NWDP with the minimum parking requirements adopted Citywide in 2013 and to assure some continued modest increases to off-street parking supply in the district over time. And making more efficient use of existing parking resources.

Part 1 of the proposal is the minimum parking component, which is to add a graduated household minimum parking requirement for multi-dwelling structures with more than 30 units. These are the same proposed standards as they are the same as what was adopted in 2013 for the majority of the city. Given its special character/history and its proximity to the Central City, we've proposed a slight deviation from the citywide application. In the amendments, we are proposing to rearrange some of how things are laid out in the code, but there are no substantive amendments for Part 1.

Part 2 of the proposal is to provide more flexibility for accessory parking to be used as commercial parking. "Accessory" means parking related to a specific use, either on a site or off-site. "Commercial" is not associated with a use, for example a stand-alone parking structure or lot.

Today we are proposing to update the language in existing provisions to provide additional flexibility. The current NW Plan District Code contains provisions that allow for what we call "Shared Parking". Technically as reflected in the code this is the use of accessory parking lots for commercial purposes.

Clean up outdated language, including replacing references to a Transportation Management Association with the NWPMP SAC.

Changes liberalize use of these provisions by allowing all types of users rather than the current limited users, as well allowing short-term parking, previously not allowed.

The code is intended to provide the framework and underlying permission for shared parking in district with additional administrative details in a PBOT administrative rule.

In the amendments memo I provided you with today I've called out some clarification on language and verbiage to clarify how the provisions apply.

With this provision, we're allowing required and non-required parking that is accessory parking to be used as commercial parking, whether existing or created in the future, with some limitations.

Before concluding, I'll offer a review stakeholder involvement in this process. They met and discussed issues and the proposal with the NWPMP SAC over the last 9 months. The SAC is comprised of Neighborhood and Business association representatives, community members at large and is open to the public. Notices were sent to all property owners in the district and an open house was also held. Moving forward staff will continue to work with PBOT and the SAC to refine the administrative rules.

That was a quick summary of the proposal to help with parking issues in NW Plan District area. After you hear public testimony today we're asking you to consider the following possible actions/recommendations.

*Commissioner Smith* asked to discuss the parking produced in development since the formation of the district. It points out if the minimums were all that were created, there would have been 388 parking spaces added; but 584 have been created, showing the impact and pull of market forces. Policy-wise, I am a big fan of the shared parking. But the idea that parking in the neighborhood should be focused on users as opposed to a commuter going into the Central City, for example, I'm wondering if the language has any hooks to reinforce that policy? Also, regarding the idea of parking displacement: if I'm renting to tenants and my spots are not filled to capacity, I can rent them to others. But what if the price of the parking is bid up so my tenants can afford them?

- The "hook" for concerns related to commuter parking is in neither code nor Admin Rules. There has been discussion to add this to the Admin Rules, and we can continue to consider this.
- In terms of the displacement piece, we do have something in code that addresses this. We can carry the language forward into Admin Rules as well.

*Commissioner Larsell:* Can you tell me the exceptions to minimums?

- There are a number of required spaces, then there are provisions that allow you to reduce the requirement by up to 50 percent. Exceptions include tree preservation, motorcycle parking, public plaza, bike share spaces, car share spaces. You can use a combination of these exceptions to be to the 50 maximum reduction.

*Commissioner Baugh:* Are those administrative rules for the reductions so they can be changed in the future or are they code that's locked in?

- Currently they are in code that is locked in. They are in the zoning code base zones and apply citywide unless superseded by a plan district or overlay zone.
- *Commissioner Spevak:* I appreciate making shared parking easier. Did you think of making it easier than what's shown here? Seems you still have to go in front of the SAC and get a one year permit and then renew and get a three year permit. That might be enough process to get people to do it underground and not do anything at all. Wondering if in the process to come up with this document there was objection to making it easier. There was robust discussion on this issue. It will likely be a continuing discussion about whether the provisions are too much of an obstacle to shared parking. Underscoring some of the concerns raised about displacing users from a site, these are some minimum parameters we think need to be in place. There were voices that asked for more streamlining.

*Commissioner Spevak:* Just to clarify, the parking minimums are zero right now, so someone could just turn a parking lot into a garden. The issue is commercial - it's renting the space not so much losing the space. A commercial use on what would otherwise be a residential property.

## Testimony

1. Rick Michaelson, NWPMP SAC: Thanks to staff. We were too late to find out parking minimums from 2013 don't apply to plan districts and are pleased to have the project to alleviate some of this. There are currently about 13,000 residents, 14,000 employees and just 5,000 parking

spaces in the district with 7500 parking permits competing for the spaces. Over 20 years, we're looking at adding 10,000 housing units in the district, and we don't think this plan addresses these issues fully. Don't include the exceptions in the district, because they don't apply here like they do in other parts of the city. The only appropriate exceptions would be for affordable housing. *See written testimony.*

*Commissioner Smith:* There is the issue of operation of shared parking. If the NWPMP SAC ceases to exist, what would they do with their parking after that? It's incumbent on the City to maintain this even if the SAC goes away.

*Commissioner Bachrach:* The chart that shows the historical development pattern. And the market has been producing more on-site parking than the code requires, yes?

Rick: There are proposals for large buildings with zero parking. The stats on the chart are a bit misleading. For example, Conway has a 1:1 requirement, but that's not district-wide.

2. Philip Selinger: I struggle with some of the specific exceptions, but I agree we should promote alternative modes to get around as the exceptions do.

Karen Karlsson: Shared some statistics. The location a property is built on and the developer have impacts on how much parking is built too. 70 percent of the units have a car. You find a great need for on-street parking. *See written testimony.*

*Commissioner Smith:* The PSC recommended minimum a few years ago, particularly about SE Division. This is in contrast to the Pearl because parking in the Pearl is metered. Developers know they need to provide parking. The NW District is lots more like the Pearl than Division, and there are on-street regulatory tools. Could the NWPUP SAC say which buildings need parking or not?

Karen: Not as of now; we can't restrict the parking of residents, and we need to be able to do so in the future. Under City code, we can limit employee parking. But every resident with a car is entitled to have a parking permit for every car they own. The easiest way to provide parking is when the buildings are built.

3. Jonathan Avery, Legacy Good Samaritan: Legacy is in strong support of the proposed code changes with the following two changes: Section C3E should be struck. And Section C1 should state that if the SAC is disbanded, the City should be responsible for maintaining.
4. Gustav Cruz, NWDA board: Our board voted to support the proposed code changes subject to some edits as are including in our memo. We support elimination of exceptions to the minimums. And we also appreciate this effort and staff's work. *See written testimony.*
5. Ben Schonberger, HLA: Parking requirements raise housing costs, and that's the wrong direction for us to be going. When you impose mandatory parking minimums, costs go up. The Zoning Code should not be where we address parking; the toolkit is the right place to deal with this. We oppose mandatory parking requirements and are against higher housing prices. *See written testimony.*

*Commissioner Baugh:* Concerning, affordable housing, if you look at the exceptions - Would you agree that with passage of Inclusionary Zoning it is an opportunity to trade parking for affordable housing? Not probably the right place now but setting stage for down the road.

Ben Schonberger: The distinction globally, this rule does not create income restricted subsidized affordable housing. For market rate housing this makes it less affordable than it would have been otherwise because bundles with expensive parking space.

*Commissioner Baugh:* But you could trade parking out for more units in a future code for inclusionary zoning?

Ben Schonberger: Right.

6. Tony Jordan, Portland Shoupistas: Oppose the proposed amendments. A main reason is the affordable housing component. Lack of study of effect of 2013 rules on housing supply. Served on CC parking update committee and Centers and Corridors study SAC. Also, scarcity of on-street parking can influence how many cars people own. If we can price closer to a market-rate, that would go a long way to balancing where we have more parking and not. Codifying the requirements ties the hands of future developers. *See written testimony.*
7. Doug Klotz: From pedestrian perspective, more parking will create more traffic. I hear a disconnect, between what the NW folks are saying about being built now and the policies that will be implemented later this year. Can we not have something temporary to fill a gap so that we don't create a permanent code that was really only needed for 6 months. I oppose the proposal for parking minimums. Have seen effects of the new minimums in Richmond neighborhood. Whereas before on a 100 by 100 foot site we'd be getting 40 to 50 units now we're seeing 30 unit proposals. We're not getting that extra 20 units.
8. Iain Mackenzie: NW resident and oppose the code changes. I don't live in NW despite parking situation, its part of the reason I live there as it is the greatest example of a 20-minute neighborhood. My concern is affordability. Once we start adding parking requirements, it pushes up costs and decreases affordability. We need to look at data from the original 2013 parking minimum code changes before looking to add or change minimums.
9. Alan Kessler: We have climate change and mode share goals. A minimum parking requirement goes against these goals. We haven't heard information about how unit count and affordability have been affected by the 2013 changes. Seeing fewer larger buildings being built because of the rules. You should not vote on this on until you have information on effect on affordability. The upcoming toolkit provides options. The Centers and Corridors project is taking the right approach, and this discussion seems divorced from human and affordability implications.

*Chair Schultz* closed the hearing.

### Discussion

*Commissioner Smith* asked about staff's suggested amendments. Joan walked through the memo. In Part 1, it is purely rearrangement of the language to conform to how other code sections are written. In Part 2, we are proposing to add "existing" to clarify. Because the proposal includes new minimum parking standards, we want to be sure it's clear that the provisions could also apply to the CS zones.

*Commissioner Bachrach:* If minimums are passed, could a developer rent the extra spaces from someone else?

- Currently required parking can be off-site for commercial uses. Not for residential though.

*Chair Schultz:* For minimum parking on a development site, can those be leased out in a residential project?

- If there are required parking spaces, they would be able to use those as commercial spaces if they can meet the provisions and go through the NWPUP SAC for approval.

*Commissioner Baugh:* I'm not in favor of most of the exceptions; maybe we could just get down to a tree exception. We want things that are truly valuable to trade. I'm struggling with motorcycle parking, and we have bike parking in code. As for shared parking and accessory parking, under section C3, it doesn't say you have to identify the users. We should know who the users are.

*Chair Schultz:* Are these the same exceptions that we require in other areas of the city?

- Yes.

*Commissioner Spevak:* Why would we want to require minimum parking to trade for affordable housing? I don't think we'd get anything with this trade. What about density and/or number of units for trade instead?

- *Commissioner Baugh:* More tools mean more options down the road. There isn't a silver bullet for affordable housing, so this may not be a perfect solution, but it is something to trade. I'm looking for flexibility for whenever the question comes up.

*Commissioner Baugh:* The real question is that parking drives up housing costs. Do we have a sense of the right number? Under 30 looks like a breaking point. But is there a sense that we will drive more under-30-unit buildings where developers don't build to capacity to avoid?

- Susan: We don't have a complete evaluation of parking minimums. At this point, we're trying to bring NW District up to parity with the rest of the city. We can still look at this again in the future when we do review the parking minimums in the next year or two, and suggest changes to things like the exceptions or the numbers. Also, when you're voting on these, voting because of something that "might" be in the future is something we've waived on in the past, so that's something to keep in mind.

## Motion

*Commissioner Smith* is swayed by the arguments that we'll reduce units and make affordability worse. I move to recommend the shared parking portion of the proposed plan only with applicable staff amendments to that section included. I'd also add an amendment that, if the SAC ceases to exist, the City will continue to administer the shared parking program. *Commissioner Bachrach* seconded.

*Commissioner Bachrach:* That is a high authority the City has given to the NWPUP SAC. How did this get delegated? Has the City Attorney blessed it?

- The TMA was the body that was supposed to administer the 2013 provisions. The SAC is advisory to PBOT, and PBOT makes the final decision. In terms of what can be delegated out of the code, we are looking at those provisions.

*Commissioner Bachrach:* We know mandatory minimums will be negative for affordable housing, but we don't know to what extent. In terms of another potential amendment, I'm bothered by the authority given to the SAC. I know the neighborhood has a history of contentious issues without clear consensus. I don't want to delegate to a neighborhood association the amount of authority they have. Can we scale this back at least a little?

- *Commissioner Smith* was part of the initial shared parking concept. Both residential and commercial sides of the neighborhood agreed on this. Control was given primarily to manage nuisance. I don't mind making it clear that the SAC is a "recommendatory" power, not authoritative.
- Susan: You can have the amendment that Chris put forward, and in the letter to Council you can comment on reviewing the authority of TMAs or this SAC. You could also include a mention to have PBOT and BPS to have data about the 2013 parking minimums on housing, size of buildings and affordability.
- Also, the Admin Rules are still being developed, so these comments could be included.

*Commissioner Spevak* generally agrees with the amendment. It would be nice to have non-discretionary process for parking sharing.

- This is the intent. It's a simple online application. The Admin Rules are for PBOT to review internally and with the SAC to confirm back to the applicant.

*Commissioner Bachrach* is concerned about shared parking. We're delegating this downstream, and there is disagreement about how shared parking should work. If we're making a recommendation now, can we take a pause and use staff to come back with how this will all work?

*Commissioner Smith:* The Admin Rules are approved through the PBOT Director. We can make recommendations, or we can lock provisions in code if we really want to own it.

*Commissioner St Martin:* We currently have no parking rules here. We don't know if the parking minimums in the rest of the city are working. So why create minimums without a review of what they've accomplished in other areas?

- *Commissioner Smith:* When this district was created, there were no minimums along corridors. NW currently has better tools to deal with on-street parking than almost any other neighborhood in the city. But the demonstrated history in the neighborhood is dealing with this well. NW is not in the dire situation that, for example, Division was in 2013.

Susan: When we went forward with parking recommendations in 2013, it was because it was new in an area not used to having so much. In the study areas for the 2013 changes we found that in a 2-block radius you could still find a parking spot, even at peak times. The availability of on-street parking in this area is very different. We have a different issue in terms of demand for parking and that's why the recommendation is the way it is. We want to put this in place and have parity and then come back and look at the whole system and change it if necessary. That was the reasoning for going forward with new parking regulations in this area.

*Commissioner Smith* argued that because parking wasn't saturated in Richmond, developers didn't have to be building parking. In NW that's not the situation.

*Commissioner Smith* restated his motion: I recommend forwarding the shared parking portion of the proposed plan only with applicable staff amendments to that section included. And if the SAC ceases to exist, the City will continue to administer the shared parking program.

*Commissioner Bachrach* noted we want a streamlined application process and a program that encourages as much shared parking as possible. Applications should not be denied at the neighborhood level. This will be included in the letter to Council.

(Y5 – Bachrach, Larsell, Schultz, Smith, Spevak; N2 – Baugh, St Martin)

The motion passed.

## **Task 5: Transportation System Plan**

Hearing: Denver Igarra, Peter Hurley (PBOT)

### **Presentation**

Denver and Peter reviewed a few items about the TSP. Today is our first hearing, and we also will continue the hearing to March 22. April 12 is scheduled for the PSC's work session and potential vote.

PBOT has produced the "Reader's Guide" to the TSP, which is also available on the [PBOT website](#). This is a quick reference to the larger proposed document.

So far, we've received about 45 comments. Some are general about safety and bike access. A handful of comments came through the Map App, which were mostly about bike and street classifications.

The majority of comments have been about an originally proposed bike path on Hayden Island. Denver highlighted the background about the adopted Hayden Island Plan. There was an oversight, and staff missed the final amendment that was made at Council at the final hearing. So staff recommends the

PSC amends the Proposed Draft to be consistent with the adopted Hayden Island Plan. We have shared this with everyone who drew our attention to this error. The pedestrian portion stays the same.

*Commissioner Smith* asked if the transcription error affected the 2010 Bicycle Master Plan in the same way. I will be supportive of the staff-recommended amendment to make the TSP match the adopted plan.

- The Bicycle Master Plan is consistent with what was adopted.

Peter provided a brief response to questions PSC members had at the February 9 briefing about how all the TDM pieces fit together.

## Testimony

1. Philip Selinger: Thanks to staff for your work. I was a member of, and support, the TEG comments, but testifying for myself. The TSP needs to think about advancing technologies and the changing needs in the future. TDM can meet the needs of a wide range of residents. Portland hasn't been a leader in TDM, and we need to have better standards, and these should be expanded over time. The City and TriMet have a history of collaboration, but the TSP largely omits strategies for collaboration. The TSP needs to reference the Regional Transportation Plan and other analysis. *See written testimony.*
2. Michael Robinson, Providence: We appreciate the City's collaborative approach. Providence has 4 comments about how we can make the TDM process better. We share the City's sustainability goals. We have a successful TDM, and we think we need to continue this customized TDM. Concerned about use of Admin Rules because they can be too flexible, and we have little opportunity to influence how the rules are written. *See written testimony.*

*Commissioner Bachrach:* Providence has a CUMP with a TDM component. We previously agreed that if you have an existing TDM, it won't expire (if Council agrees). How does this affect what you have today?

Michael: We're not sure what all the regulations will require because the Admin Rules haven't been drafted yet. That's why I'm not sure how you can vote without seeing the Admin Rules.

*Commissioner Baugh:* You represent a large agency. The person next to you represents citizen that have similar concerns. How do you suggest PBOT gets rules through in a timely manner that work for both parties?

Michael: I can try to get a better answer and will share it before testimony closes. Admin Rules apply to all, but I'd like to see a process that's closer to a Title 33 process that comes through the PSC.

3. Jeanne Harrison, NWDA Transportation Committee: Thanks to staff. We have a few recommendations for changes, which are fairly minor. *See written testimony.*

*Commissioner Smith:* On the Pettygrove bikeway designation, how would you make this connect to Naito as Overton does right now?

Jeanne: I saw both Overton and Pettygrove going to Naito.

4. Brendon Haggerty, Multnomah County Health Department: We support the TDM proposal and the linkage to health. What's exciting is that transportation decisions can influence things such as chronic diseases that can be tracked back to harmful pollutants and inactivity. The TDM proposal can help us achieve health goals as well. TDM makes travel options more accessible to low-income workers and reduces climate change impacts. The health department wants to be a

partner with PBOT, and we're committed to working closely with the City.

5. Martin Owens: Thank you for removing the bike path along the east side of Hayden Island. I would like to extend this to all bike path proposals on the island. We don't have the infrastructure to accommodate paths. *See written testimony.*
6. James Parker: Supports the TDM plan and facilitating the growth of institutions. We also must agree that infrastructure changes will be able to accommodate all the expected growth at our intersections. So the performance targets should facilitate the growth of institutions and keep traffic levels as close to today's levels as possible. Performance targets make goals attainable. The Plan should provide a plan for modifying via a Type II hearing to assist PBOT and institutions to work together.
7. Tim Helzer, HiNoon: Opposes reclassification of walking paths to bike paths on Hayden Island. The Hayden Island Plan doesn't reflect Hayden Island residents' interests; it was created to accommodate the CRC, so the plan has been out of date since the CRC has ceased to exist. The bike path will eliminate 112 units in the manufactured home community. *See written testimony (map).*
8. Roger Averbeck, Portland Pedestrian Advisory Committee: Support the TDM plan that's been proposed by PBOT. And we should expand TDM requirements from campuses to Mixed Use and employment sites in the Central City. TDM is a relatively quick, inexpensive strategy to increase alternative forms of transportation. And it's good to disincentivize single-occupancy driving. *See written testimony.*
9. Ian Stude, Bicycle Advisory Committee: We support the recommended language around TDM planning and requirements. It's important to extend to Mixed Use and Central City employment zones. TDM is effective and inexpensive to transition from SOV to other modes of travel. Excited to see this continue. Supports potential Admin Rules that would include requirements for development to provide incentives to encourage non-SOV travel. PBOT has been successful in its efforts to date, and this plan is a way to step this up.

*Commissioner Smith:* Is the committee ok with the bicycle network as proposed? The plan is now 6 years old, and we know we have a better idea of land use patterns and how the transportation system will respond. Civic and neighborhood corridors are two new classifications. Almost all are City Bikeways. But very few are Major City Bikeways. Should more of the civic and neighborhood corridors potentially be major bikeways?

Ian: We have focused primarily on street classifications and modal hierarchy to be in the TSP. We can come back with further comment about the corridors.

Personally, as a neighbor of Providence, the hospital has taken some effective measures. But we need to fully embrace TDM due to the expected growth, and I'd like to see the planning require TDM.

10. Eric Hesse, TriMet: TriMet supports the written TEG comments. We also support the TDM amendments that are included as a measured and powerful step forward to reduce SOVs and associated emissions. We need to meet these goals as we prepare for much anticipated growth. We are already working at over 1900 sites and campuses on TDM with TriMet passes and programs. It has been focused as an employer program, but we also work on residential services.
11. Doug Klotz: I support *Commissioner Smith's* comments about civic and neighborhood corridors being places to bike. Almost all civic corridors have a bike designation, but Cesar Chavez does not, so we should add the City Bikeways classification on this road. The reason people are

riding there now is because it is direct and goes through. It's about readability of the system; when people are new to the area, they want to have a direct way to get where they're going. We should have biking included on all major streets. I have one concern about TDM: if cost gets too expensive, I don't want it to add to the costs of housing units.

*Chair Schultz* continued the hearing to March 22.

### **Discussion**

*Commissioner Bachrach* commented on TDM and potential modifications. There is a provision that says PBOT has to approve and applicant's proposal prior to a development application. Do you have other authority like this? I'd like to modify the language so it's not a gateway authority for PBOT.

- The application can continue to move forward, but development approval, where a TDM plan is required, needs an approved TDM. This is currently the case for many permits. A hearing's officer would make a decision for Type III permits. We are attempting to have a base zone (campuses, for example) to make the process cleaner and simpler. Ensure that we maintain the TDM requirements and reduce traffic and parking in the neighborhood.

I also have a concern about using an Administrative Rule to implement TDM. I understand these are good tools, but they happen under the radar sometimes. I want to be sure anyone going through a regulatory process has clarity about where the rules come from and that they are balanced.

*Commissioner Spevak* shared some concerns about administrative rules versus code changes and approvals for land use. We need clear delineation about what can be done through admin rules versus land use decisions.

*Commissioner Baugh*: Can the City Attorney delineate what is land use and what can be done administratively? That is an important distinction for us that we need to understand. Hayden Island: when you think about bikes and pedestrians here, we know we'll have many more residents there in the future. We recommended a local bridge for bike/pedestrian uses onto Hayden Island; let's look into the future about uses. If you look at when the Hayden Island plan was adopted, part of the issue about getting people near the river was just that. We have very few places where people can get to ride and walk on the river in the city. If we remove the bike classifications and don't allow them to ride, that might not make sense for the future. As we think about HI, think about development potential, which is significant. If we make it less attractive, do we limit development potential? We should have a mechanism for PBOT to increase standards to push boundaries to help meet CAP and modal split goals. We need to be moving in synch.

### **Adjourn**

*Chair Schultz* adjourned the meeting at 3:18 p.m.

Submitted by Julie Ocken, PSC Coordinator



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**Portland Planning and Sustainability Commission**  
**February 23, 2016**  
**5:00 – 7:15 p.m.**  
**1900 SW 4<sup>th</sup> Ave, Suite 2500A**  
**Portland, OR 97201**

**AGENDA**

- 5:00 PM Call to Order**  
**Items of Interest from Commissioners**  
**Director's Report**
- 5:05 PM Consent Agenda**
- Consideration of Minutes from January 23 and February 9, 2016 PSC meetings
  - RW #8040, NW 101st Ave south of NW Thompson Rd
- 5:06 PM Task 5 – Residential & Open Space Zoning Map**  
Briefing
- 5:45 PM Citywide Parking Strategy**  
Briefing
- 7:15 PM Adjourn**

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**Channel 30:**

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**Ord. 188177, Vol. 2.4, page 11469**

## Portland Planning and Sustainability Commission

Tuesday, February 23, 2016

5:00 p.m.

### Meeting Minutes

**Commissioners Present:** Andre' Baugh, Mike Houck, Katie Larsell, Gary Oxman, Michelle Rudd, Katherine Schultz, Chris Smith, Eli Spevak, Teresa St Martin, Maggie Tallmadge

**Commissioners Absent:** Jeff Bachrach

**City Staff Presenting:** Joe Zehnder, Deborah Stein, Nan Stark, Marty Stockton; Judith Gray, Mauricio Leclerc, Grant Morehead (PBOT)

*Chair Schultz* called the meeting to order at 5:02 p.m. and gave an overview of the agenda. She reminded the Commission and audience that zoning map amendments of the Employment Zoning Project was continued from October 27, 2015 to today (February 23). She asked if anyone is here to testify today; no one in attendance wanted to testify. The hearing for the zoning map amendments of the Employment Zoning Project is further continued to May 24, 2016, which is the tentative hearing date for the all the Comp Plan zoning map amendments. Please remember to check the PSC calendar for further meeting agenda and hearing updates.

### Items of Interest from Commissioners

- *Commissioner Smith:* *Commissioners Oxman* and I attended the City Council Work Session this morning and were asked by PBOT to address Policy 9.6 (transportation hierarchy). The first issue addressed related to ADA and the second related to questions by Commissioner Fritz moving Transit above Bicycling in the city's mode hierarchy. *Commissioner Smith* pushed back on this. *Commissioner Oxman* added that Commissioner Fish raised an issue about road rage and the intensity of driver interaction – and that bicycles are the biggest way to decompress the roads and lead us away from these issues. It was a good conversation.

### Director's Report

Joe Zehnder

- Reminder of PSC retreat on Monday, February 29 from 1-5 p.m. We'll be discussing the Commission's work from the past couple of years and looking ahead.
- The Deconstruction Policy vote at Council had unanimous approval. The Resolution directs BPS to develop code language that requires projects seeking a demolition permit of a house or duplex to fully deconstruct that structure if it was built before 1916 or is a designated historic resource.
  - *Commissioner Spevak* asked if doing this would lead to a third of homes being deconstructed. Joe responded that he would get him the numbers.
- *Commissioner Baugh* asked about the tree code and how we were moving forward.
  - Joe said he'd get back to him.

### Documents and Presentations for today's meeting

#### Consent Agenda

- Consideration of Minutes from the January 23 and February 9 PSC meetings
- RW #8040, NW 101st Ave south of NW Thompson Rd

*Commissioner Smith* moved to approve the Consent Agenda. *Commissioner Oxman* seconded.

The Consent Agenda was approved with an aye vote.  
(Y9 –Baugh, Houck, Larsell, Oxman, Rudd, Schultz, Smith, Spevak, Tallmadge)

## **Task 5 – Residential & Open Space Zoning Map**

Briefing: Nan Stark Marty Stockton, Deborah Stein

### Presentation

#### **Discussion**

*Commissioner Houck* asked about the areas that appear to be the golf course and about industrial areas that could be open spaces. Are the maps consistent?

- Nan: The newest map hasn't been released yet. This map is from the Map App. The latest work on that was done through Steve Kountz' project – converting some open space into industrial land.
- Joe: This is a more limited set of changes that functionally should be classified as that. The industrial conversation we've been discussing is a separate map package that you all will see and vote on. The end result will be a series of composite maps. At that time, it's our moment to talk about things that are missing and need to be fixed. This is not the map of all open space changes.
- Deborah: Where we had talked about the golf courses, they would continue to be zoned for open space, so wouldn't show up here, even if the Comp Plan designation is for something else.
- *Commissioner Baugh*: We just want to make sure that you all are coordinating the different projects that have impacts here.

*Commissioner Spevak* asked about the David Douglas piece: why would we downzone?

- Nan: It's really just to address the school capacity issue.
- *Commissioner Larsell*: Their schools are at capacity.

*Commissioner Houck* asked about the FEMA lawsuit regarding flood plain designations. Has that been resolved and factored into this?

- Joe: The lawsuit is still out there. The findings are still being developed. There may be some interest in getting this done before a [federal] administration change, but we don't know for sure when it will come out. It could redefine how we look at the flood plain. We'll update later if we need to.

*Commissioner Tallmadge* asked what the City is getting in return for upzonings. Say you have a residential base zone, and it's not matching the use and we want to make the Comp Plan designation commercial or mixed use because we're trying to match it. In that change, is there a way to include an incentive for something like affordable housing if you're upzoning? Rather than just upzone, the applicant would have to go through a process to get those uses, etc.?

- Joe: There are several different tracks right now on the issue of "value capture" from upzonings. The idea that part of the value that's gained from the upzone is legitimately captured by benefits like affordable housing, etc. We are looking at this. The tradeoffs are between generating some resources versus potentially not seeing the increased density. You don't want to create an incentive that leads to no redevelopment. You have to price it right.
- *Commissioner Baugh*: This is going to come back to us at some point. The intersection of that decision and the decision about whether or not we apply some sort of bonus or extract value, etc. Is the timing aligned so those decisions are made about the same time?
- Joe: There is policy in the current Comp Plan that would allow us to consider things like this. City Council's level of interest may drive them to put more explicit language in there. So, it's either a Code change that would be part of a package that we bring through as part of Task 5 or something that comes later. As a policy option, we can go back at it in a future time. The geography of housing development costs and fees is changing with the possibility of IZ or a

construction excise tax coming out of the Legislature; the possibility of a city-wide linkage fee; the possibility of an affordable housing related bonus; and the possibility of a value capture upzone provision. At the end, we need to look at the whole package to see if these are workable or if there's a more direct way of doing the same thing. But the policy to do any of these things is in the Comprehensive Plan. The legality of it still needs to be worked out.

- *Commissioner Baugh*: My concern was about timing. Even though it's only a small percentage of the housing stock, it's still an opportunity, and would we lose that opportunity to consider some of these things on those parcels.
- *Joe*: We'd have to evaluate the options that City Council is interested in and then bring that back through here. And then we'll have to talk through the intended and unintended consequences.
- *Commissioner Spevak*: And that might be a good time to talk about a linkage fee. And politically, the timing might be good.

*Commissioner Houck* commented that we are pretty clear that the FEMA lawsuit will result in increases in flood plain extent – was that considered as part of this project?

- *Marty*: We used the 100 and 500 year flood plains. There was only a small area in Ardenwald-Johnson Creek where there was a mismatch. With that said, we can't disregard all of the work done by Roberta Jortner and Mindy Brooks last year. To answer your specific question, that was not considered in the analysis.
- *Commissioner Spevak*: City Council is voting in April, right? Would it make sense to do the notice right after that decision? Just thinking about timing, is there a way to not have to do everything twice?
- *Joe*: We kind of have to do it twice because of noticing requirements. It's actually the most expeditious way. The number of changes is getting smaller and smaller.

## **Citywide Parking Strategy**

Briefing: Judith Gray, Mauricio Leclerc, Grant Morehead (PBOT)

### Presentation

#### **Central City Parking (Mauricio Leclerc)**

*Commissioner Baugh* asked if someone could build a structured parking lot in the Central City.

- *Mauricio*: Yes and no. We don't want to tear down buildings to build growth parking. You can build parking with new development. There is one exception for visitor parking, short-term use. It must be operated for short-term; you cannot be selling spaces to commuters.
- *Commissioner Baugh*: If there is a remodel, could you build parking inside of the structure?
- *Mauricio*: Generally, we're tying parking to new growth with the exception of short-term parking.

*Commissioner Larsell* asked for clarification on what a parking entitlement is.

- *Mauricio*: If you have a building entitled to 100 spaces, and it doesn't build spaces, it could use that entitlement on a different site.

*Commissioner Schultz* asked if the new ratios qualify for the preservation parking transfers.

- *Mauricio*: Yes.

*Commissioner Smith* asked if PBOT would be able to set rates administratively without Council action.

- *Mauricio*: Yes, it might be able to within certain parameters, but that would be the hope.

*Commissioner Baugh* raised a concern about the Central Eastside. There is enough demand that you could probably pencil a structured parking lot, privately, and make money. If that's not our intent, we

need to figure that out. We need to think about how we structure our code to address the Central Eastside. Is it our intent to allow land to be taken up with privately-owned structured parking?

- *Mauricio*: We allow structured parking today, we would allow it in the future.
- *Commissioner Baugh*: Why ban structured parking versus surface parking?
- *Joe*: It's the more intense use of the land, and the expense of structured parking makes it more challenging to do. To build a commercial parking structure, the developer would have to get the rights to build parking from somewhere (preservation parking). The only other way you can get parking is if you're building new development, you can get a certain amount of parking for each square foot of development. Also, you'd now have to wrap the first floor of a structured lot with active uses, which is appropriate for the Central City.
- *Commissioner Smith* commented that everyone assumes it's a no brainer to build a surface parking lot on NW 23<sup>rd</sup>, but it hasn't happened yet. It may not be the highest and best use even if possible.
- *Joe*: Short-term versus long-term is critical. We don't want areas of the Central City to function like parking lots. These are all questions we need to explore.
- *Commissioner Tallmadge*: Just from an air pollution standpoint, wouldn't it make sense to have a single structure rather than having people driving around looking for parking?
- *Mauricio*: The circulation does add to pollution. Performance-based parking management would help with that. You wouldn't have to drive around.
- *Commissioner Houck*: There is technology where you can find a space in advance and not have to drive around.
- *Chair Schultz*: Not to belabor it, but you're talking different types of people parking – workers versus retail, etc.

#### **Centers and Corridors Parking Policy Update (Grant Morehead)**

*Commissioner Tallmadge* asked if, for example in NW, where you have 3 or 4 unrelated individuals in a home, would the first permit, second permit pricing system still apply the same way?

- *Grant*: Yes, but this would only apply to future permitting areas. NW is its own area.
- *Chair Schultz*: But if it's multiple units within one home with different addresses, those would count as all first permits.
- *Grant*: Yes. The code is based on address.

*Commissioner Spevak*: When considering parking district, would you be looking at waiving the off-street parking minimum? Also in those districts, could you look at maybe charging for curb cuts where you're depleting the on-street supply?

- *Grant*: In a sense, you would start at the second rate for a curb cut.
- *Commissioner Spevak*: Maybe a developer should have to pay for a curb cut as part of development?

*Commissioner Smith* commented on a number of things that he liked and disliked about the current work.

Items liked include:

- Shared parking: using the resources we have more effectively by loosening the rules is a good thing
- Second, there are some really innovative ideas embedded here – capping permits, tiered pricing, TDM component.

Items that he has concerns about include:

- We're solving what I think is a transitional issue with a permanent answer. Our corridors are developing like crazy, and we're dealing with the reaction of residents. We're defending residents but putting up a wall in the zoning – a line that will last forever. Current residents are annoyed, but the next person to buy knows full well what they're getting into and are likely locating there because of the nearby amenities. Access to this system serves as a bonus for them.

- There are different issues for new development versus development that has already occurred. There are now people living in units on corridors who would not be considered “priority” for the permit system. New developers and new residents know the rules moving forward, but the existing people are at a disadvantage.
- Lastly, I’m concerned about the governance aspect of equity and who has power. We’re saying the single family neighborhoods own the parking resources and set the rules on when people in the corridors can use them. That’s a huge power imbalance. We can guess that the economic and ethnic compositions of the residential neighborhoods outside and within the corridors are very different. We are reinforcing some existing equity imbalances.

*Commissioner Baugh* followed up on *Commissioner Smith’s* comments about equity. We have a policy to put low-income people on transit routes. The equity issue to me is that R5 people have the decision-making power and the people in corridors are at their mercy. I am concerned about neighborhood structure. Even if the makeup of neighborhood has changed, the decision-makers often remain the same. I’m also worried about the cost of permit around equity. For low-income individuals, I appreciate that you want to lower the cost, but if you’re talking about higher cost, how high is that cost relative to a bus pass? Can we figure out a way to work with TriMet to subsidize bus passes as opposed to paying for street parking? Can we look at some of those different options? Alternatives? Can we provide similar subsidies for different modes?

- Grant: There could be a way to structure the TDM program to give people access to things like that. We need to explore it.

*Commissioner Baugh* continued: On the commercial side, I have concerns about them being left out of the whole process. Parking needs to be preserved for the new districts to be viable – we need to ensure developers that commercial parking will be available.

*Commissioner St. Martin* asked whether or not the program included incentives/provisions, etc. for car share.

- Grant: Not specifically in this proposal. You can get a reserved spot for car share vehicles, but additional incentives are not incorporated in this proposal.

*Commissioner Smith* disagreed, commenting that we allow the provision of parking for car share spaces. I would expect car share to show up in a robust way in these corridors.

*Commissioner Tallmadge* commented that she would love to see how we can leverage this for low-income TriMet fares. This is an opportunity to be creative and leverage that.

*Chair Schultz* noted that she supports all of *Commissioner Smith’s* comments, both positive and negative. She followed up with a question: for a single family home with its own curbside and garage, but a driveway that can support three cars, do they still get to buy an on-street stall? Would they start at the third tier of the pricing system? Something to think about. Also, along the corridors, if there’s an affordable housing project being built, it seems there might be another way to look at giving those projects a break on parking and giving them permits for the street. Is there a point where those in the corridors for a certain period of time could qualify for a residential permit?

- Grant: Yes. Everyone who lives there now could apply for a permit, whether in the residential or the corridor. It’s a performance-based question and is up to the cap. The residential (R) zones would have priority. At this point in time, we’re not reaching the cap, but that could happen in the future.

*Chair Schultz*: Regarding the cost of the permit, for a mixed use project in the corridor that’s providing parking right now: what’s the cost of a private stall versus the permit? Wow do you still incentivize those in the corridors to still build parking? If that pricing gap is too big, nobody’s going to build parking in structures.

- Grant: The average being built right now is about .5 spaces for 1 one unit. The average right now is around \$100 per month. We're not going to be able to charge that much in the permit system.
- On-street parking of course is free. But people will drive for a while instead of paying for a parking spot.
- Mauricio: That's partly why the priority is for residential. To encourage those in the corridors to use the parking in their building. This works with things like shared parking – people would be able to parking the bank parking lot, etc. We're not done with this. You have some great questions. We still have some questions, and we need to be flexible to tailor things to different neighborhoods.

*Commissioner Smith* asked that staff think about structuring the governing model for the program such that the mixed use residents and the commercial businesses are part of the structure and help make decisions about who has access to programs. He further suggested that PSC write a letter to Commissioner Novick and Director Treat highlighting their concerns and asking PBOT to return with some responses.

*Commissioner Spevak* seconded. It was decided to put the item on the agenda for the retreat for further discussion.

Joe: This might be a subcommittee type of letter to bring back for the full Commission's review.

## **Adjourn**

*Chair Schultz* adjourned the meeting at 7:20 p.m.

Submitted by Kathryn Hartinger and Julie Ocken, PSC Coordinator



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**Portland Planning and Sustainability Commission**  
February 9, 2016  
12:30 – 3:00 p.m.  
1900 SW 4<sup>th</sup> Ave, Suite 2500A  
Portland, OR 97201

**AGENDA**

- |                 |  |
|-----------------|--|
| <b>12:30 PM</b> | <b>Call to Order</b><br><b>Items of Interest from Commissioners</b><br><b>Director's Report</b>                                    |
| <b>12:35 PM</b> | <b>Consent Agenda</b> <ul style="list-style-type: none"><li>• Consideration of Minutes from January 26, 2016 PSC meeting</li></ul> |
| <b>12:36 PM</b> | <b>Missing Middle Housing Strategy</b><br>Briefing   |
| <b>1:30 PM</b>  | <b>Task 5: Transportation System Plan</b><br>Briefing  |
| <b>3:00 PM</b>  | <b>Adjourn</b>   |

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**Ord. 188177, Vol. 2.4, page 11476**

## Portland Planning and Sustainability Commission

Tuesday, February 9, 2016

12:30 p.m.

### Meeting Minutes

**Commissioners Present:** Jeff Bachrach, Mike Houck, Katie Larsell, Gary Oxman, Michelle Rudd, Katherine Schultz, Chris Smith, Eli Spevak, Teresa St Martin, Maggie Tallmadge

**Commissioners Absent:** Andre' Baugh

**City Staff Presenting:** Susan Anderson, Deborah Stein; Art Pearce, Denver Igarta, Courtney Duke, Peter Hurley (PBOT)

**Other presenters:** Daniel Parolek

*Chair Schultz* called the meeting to order at 12:33 p.m. and gave an overview of the agenda.

### Items of Interest from Commissioners

- *Commissioner Spevak* noted that at 6-8 p.m. today at The Zipper building is a free public session with developers who are working on the missing middle concepts that Daniel Parolek will be sharing today.
- *Commissioner Houck:* Yesterday's urban ecology symposium was great. The keynote was Eric Sanderson. It was well-attended with very inspiring conversations.
- *Commissioner St Martin* commented on the Residential Infill Project. The Mayor has asked us to speed up some of our processes, and we'll have an update about the project shortly.

### Director's Report

Susan Anderson

- The PSC retreat will be on February 29 at 1-5 p.m. The purpose is to ground you in responsibilities, look at goals for the Commission and get to know the new members a bit more.
- BPS has hired a new Historic Resources planner, Brandon Spencer-Hartle, joining the bureau on February 22. We had to cut this position in past budgets, but we are pleased that we can make this a priority again.

### Documents and Presentations for today's meeting

#### The Missing Middle Housing Strategy

Briefing: Daniel Parolek

#### Presentation

Deborah Stein introduced Daniel. We met at an AARP conference on age-friendly cities last year. This concept is so perfect when we talk about age-friendly cities; it's really about how we make neighborhoods adaptable for everyone at every phase of life.

Daniel is an urban designer and architect. I am the founder of Opticos Design, based in Berkeley. One of the primary reasons the concept of the missing middle has taken off is because it's about reframing the conversation about housing. Typically we talk about "density" and "infill" and "more multifamily". But "missing middle housing" starts a healthy conversation about the dramatic shift in the demand for a variety of housing types.

The concept started 19 years ago-project in Santa Barbara County, at Isla Vista, which is adjacent to UC Santa Barbara. The advisory group didn't want more than 18 units/acre initially. But the form they ended up liking was about 34 units/acre.

There is a dramatic mismatch between people who want to live in walkable urban neighborhood compared to those who actually do. Places like Portland show a spike in demand for walkable living; these are also places where we're seeing housing and affordability issues.

By 2025, it's projected that 75-85 percent of households will not have children, which is a huge demographic shift from our current single-family housing structure in many cities. We do need to be worried about housing for families, but looking at this statistic shows we need to more so think about people who will be looking for a smaller housing type. Another issue is that density-based zoning cannot effectively regulate pre-WWII neighborhoods.

Missing middle housing are the types "in between": the duplex, fourplex, bungalow court, and live-work building. There haven't been many of these built in the last 30-40 years, and builders are typically not focused on this range of options. The great thing about this is that they are multi-unit, but they never get bigger than the size of a house, which is a reassuring point.

Missing middle housing enhances neighborhood character; creates walkable living; offers more diverse housing options and choices and affordability; and provides enough rooftops to support local businesses and transit. Housing is easily adjusted/adapted for local climate and culture.

The range in types is extensive: side-by-side duplexes; stacked duplex; bungalow court; carriage house; fourplex; small multiplex (5-8 units); townhouse (up to 30 units/acre); live-work places; and courtyard apartments. These types of buildings tend to be sprinkled throughout neighborhoods, side-by-side with single-family homes. Or they may be along a primary or secondary corridor or in the transition area from single-family to higher-density neighborhoods.

Characteristics:

- Walkable context
- Lower perceived density
- Small footprint buildings
- Small, well-designed units
- Fewer off-street parking spaces
- Simple construction
- Creates community

Affordability is created by the design instead of by heavy subsidies.

In thinking about housing choices and zoning, we often graphically assess the existing code and regulations for each base zoning district. Instead we can use those sizes to test missing middle housing types to determine what zoning code changes are needed to accommodate them. Base zones need to allow for a mix of housing types without adding additional layers or regulations.

The most important concepts to encourage missing middle housing include:

- Enable small footprint density
  - Directly allow building types within zone districts
  - Regulate maximum building footprint (width and depth)

- Cap heights at 2.5 stories for desired zones
  - Do not cap density
- Do not treat all unit sizes equally
  - Allow more smaller units inside same building form
  - Require less off-street parking for smaller units
  - Adjust impact fees for smaller units
  - Consider treating a 650 square foot unit as half a unit
- Encourage blended densities
- Reduce parking requirements
- Make new walkable communities legal

Building types are the ingredients of neighborhoods. Each neighborhood has a different “recipe” that includes different ranges and types of mm housing. Then for each type, there may be supplemental form standards, for example, a bungalow court might be shorter in height, but the unit size is smaller too.

Nashville is using missing middle housing as a tool in their Comprehensive Plan. The State of Michigan’s MiPlace is using missing middle housing as an implementation tool – they are requiring communities asking for state grant funding to do targeted market analysis to see the market demand shift and address it. In Austin’s code update, we created a missing middle affordable housing density bonus for achieving desired prescribed affordable housing mix.

More information is available on the [missing middle website](#). Think carefully about defining land uses as small footprint and medium density in the zoning code. Portland has begun to pick up this concept. I want communities to use this tool to meet the market demand and help to deal with affordability.

“It’s time to rethink and evolve, reinvent and renew.” [What’s Next, ULI]

## Discussion

*Commissioner Smith* asked about the TDM non-profit Daniel mentioned.

- It’s called Transform. Green Trip is the program.

*Commissioner Smith*: How do you get from where we are to this vision? How do you get this infill into a single-family neighborhood – not just in character, but taking a large home down to build smaller?

- We mostly do this in an infill context. It is easier in a greenfield of course. There isn’t a one-size-fits-all strategy. Part if education and taking time to assess. Have a conversation about the range of housing types that would be appropriate and the scale of those types. There is an element of degree of change, which are important parts of the conversation as well.
- In terms of conversation from single-family housing stock, this is a good possibility. We need to be careful about it to not have detrimental impacts to the neighborhood. Maybe you make a single-family a duplex with an ancillary unit in the back if the lot is large enough.

*Commissioner Houck*: Thank you for the message about not starting the conversation with the word “density”. But I don’t see ADUs in this schematic. Is that because they are smaller? Also, one of Portland’s most significant green infrastructure components is tree canopy. How compatible is this type of housing scheme with Portland’s goal of 30 percent tree canopy?

- The carriage house and ancillary house can be similar to an ADU. It does fit with this pallet of housing types.
- We’re dealing with the tree canopy question in Austin. The good thing about these housing types is that they retain quite a bit of land on each lot and pervious surfaces.

Susan: *Commissioner Smith* noted the huge desire to keep the homes we have. There is a connection to those homes, so we need ideas for how we can keep the “shells” looking the same while looking to increase the number units within them. It’s less about construction and more about the rooming house

idea. This has to do more with the social construct. Are there financing and legal tools for various housing types to make that normal is a big shift?

- It is an important part of the conversation, especially in terms of historic preservation and sustainability of building. In terms of thinking creatively about how to address non-related people who live in a house and how you can introduce multiple units in a single-family home, there isn't lots of research about this yet. It's time based on this shift to understand how we can do this well.

*Commissioner Spevak:* Portland has lots of housing options at this density. If we start making it easier to build, we need to deal with the parking issues and not building parking or incentivizing it.

*Commissioner Bachrach:* In terms of the zoning code and transition from the traditional version, are you reducing the quantity of regulations? Or just a different focus?

- The goal is to make it smaller and provide more clarity with graphics. We want to try to make sure all the information is in the same one or two code sections.

*Commissioner Oxman* asked about what the most successful communities have had in place to achieve compatibility with existing housing stock.

- It varies by community. Architectural standards are key; not necessarily by style, but to establish a bar for quality. Design review committees are important. And for example, Austin has a great design culture.

## **Task 5: Transportation System Plan**

Briefing: Art Pearce, Denver Igarta, Courtney Duke, Peter Hurley (PBOT)

### Presentation

Art introduced the project, which is considered Stage 2 of the TSP. There is a relationship between state requirements, the TSP and the Comp Plan that come together as part of our periodic review expectations. Other processes are integrated into this effort as well.

In the near-term, there are a number of other related projects, including CC2035, Citywide Parking Strategy, Vision Zero; and the Comp Plan implementation projects.

Denver provided an overview of the components of the TSP. Stage 1 items are identified in blue, and these are the only parts of the TSP that have already come through the PSC via the Comp Plan hearings. Stage 2 items (orange highlighted boxes) are what we're discussing today. Items in green are not required to complete the Comp Plan update; but these items will ultimately follow the same legislative process. Stage 3 will be completing and repackaging the TSP into something more accessible and streamlined.

The CC2035 Plan will include all changes included for the Central City.

The TSP Discussion Draft was released in October and informed the Proposed Draft that's before the PSC now. The first hearing is on March 8.

We've had an advisory Transportation Expert Group (TEG) throughout this process. It started in January 2014, and *Commissioner Smith* has served on this group to help come up with the proposal in the current draft. There have been 900+ interested parties who we've kept informed about the proposal as well. We uploaded a number of street classification layers to the Map App with this Proposed Draft so people can see and comment on them in the app. Additionally, staff presented Stage 2 of the TSP Update for 33 unique groups and events throughout the entire city between October 2015 and this month, directly reaching approximately 600 attendees.

Groups of items staff scoped to be part of this State 2 update:

- Required items for periodic review
- Plans that have been adopted since we last updated the TSP
- Initial steps: items that we are advancing to implement the Comp Plan to address changes in, for example, policy objectives

TSP Objectives review was to:

- Help assess progress towards goals and policies
- Limited changes proposed in this phase
  - Objectives elevated to Comp Plan policy removed
  - Acknowledge new Comp Plan Centers + Corridors
  - Remove barriers to new Comp Plan direction
  - Updates to bureau name and design guides

To address requirements in the Council-approved Periodic Review work plan, remove inconsistencies with new 2035 Comp Plan, incorporate plans adopted by Council since the last TSP Update, and take initial steps towards implementing 2035 Comp Plan direction.

Peter introduced three key performance measures that are recommended to be added to the TSP. Council has already adopted these in other plans:

- 70 percent commute trips taken by transit, bicycle, walking, carpooling, or working from home.
- 50 percent reduction in transportation related carbon emissions from 1990 levels

Additionally, but not yet adopted by Council, we are proposing to add:

- 25 percent of residents in mixed-use buildings car-free (to reduce parking and traffic impacts)

We do intend to propose additional measures are part of Stage 3 (e.g. a safety performance measure).

State law says we have to accommodate 20 years of projected growth. We are expecting 120,000 new jobs and 260,000 new households, and our system is already strained.

Transportation Demand Management (TDM) includes:

- Education/encouragement (SmartTrips)
- Transit passes
- Bike share memberships
- Car share memberships
- Financial incentives to walk, bike, carpool, telecommute
- Parking management

Generally, Portland is behind the curve in terms of using TDM compared to other West Coast cities. Lower- and middle-income workers benefit from TDM programs since they aim to lower transportation costs.

This proposal includes a recommendation to add verbiage to Title 17 to establish what should be included in a TDM plan. This complements the Title 33 changes that are proposed, for example in the Campus Institutions project.

Regarding Mixed Use parking, the PSC will hear about this at the February 23 meeting as part of the Citywide Parking Strategy briefing.

*Commissioner Oxman* asked about the chart that shows demand and the gap. My observation is that the transportation system is becoming saturated at more and more hours of the day. So even if we held things flat, the system would still be saturated in the future.

- Yes, in certain places at certain times we are seeing this overflow. This is likely to continue. As part of modeling we've done, we have found parts of the city without this saturation. We are focusing investments in areas where we see there will be more and increased saturation to

address peaking. We are looking to expand person-carrying capacity and the capacity to move goods.

*Commissioner Smith:* To reframe the questions, as we add trips in the city, where will that be observed? We've seen bicycle use rates plateau in this decade, and some of that is because we need more bike infrastructure. If we aren't going to see our streets congested, we need to get closer to that 25 percent bike mode share split as in the Bicycle Master Plan.

*Chair Schultz:* As transportation commute times tend to increase, do you find that people tend to get more encouraged to ride transit?

- We'd have to look at individual routes. We definitely want to be sure we improve transit signal priorities. If someone has a choice, we want to be sure transit service is frequent and reliable.

*Commissioner St Martin* asked about other cities that have been successful at implementing TDM.

- Arlington County, VA had a big expansion of jobs for about 30 years, right when they (Washington DC) were building their Metro system. The system has been able to accommodate substantial growth without seeing a substantial increase in traffic. Financial incentives, carpooling options and additional land use changes have helped.

*Chair Schultz:* Are you getting better cooperation from ODOT to create more, safer bike routes along state highways?

- We are working with ODOT on important corridors in a number of places to give people more and better options. BPS, PBOT and TriMet recently signed an agreement to ensure we work closely over the next 20 years so each org is doing their part to improve frequency and reliability.

*Commissioner Smith:* ODOT just released their statewide bike plan, and the language around bike infrastructure on orphaned highways is less aggressive than in the current plan (e.g. Barbur).

*Commissioner Spevak:* Are bicycling districts defined on any maps? When and where will our first protected intersection be?

- We do have protected facilities, and we are going to be providing protected facilities where ever we can. This plays to the importance of getting "interested but concerned" riders biking. We have narrow streets, which make protected intersections difficult. One option may be W Burnside by PGE Park.
- *Commissioner Smith:* In terms of bicycle districts, we don't have any outside the Central City.
- Courtney Duke: The Bicycle Plan called out districts, but they haven't been mapped yet. We put Comp Plan policies in these districts too. We haven't yet decided on the boundaries, but there has been conversation started about Lloyd Ecodistrict and Central City to see if districts would be needed.

*Commissioner Larsell* asked about requiring people to use transit and bicycle. How much of the connection with TriMet will be part of the work we're recommending?

- We can share the letter of intent that has been signed. The attempt is to work with our partners at multiple levels simultaneously.

Courtney highlighted the list of refinement plans and studies. We've added and modified these to update the TSP program and project list as well as policies in the Comp Plan. We removed studies that have become TSP projects, have been completed, or are no longer needed or required. There is a list at the front of the chapter highlighting these changes.

Master Street Plans are required to show we are meeting our connectivity needs. We are incorporating the local street plans that have been adopted since the last 2007 TSP amendments.

We've updated the bicycle classifications and objectives, mainly related to the 2030 Bicycle Master Plan that Council adopted in February 2010. As part of this work, we had a joint modal committee that has met since October 2014 to work on some issues including the bicycle classifications. We looked at freight and transit overlap with this group as well.

We have 7 design classifications for the streets in the city. These are related to land use and design of the street. We've made changes to design classifications to incorporate centers and corridors and the urban design framework in the new Comp Plan. There are still lots of classifications, and they may be difficult to distinguish easily, so we put together a reference chart (slide 27) to highlight the differences. Working closely with Metro on these changes since they are also required for the region.

Changes to the community involvement objectives in the TSP have been made to be consistent with Chapter 2 of the new Comp Plan.

Street vacations have been reviewed on creating in the TSP and Comp Plan. During this update, we now have a broader policy in the Comp Plan and have new Title 17 code language. We also want to revise policy 8.48 to make sure community uses are considered (since they are a new use type) when recommending a street vacation.

*Commissioner Rudd* asked about the broader policy and the addition of community uses. *Commissioner Rudd* said she looked at this in the context of constitutional restrictions on how much the City can require a property owner to dedicate for a street. The constitutional limit is based on the underlying need being created by the property owner's project. The property owner's project does not create the need for community uses so the road area should be returned to the property owner when it is no longer needed for transportation agreement.

- We're proposing it just as a consideration.

*Commissioner Rudd* said she disagreed with the policy change but we would hear about the proposed changes in public testimony. She asked what the limit was on "temporary" uses.

- Staff replied that temporary reflected that the use was allowed pursuant to a license and that there was no deadline. Asked if a temporary use could be a hundred years or three months, staff indicated that the range was possible.

Further TSP maintenance includes:

- We've updated the introduction and the glossary to reflect changes, what's happening today and what we're expecting in the future. We've edited the glossary to make sure terms are as defined in the new Comp Plan.
- Area studies: proposed to delete.
- South Waterfront and Water Ave classifications: changes were made in 2012 as part of the Milwaukie Light Rail, adopted by ordinance, so now we're including them in the TSP.

*Commissioner Houck* thanked Denver, who gave a presentation yesterday with a BES staff about Tryon Creek. Is there anything explicit in the TSP that relates to integration of work between/among bureaus in terms of urban canopy?

- In Chapter 8 in the Comp Plan, there is a coordination policy. There are policies about uses in the right-of-way and about trees in the right-of-way.

Stage 3 of the process will be to create a "new" TSP. This includes a number of things outside the Comp Plan umbrella that we are either required to do or will help in cleaning up the document:

TSP Objectives

- Geographically specific (district) policies:  
pattern areas and action items
- New objectives for new 2035 Policies
- Additional Performance Measures

Street Classifications

- Emergency Response

- Evaluate other classification needs
- References to Modal Plans  
Implementation Strategies
- Codes and Standards (e.g. bike parking)
- Regional Transportation Plan Compliance  
Administrative Rule – Transportation Demand Management

This Stage 3 will come through the PSC before going to Council as all other parts of the Comp Plan update have or will.

*Commissioner Smith:* Obviously there is great work that has gone into this, and I commend staff. But there are a number of concerns about the ability of citizens to understand this all. Some things we can do to help mitigate this issue:

- The document needs more publicity. It was released between Christmas and New Years, so we should provide further materials before our hearing.
- We discussed the Objectives section. Since they were removed from the Comp Plan chapter, they are still referencing numbers in the old Comp Plan. There is an appendix at the back of the document as a cross-walk, but this should be brought forward.
- Issue with the maps: in this document, we have maps for the new street and bicycle classifications, but in the paper version, you have the maps chopped up page-by-page. PBOT and BPS staff are working to get the maps integrated in the app.
- The advisory group (TEG) has its last meeting this month since they were only chartered to help staff. But I think they should have a role through our hearing process to help inform the PSC in our hearing process.
- The refinement studies section includes things we've recommended for some studies that should happen.
- I'd request that we issue some sort of "reader's guide" to the TSP... objectives with cross-walk, street classification comparison. This would help to give the public tools to review the plan and provide input. Substance is good. I'm the liaison to the bike-parking group that is starting up, and I've given staff language about autonomous vehicles that we can look to incorporate.

*Commissioner Rudd* asked about carbon pricing study. Will that be coordinated with the state?

- Yes (and if not currently stated, we can add it).

*Commissioner Bachrach* noted the proposed TDM language page. We would adopt this as part of the TSP work? And how does this related to mixed use and Central City?

- The intent is that it all comes together. Title 33 land use code will direct where TDMs would be required. We're attempting to point it to the same places in Title 33 and Title 17. It's all in the same place regardless of the zone it applies to.
- The PSC will be asked to make interim recommendations for the various projects, including the TSP (April 12); later on mixed use. But before it goes to Council, it will all be packaged and shared with the PSC to review to make sure you like how they all fit together.
- In the TDM section, we are providing options for large sites (e.g. campuses) as opposed to smaller sites where the "off the shelf" plan would be standardized.

*Commissioner Smith* added that TDM and parking management are two sides of one coin, but they are going through different processes. For centers and corridors, we'll hear about that at our February 23 meeting, and we'll recommend some during the mixed use process.

The February 23 briefing is about the citywide parking strategy, including the differences between centers and corridors and the Central City.

**Adjourn**

*Chair Schultz* adjourned the meeting at 3:03 p.m.

Submitted by Julie Ocken, PSC Coordinator



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**Portland Planning and Sustainability Commission**  
January 26, 2016  
5:00 – 8:00 p.m.  
1900 SW 4<sup>th</sup> Ave, Suite 2500A  
Portland, OR 97201

**AGENDA**

- 5:00 PM Call to Order**  
**Items of Interest from Commissioners**  
**Director's Report**
- 5:05 PM Consent Agenda**
- Consideration of Minutes from January 12, 2016 PSC meeting
- 5:06 PM Deconstruction Grant and Construction Waste Reduction Proposal**  
Briefing
- 5:50 PM Portland Streetcar Ridership and Development Study**  
Briefing
- 6:30 PM Task 5 – Campus Institutions Zoning Update Project**  
Work Session / Recommendation
- 8:00 PM Adjourn**

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**Ord. 188177, Vol. 2.4, page 11486**

## Portland Planning and Sustainability Commission

Tuesday, January 26, 2016

5:00 p.m.

### Meeting Minutes

**Commissioners Present:** Jeff Bachrach (arrived 5:15 p.m.), André Baugh (arrived 5:45 p.m.), Mike Houck, Katie Larsell, Gary Oxman, Katherine Schultz, Chris Smith, Eli Spevak, Teresa St Martin, Maggie Tallmadge

**Commissioners Absent:** Michelle Rudd

**City Staff Presenting:** Susan Anderson, Alisa Kane, Shawn Wood, Tom Armstrong, John Cole, Peter Hurley (PBOT)

**Other presenters:** Dan Bower, Portland Streetcar Inc

*Chair Schultz* called the meeting to order at 5:00 p.m. and gave an overview of the agenda.

### Items of Interest from Commissioners

- *Commissioner St Martin* shared an update on the SAC for the Residential Infill Project. There was an all-day charrette last week. She shared the principles that are being used to vet proposals and suggestions and commented how staff is doing a great job in supporting the process.
- *Commissioner Houck* commented on the Title 11 hearing and vote at the PSC. He was appreciative of Julie's minute-taking that captured the "insanity" of that meeting and the outcomes of the PSC's discussions and recommendations. He presented her with a bottle of California Zinfandel as a token of the Commission's appreciation for her detailed, and accurate note-taking.

### Director's Report

Susan Anderson

- Welcome to our two new PSC members, Katie Larsell and Eli Spevak. All Commissioners provided a brief introduction about their role and interests in serving on the PSC.
- Upcoming dates for PSC meetings: We have an additional meeting on May 17 as well as a retreat on February 29. A full list of upcoming meetings will be shared shortly.
- The Urban Forestry Commission (UFC) met and made recommendations that are not far off from what the PSC recommended. Staff will send the information from the UFC's recommendation and Council hearing date to PSC members.

### Consent Agenda

- Consideration of Minutes from the January 12, 2016 PSC meeting.

*Commissioner Houck* moved to approve the Consent Agenda. *Commissioner Smith* seconded.

The Consent Agenda was approved with an aye vote.

(Y8 – Houck, Larsell, Oxman, Schultz, Smith, Spevak, St Martin, Tallmadge)

## Documents and Presentations for today's meeting

### Written Testimony submitted

#### **Deconstruction Grant and Construction Waste Reduction Proposal**

Briefing: Alisa Kane, Shawn Wood

#### Presentation

Alisa provided an overview of the project. When we talk about demolitions, people want to talk about a wide range of issues.

Meeting a higher and best use is what we're thinking about when we talk about deconstruction: preserve and salvage and reuse of the materials. Deconstruction is often done by hand, but it can be done partially with machinery.

We want to talk about what we can do to mitigate concerns. The Mayor asked staff to look into solutions to increase deconstruction opportunities in Portland to realize the benefits of less waste, reduce carbon emissions and hazardous materials, preserve more in terms of trees and other materials. Reused materials can be more affordable e.g. when you purchase them at Habitat Restore or the Rebuilding Center. Another opportunity is for job training; doing deconstruction needs people who know how to use hammers and tools that can then create pathways to careers in construction.

There are some potentially negative considerations about deconstruction, though. It takes more time compared to demolition. With time comes cost on average, even as much as 40-60 percent more than deconstruction. Materials then need to get sorted for reuse.

Staff has had 14 meetings with a Deconstruction Advisory Group, which is made up of a variety of stakeholders even including from King County. A key role was to refine recommendations that would increase deconstruction opportunities in Portland.

A deconstruction grant program provides resources and a financial incentive to help promote deconstruction, build capacity within the industry and encourage efficiencies and innovation. There have been 8 grants approved to date for a total of about \$25k, which is half the funding that was originally allotted. An additional request is submitted to DEQ to add funding for more grant opportunities.

BPS is next bringing a resolution to Council to consider a requirement that single-dwelling units would be required to deconstruct if (1) built 1916 or before or (2) if the structure is designated a historic resource.

Of the 340 demo permits in 2013, only about 30 were fully deconstructed. With the proposed demolition requirements, we're looking at going from just one-tenth to homes to one-third of them being deconstructed. Older homes are rich in wood and salvageable wood.

The reference map shows homes built before 1916. We see a concentration in inner NE and SE. If you overlay where the most demo activity is, it is a very similar map.

To lift the initiative, a key piece is training and certification to ensure we know that firms are certified to offer deconstruction services. There is workforce training piece. Oregon Tradewomen, Inc is a good example of an organization that has capacity and interest in working with the City for training and partnership.

Also, the markets for materials will grow, and we looked at how much more we (the market) can handle. The 1916 date volume seems appropriate based on input from Habitat and Rebuilding Center. There is a high demand from furniture makers, restaurants, etc who currently can't keep lumber in stock, so deconstruction will help with this high demand.

We are also working on having tools for people to have about deconstruction, and we are working on a free deconstruction calculator. It allows a contractor to plug in numbers about the demo materials, and it spits out a feasibility number and shows the benefits of deconstruction to make the importance more tangible.

Finally, deconstruction is something we may have lost track of recently. It was likely much more prevalent in the early 1900s to reuse materials from homes. What is new is that the requirement would reflect Portland's green building values. It is the first step in green building; not building new, but using what was originally used.

## Discussion

*Commissioner Smith* commented on an apartment he had lived in that used deconstructed material. He asked a question about greenhouse gas (GHG) impacts: in the CAP, recycling construction waste has helped us reduce GHG emissions.

- There would be an even greater benefit with requiring demolitions. Reuse is better than recycling in terms of energy recovery.

*Commissioner Houck* asked about the incremental additional costs: if product is in high demand, does the money go back to people who have deconstructed?

- If contractor give a \$16000 bid, that includes if they can sell materials to off-set costs. For non-profit firms, there is often tax benefit for the organizations. There is varying degree of value in the materials, so it depends on the product.

*Commissioner St Martin* asked why a designated historic resource is important versus just the date.

- If a building is on the historic register, it doesn't matter how old it is. Also, it can be a landmark, contributing structure in a historic district, or a ranked structure on the Historic Resources Inventory.

*Commissioner Spevak's* company, Orange Splot, is a recipient of a grant. Would this apply to structures other than the primary dwelling?

- We are not including accessory structures for now to help in creating a simple definition of the demo requirement. The more we were to expand what we want to include, it would mean additional properties would have to be deconstructed. We can look at expanding when we review the regulations in the future.

Have you looked at further adjusting tipping fees?

- Metro noted this wasn't feasible. There is a de-facto increase due to inability to recycle waste wood, so this cost would be passed on to those doing the demo work.

In terms of capacity, is it really just two firms?

- There are two firms (the non-profit Deconstruction Services and for-profit Lovet) that focus specifically. Habitat has a deconstruction arm, but that is limited at this point. They are interested and could ramp up their work and bring in subcontractors. Demo contractors are supportive because this proposal levels the playing field in terms of costs compared to deconstruction. There are a number of excavation companies that we're also interested in working with and increase competition.

*Commissioner Larsell* asked about the advisory group and the resolution. What were the areas that were big discussion or potential points of contention for the group?

- They endorsed the resolution. Time was a topic of discussion, as was cost. On the reverse side, people from the neighborhoods thought we weren't going far or fast enough. We also discussed

affordability of homes being built. We acknowledge the cost, and there are benefits that may (or may not) outweigh them.

*Commissioner St Martin* asked about the 1916 date. What about the 1920s homes?

- We had gradations by decade to review. There was debate about whether we say “1916” or “100 years or older.” Going to 1920 raises the amount of potential deconstructions to 38 percent, which is a big lift, and we want to be successful; this is an attempt at a “bold but balanced” approach.

Susan: We are taking a resolution, not code, to Council at this point. This is an introduction to Council that then gives them an opportunity to direct staff to create the code. So there is definitely time for further discussion about the details.

*Commissioner Bachrach* asked how certification and training will that be funded, regulated, etc.

- We are covering this with existing staff. Certification and training would happen in the community. We would be a partner at the table to oversee it, but we’d rely on the industry to do that. We have a meeting with trade organizations and colleges next week to talk about how we’re meeting the need.
- Also the solid waste enforcement arm is internal to BPS so we can acknowledge that we have confidence in the firms doing the deconstruction work.

The resolution is to require fully deconstructed structures. What is the difference between fully and partially?

- There is partial and full deconstruction. Partial is non-structural and pulls out easy-to-harvest items. Full includes the framing, where there is a lot of old growth that we want to see saved.

Susan: Shawn’s position is covered by Solid Waste Management Fund. Construction demo waste is an area we’re still having a hard time doing. Regulatory work is also done by BPS’ Solid Waste group, not BDS enforcement.

*Chair Schultz*: Has there been consideration for time required to wait after a home is taken off the HRI since that is a fairly easy process?

- We have not yet discussed this. There is an automatic waiting period of 120 days to be removed from the HRI. We are hoping removing one’s house from the HRI won’t be as easy in the future.

Why are we not looking at historic commercial buildings?

- We have a better grasp for what’s in the house and the demand for that. Commercial is much less homogenous in terms of what materials are used, and we don’t have a simple first step to review all the materials as we do for single-dwelling units. We can look at this in the future.

Overall, this is a great thing to move forward and encourage industry. Is it a bit inequitable to homeowners though? We need to be sure to make it clear about the date and clear communications is vital for homeowners.

- Staff is well aware of this and will work to relay all the information clearly.

*Commissioner Tallmadge*: Was there discussion about exemptions or waivers for permanently affordable housing?

- Ultimately the ordinance will further define exemptions, which we will review. Benefits of deconstruction could be applied to homes that will be affordable, too. We know PCRI has done deconstruction and done it well, but we will look at the considerations.

## Portland Streetcar Ridership and Development Study

Briefing: Dan Bower, Portland Streetcar Inc

### Presentation

*Commissioner Smith* introduced the TSP and noted streetcar questions the PSC discussed at previous meetings. Streetcar has done two recent studies: a ridership study in conjunction with TriMet and an economic development study that calculates the value of the streetcar. *Commissioner Smith* introduced Dan Bower.

The Portland streetcar was laid out in 1988 and has been extended 6 different times. We have a major change this year: the logo! Dan provided an overview of the service and routes. The streetcar has about 12-15,000 riders/day, which is about what the Yellow Line carries daily. Since 1998, streetcar has grown significantly. We now have 7 partners throughout North America. 8 more systems are being built and opening in the next 2-3 years.

Our goal for on-time performance is 80 percent. The B loop gets stuck in traffic, but we are over the 80 percent goal on average. Peak ridership begins about 11 a.m. and goes until about 6 p.m.

Most stats are directly representative of people who live within a half-mile mile of the streetcar. 96 percent of riders board by walking to the streetcar (virtually no park-and-ride or transfers). 80 percent complete trip on streetcar. 38 percent of riders come from households without a car.

*Commissioner Smith*: The PSC's target is for 30 percent of housing in Central City to be affordable, and these are all potentially streetcar riders.

*Commissioner St Martin*: What was the sample size for the survey?

- 5000 initially.

Slide 12 provides an overview of the Portland Streetcar Structure. This includes a master agreement between TriMet, the City of Portland and Portland Streetcar, Inc. The funding proportions have changed over time depending on where the lines have been in the process; initially with a development focus, TriMet and City shared their costs; now that we're in an access/mobility focused stage, TriMet is paying more for the NS operations while there is still a fairly balanced split for the A/B loop.

There is lots of housing expected on the streetcar loop. We also know that economic development is occurring and we need to figure out how to measure it. There is \$4.5B of real market value that has been developed through the streetcar lines since 1998. We need the right types of investments in the right places, so we're asking how streetcar can help shape the city and how we get density where we want it.

Is streetcar able to provide enough value? This is the question EcoNorthwest study looked at. The model explains 89 percent of the variance in condo prices from 1998 to 2014 with the numerous variables included in the price.

In terms of sale price, a large impact at the announcement of streetcar for units within a quarter-mile of the line (37 percent premium). With light-rail, there is negative impact to be on the line instead of close by it.

In terms of floor-area-ratio (FAR), people on the streetcar line are taking advantage to build dense, using 80 percent or more of their allotted FAR. The streetcar corridor accounts for almost 33 percent of jobs within city (2013).

Ridership on the eastside isn't occurring yet because those projects are just now getting built. There will be more opportunities to look at the eastside once that has been up and built out.

Before 2002 the City earned \$0 from on-street parking meter revenue from land north of Burnside. Since 2003, the City has earned \$62 million in on-street parking meter revenue from the same land.

Next up:

- Operations:
  - Additional vehicle procurement (purchasing used cars from Seattle)
  - Station Consolidation to speed up operations
  - Evaluation of alternatives for NE Broadway and NE Grand at freeway on-ramps
  - New turnback from NE Grand to NE Weidler
  - Improved scheduling
- Planning:
  - Update of assumptions for 2009 Streetcar Concept Plan
  - Provide certainty to property owners and planners
  - Value capture opportunities
  - Consistency with Comprehensive Plan
  - Roadmap to doubling streetcar ridership for under \$250 million finalized by fall 2016
  - Projects to be included in update of 2018 Regional Transportation Plan (RTP)

## Discussion

*Commissioner Smith* commented on the study that PSI is launching. The PSC's recommendation for the Comp Plan was for PBOT to do an inner ring study about where transit should be. How do these studies fit together?

- PSI is charged with advancing streetcar, so we are looking at where the next line should be. Of course it needs to be done in a place that makes sense and complement existing City efforts. We want to be clear where the next streetcar line can make the most sense for the City and our investments.

You talked about streetcar versus light-rail. We don't get station development for streetcar, but we get corridor development. For the Portland Action Plan for Powell-Division, we provided the message that it's not sufficient to just build transit; we need to ensure affordable housing and small business economic development is included. We'll want to hear about that from a streetcar corridor perspective as well. The model has to get more pro-active about the equity question.

- The opportunity for value capture is there, and how we decide to use it is a policy question.

*Commissioner Spevak*: Early on, there was Local Improvement District (LID) financing. Has that continued on? Also about affordable housing, was land purchased at prices before the line announcements?

- Streetcar has used LIDs, which would be a one-time tax to help pay for some of the capital (some, but not all, and not for operations). Something more long-term and like TIFs need to be weighed.
- In terms of affordable housing, lots in the Pearl and SoWa is about development deals. We have not yet purchased land. PDC owns lots of the land.

*Commissioner Oxman* talked commented on Dan's noting station closings that will affect speed and safety concerns. How does closing stations affect safety?

- 10<sup>th</sup> and Stark, the station is mid-block, is a good example. 10<sup>th</sup> turns a bit north here, and there are car lanes that we need to maneuver around. Same with SW 1<sup>st</sup> and Harrison and people getting onto Naito. So we're looking to remove those stations entirely.
- Last year we had a 36 percent reduction in crashes.

*Commissioner Tallmadge* commented on affordable housing, particularly if there is a rough concept map. How is the City working to bank land there? This is like any TOD and any market that is deemed "hot". Given speculation and increased property value, this is something we need to see.

*Commissioner Baugh* likes the economic study that shows what the value around the streetcar is. How can we capture that value relative to addressing affordability issues and housing as well as businesses? Ensure that these are options to preserve housing for people who are there already while increasing value. Also, can we get a copy of the study?

- There are several infographics, a methodology report that we can share.

## **Task 5 – Campus Institutions Zoning Update Project**

Work Session / Recommendation: Tom Armstrong, John Cole, Peter Hurley (PBOT)

### Presentation

John provided a review of the past PSC meetings and identified Zoning Code issues.

The first item is the **Expiration of Existing Master Plans**.

There are five institutions that would be cut short by the 2020 expiration date.

- PCC Cascades in 2021 (IMP)
- Providence Medical Center in 2022 (CUMP)
- University of Portland in 2023 (CUMP)
- Legacy Emanuel in 2024 (IMP)
- Multnomah University in 2025 (small)

Representatives from Providence asked for a longer expiration date plus the option of extending or renewing the CUMP for another 10 years, which could take them out to 2033.

Staff chose 2020 because we wanted to simplify the number of processes available to regulate campus institutions. Staff is confident that development use standards meet the hospital and college needs, and we've tried to ensure proposed development standards do this. PBOT has an interest in meeting some of their mode-split standards and are hoping to use the transition from CUMPs to base zones as an opportunity to review TDM programs that institutions operate under.

Given some of the concerns we've heard and City staff recommendations, PSC can either:

1. Affirm the proposed 2020 expiration date.
2. Amend code to provide for later expiration date in 2023, which extends past the expiration date for Providence and UP who provided testimony.

*Commissioner Smith* noted a call from PBOT that they are concerned about letting the date slide out because that delays the point at which they can work on their mode-split goals. We short-cut the process if we go with the later date.

*Commissioner Houck* asked if we go to 2023, what's the rationale for not going to 2025? I like the case for leaving it as 2020.

- Impact mitigation plans don't necessarily have a strict cut-off date.

*Commissioner St Martin* noted the time spent on plans that institutions gave. Maybe there is opportunity for a "trade"?

*Commissioner Bachrach* is supportive of giving the extra time. Lots of work goes into getting a master plan approved, and I think the institutions are entitled to get the full benefits of the approvals they got. Also, can the City legally take an approval and retroactively affect its expiration date?

- Staff spoke with City Attorney about the expiration date, and their initial response is that it is a fact-based determination, not a universal response.

*Commissioner Baugh*: If you cut off the plans at 2020, do they have to make changes right then? I am supportive of the 2020 date.

- Yes, the way the code is structured that December 31, 2020 the CUMP and IMP would expire, and the institutions would be CI Zoned and operating under those base zone regulations.
- On January 1, 2021, the new requirements only kick in when they want to build a new building.

*Commissioner Oxman:* Are you aware of if they have major projects in the 2020-23 timeframe?

- Not specifically.

*Commissioner Spevak:* An institution can opt out at any point before the date we set, right?

- Yes, when the Zoning Code becomes effective, any institution can jump out of its current CUMP to use the base zone requirement.

*Chair Schultz* supports the 2023 timeline. Projects in the 2020-23 timeframe are likely small enough to not have significant impact.

Peter provided an overview about 2020. Institutions do have traffic and parking implications for areas around them. TDM requirements and plans are not up to modern standards generally. The staff conversation was that we think it's appropriate to have conversations with institutions whose plans expire after 2020 and if there is an opportunity for phasing over the next years. This could be direction from the PSC... to staff to work with the institutions and neighborhoods to build on strengths of existing plans while phasing an updated TDM over that time. This could work well.

*Chair Schultz:* Has there been outreach to institutions about this? There is likely concern and they want to keep their expiration dates.

- Staff is meeting with institutions next week to discuss. Until there is something more specific, we might not have a set plan.

If the PSC doesn't support this piece, does this hold up the entire package?

- We would bring the revised package back based on the work we do and what gets sorted out through the TSP hearings too, which will get into the details of what it means to be a TDM plan. We have time because the package doesn't go to Council until late summer, so the PSC can certainly wait on this piece before making a recommendation.

*Commissioner Smith* appreciates this logic. But we heard testimony and neither neighborhoods nor institutions were happy with the initial proposal. In tonight's discussion points, I don't see much that will make neighborhoods happier, but many of the items will make the institutions happier. I want to be sure both sets of stakeholders feel better after tonight.

- We have a balance of neighborhood support and opposition. Same with the number of institutions.

*Commissioner Baugh* moved to wait on making a recommendation while staff engages the institutions and PBOT has further plans and dialogue.

*Commissioner Bachrach* noted there is nothing preventing PBOT to having the conversations. But this puts the institutions in an unfair situation, and we should make a decision tonight to provide certainty.

*Commissioner St Martin* asked about the plans for Providence and University of Portland.

- There are good aspects to their plans, and there are components that don't address standards that a current plan would require. We would like to have the conversation with institutions about how we reasonably phase in the current best practices and standards. Both have done a good job in looking to the future, so I'm optimistic about working with them to come up with a plan to address the need for better plans over time and the impacts to neighborhoods.

Neighborhood concerns are generally about larger process issues. As institutions have said, they have reach agreements over the CUMP package that includes the TDM program. Neighborhoods are more concerned about base zones in general, now how TDMs play out over time.

## **TDM Requirements**

Title 33 just establishes the requirement for institutions to conduct a TDM. The language staff proposes for the transportation impact reviews is substantially the same as current.

There was concern raised about the nature of the TDM and uncertainly. The PSC can recommend the new chapter, 33.150, because we will work out what it means to be a TDM plan during the TSP discussions. Those discussions will better define, but we can close the book on Chapter 150.

*Commissioner Smith:* We've adopted aggressive vehicle miles traveled (VMT) goals, and we have a new transportation hierarchy. We will see TSP language that has aggressive mode-split numbers included. So this language connects us to the TSP.

We have meetings through February with institutions to discuss what having a state-of-the-art TDM plan means.

*Commissioner Baugh* noted the TSP still needs to be resolved, and there is uncertainly for the institutions, until the 2023 date regardless. The TSP is the focus point, which can still be influenced with input.

- As part of the TSP, we set how high the bar is. The difference is when the institutions have to jump over the bar.

[PSC members confirmed that having direction to create a TDM in 33.150 is appropriate and that the details about TDM requirements will be in the TSP, not the chapter itself.](#)

## **Non-conforming Uses**

Concern from institutions is about in the transition to Campus Zones, some uses on campuses or development would become non-conforming.

Non-conforming use sections can apply to campuses and adequately protect their interests. Staff doesn't think there is a use on a campus that would become non-conforming that would get caught up in the proposed Campus Zones.

*Commissioner Bachrach* asked: if there is housing today on the campus that isn't for students or patients, it would become non-conforming?

- We are not aware of any situation like this. Housing on campuses is typically for students and faculty, and on hospital campuses, there isn't residential development that isn't for staff or visiting families.

*Commissioner Smith* noted a concern from the community in the Comp Plan institutional designation from some property owners.

- When an institution applies for a CUMP, they need to control all property in the boundary that is set. An IMR allows the institution to fold into their IMP boundary properties they don't own but that they are interested in acquiring; they can't control or rezone until they own. We did notify all property owners in these instances, and when we heard back from property owners who wanted out, we honored their requests.

[The PSC provided support for adopting the non-conforming use language provided by staff.](#)

## **Request to Remove 3 Lots from Legacy Emanuel Campus**

NNEBA asked for 3 lots at the SE Legacy Emanuel campus be removed as part of a larger negotiated approach to identify these sites for more community-based activities and educational or small business opportunities. Based on history of this campus, we want to give this request air time. We have passed on their letter to Legacy Emanuel administration. NNEBA has forwarded this testimony to Council as well. Staff thinks Council can take the lead in any sort of discussion between the City and Legacy for this.

*Commissioner Oxman* asked if these lots have been controversial since 1969.

- Yes, and they are still vacant.
- We received other testimony from PAALF and the Eliot NA about what the Comp Plan designation should be on these vacant lots. We will bring forward a zoning map proposal based on what Council ends up for the Comp Plan map.

*Commissioner Smith* wonders if the PSC wants to endorse this testimony from the community (contrary to the PSC's initial recommendation).

Susan suggested she could informally share the testimony with Council in lieu of a PSC letter. [Susan will share the PSC's general interest in Council pursuing a community use for the three lots in question.](#)

*Commissioner Tallmadge* commented on "similar" testimony. What did other organizations say?

- Staff needs to compile these letters to summarize for PSC members.

If this were zoned mixed-use, could it be all affordable housing placed on the property?

- Yes. But it could all be medical center use, too. The main difference would be building height allotment.

*Commissioner Larsell* asked if this means the lots wouldn't be included in the Institutional Zone.

- Yes, this is the request. They are currently vacant lots.

If Emanuel sells the property, have they suggested what they'd like to sell the properties for/to?

- We haven't seen specific development proposals from Legacy Emanuel or from neighbors. Conceptual from both sides at this time.

#### **Request to add "Residential" to Permitted Uses List**

We received testimony about whether or not to add residential uses to the allowed category on the primary use table. Currently institutions can build residential dorms and housing that is accessory to their primary mission. Adding a residential use as an allowed use allows institutions to do more speculative housing (e.g. affordable or market rate housing; assisted living facilities). This isn't necessarily something the institutions that are looking to do, but staff wanted to take what little institution land we have and make sure it is primary focus for those uses. We heard concerns from NA reps that allowing residential development could result in free market apartments adjacent to their NAs. It would entail a different transportation pattern, car ownership, etc. This would have to be included in the TDM plan, but there would be larger impacts to the surrounding area.

*Commissioner Smith* noted this is like commercial land being converted to commercial. I favor keeping the proposed code. *Commissioner Houck*: ditto.

[PSC members confirmed the Proposed Code \(no independent residential uses allowed\).](#)

#### **Small Scale Energy Production Allowance**

This was an item of testimony. If PSC wants to amend the code, we could eliminate the clause from C11 zones. But this was part of the "green package" from RICAP 5 that was approved in 2010. When you think about it, 10 tons of biological material isn't significant. Removing this precludes campuses from exploring small scale energy production ideas. Staff recommends that the language stay the same as originally proposed.

[PSC members confirmed the staff's proposed language.](#)

#### **Good Neighbor Agreements (GNAs)**

NAs are requesting these. Staff has reviewed this a number of times and has had conversations with City Attorney. Aware that valuable communication takes place between campuses and NAs, but by definition, the City isn't a party to this and we don't have an enforcement role. So we don't want to

make a zoning decision on a third party agreement. Staff recommends no GNA requirement in the code.

*Commissioner Tallmadge* asked about where the testimony came from regarding the requirement.

- We received support from at least 2 NAs. Comments from institutions that have them say GNAs have been helpful in improving lines of communication. There is value with the agreements, but again, these are developed outside of a zoning code requirement.

*Commissioner Smith* thinks the current proposal underestimates the City's role as a convener. I support adding a GNA requirement to section 33.150.050, Neighborhood Contact and Outreach. *Commissioner Baugh* is also supportive of this.

*Commissioner Bachrach* asked if there are any institutions that have balked at GNAs.

- Campuses that were active in the project all have a GNA. But there were non-active participants that may not be supportive.

It would be a lot of pressure on the institutions to require a GNA.

*Commissioner Larsell*: You could get into situations where a GNA couldn't be agreed on, but they could get "credit" for working at it.

- The issue with including a GNA as a code requirements is that BDS needs a clear and objective standard to review.

We already have a requirement for a meeting, but a GNA implies further commitment and cooperation.

- *Commissioner Smith*: We could express this as an aspiration as the added 33.150.050 states.
- *Chair Schultz*: The goal is to meet to form a GNA. The requirement is to meet.
- *Commissioner Baugh*: "Good Faith" doesn't mean an agreement or you've talked. It just means you've reached out. I'm not worried about meeting the Good Faith standard.

*Commissioner Tallmadge* noted if a campus wants to develop free or subsidized housing, conceivably a NA could oppose that. If it required more than an effort, the NA could hold this up in negotiations.

GNAs to date have typically been used by institutions reaching out to the NA to talk about growing and advancing their missions, gain NA support before coming for City permits.

*Commissioner Spevak* noted the trigger becomes once you're meeting and to note that this would give the community more buy-in than they have right now in terms of review process.

*Commissioner Smith*: What's the proposed timing for how often they have to meet?

- Once per year.

PSC's proposal: The Good Neighbor requirement is for institutions to meet with Neighborhood Associations with a goal to create a Good Neighbor Agreement. There is no City enforcement role in the GNA process.

### **Continued Discussion about CUMP Expirations**

*Commissioner Spevak* noted the adoption date of 2012 and 2013 for some of the CUMPs, which is really recent. Perhaps if these weren't done well, I'd see the rationale behind the sooner 2020 expiration.

PSC supports amending the code to provide for later expiration date of 2023.

*Commissioner Smith* asked about in the Comp Plan where we applied a CI zone to high schools as well as institutions here. But at this point, high schools are not included in this zoning proposal.

- Correct. On the Comp Plan Map, high schools show as institutions with this new plan. But high schools are actually listed as prohibited uses in CI1 and CI2 zones in this proposal. We quickly realized the amount of outreach, zoning standards would be different from a college or

hospital. So in the future, we may look at an additional project to create a C13 zone, but as of now they will retain their underlying zones.

*Commissioner Smith* commented that through the Comp Plan implementation process he's looked at issues from the neighborhood and other equity issues. In this process, the CUMP give-and-take gives neighborhoods more ability to influence their outcomes, which gets us better outcomes, than what a one-size-fits-all approach will do.

#### **Recommendation**

- Amend Title 33: Planning and Zoning as shown in Proposed Draft Report (as amended tonight)
- Adopt the November Proposed Draft Report as further findings and legislative intent.
- Direct staff to refine code text as necessary.

*Map changes to be confirmed or amended at the public hearing on the citywide Zoning Map Update tentatively scheduled for May 24, 2016.*

*Commissioner Baugh* moved. *Commissioner Houck* seconded.

*Commissioner Bachrach* has heard the testimony and is comfortable moving forward.

#### **The motion passed.**

(Y9 – Bachrach, Baugh, Houck, Larsell, Oxman, Schultz, Spevak, St Martin, Tallmadge; N1 – Smith)

#### **Adjourn**

*Chair Schultz* adjourned the meeting at 7:51 p.m.

Submitted by Julie Ocken, PSC Coordinator



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**Portland Planning and Sustainability Commission**  
December 15, 2015  
5:00 – 8:15 p.m.  
1900 SW 4<sup>th</sup> Ave, Suite 2500A  
Portland, OR 97201

**AGENDA**

- 5:00 PM Call to Order**  
**Items of Interest from Commissioners**  
**Director's Report**
- 5:05 PM R/W #7790, SE Grand Ave \*\***  
Hearing / Recommendation
- 5:20 PM R/W #8030, SE Harrison St east of SE 3<sup>rd</sup> Ave \*\***  
Hearing / Recommendation
- 6:20 PM Task 5 – Campus Institutions Zoning Project \*\***  
Hearing
- 8:15 PM Adjourn**

\*\* Public testimony will be taken for this agenda item. Testimony is limited to 2 minutes per person maximum and may be changed at the Chair's discretion based on number of testifiers. Testimony sign-up will be available beginning at 4:30 p.m.

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**Ord. 188177, Vol. 2.4, page 11499**

## Portland Planning and Sustainability Commission

Tuesday, December 15, 2015

5:00 p.m.

### Meeting Minutes

**Commissioners Present:** Jeff Bachrach, André Baugh, Mike Houck, Michelle Rudd (left at 7:25 p.m.), Katherine Schultz, Howard Shapiro (left at 7:25 p.m.), Chris Smith, Teresa St Martin, Maggie Tallmadge

**Commissioners Absent:** Gary Oxman, [1 open position]

**City Staff Presenting:** Joe Zehnder, John Cole, Tom Armstrong, Karl Arruda (PBOT), Dee Walker (PBOT), Bob Keita (OMF)

*Chair Baugh* called the meeting to order at 5:03 p.m. and gave an overview of the agenda.

### Items of Interest from Commissioners

- *Commissioner Houck* recognized Terry Moore, who formerly served as staff to the Planning Commission, and is being honored at this time, posthumously by Washington County at the 17th Annual Harold M. Haynes Citizen Involvement Award honoring outstanding leadership in engaging community members in civic affairs. On a personal note, I testified before the PC on many occasions, and Terry would actually contact me and make suggestions after meetings about how I could present myself before the commission better, and I could call her and ask her for advice about upcoming agendas. He handed out a description of her service in Portland and the region, including having served on Metro Council.
- *Commissioner St Martin* noted the Advisory Committee for the infill residential project is going strong. There is a big charrette being planned for January.
- *Chair Baugh* thanked *Commissioner Shapiro* for his great service on the PSC – tonight is his last meeting. He has been a great mentor for the Commission and the City. He has a common-sense approach to some of the complex issues we see at the Commission, and he has helped make us feel and look into the future about how we think about our work and the effect on the citizens of the future.
  - *Commissioner Shapiro* noted that public service is a real honor. We are working on developing and planning for the common good, for the present and the future. It has been a joy working with the Commission.
  - Joe thanked *Commissioner Shapiro* for all the work he's done with and for the bureau, particularly for his work on the CIC.

### Director's Report

Joe Zehnder

- Follow-up from Lombard St vacation and PSC's interest in including a tree mitigation plan in the recommendation: Tree mitigation plans are reviewed during the permitting process. This project will trigger a PBOT public works project for street improvements and also a building permit. Once this happens, Urban Forestry Commission will review the project and provide detailed comments on tree planting requirements and any proposed tree mitigation.
- This is the last meeting for the PSC for the year. Happy holidays. The first meeting of 2016 will be on January 12.

## Documents and Presentations for today's meeting

### Written testimony submitted for today's projects

#### **R/W #7790, SE Grand Ave**

Hearing / Recommendation: Karl Arruda

Karl provided background about the street vacation on SE Grand Ave between Tacoma St and Spokane St, right next to the Sellwood Bridge. It was initiated by the adjacent property owner. This piece of Grand is 80 feet wide. Based on discussions with City staff in 2014, PBOT asked the petitioner to include a retaining wall along SE Grand and to make sure it excluded the BES stormwater facility next to the wall. We also asked her to modify the proposal to make sure it avoids the newly-constructed bike/pedestrian ramps on Tacoma to connect the new Sellwood Bridge ROW to Grand. The current vacation proposal meets all these requests.

*Commissioner Smith* asked if the final state of the bike/pedestrian bridge to the bridge is what we have on the ground now.

- Yes, staff reviewed and confirmed the bridge's final plans and these are the ramps.

*Chair Baugh*: Parking on the street remains?

- This may not be officially-authorized street parking. It won't be affected by the street vacation, but this may change based on a PBOT review.

#### **Testimony**

1. Peter Finley Fry: The street is fully improved with a sidewalk on the west side. There are remnant properties on Tacoma based on the construction of the Sellwood Bridge. Thank you to PBOT right-of-way (ROW) staff and various jurisdictions for their cooperation on this request. The City doesn't want to maintain this strip, so on the north side of Tacoma, we're trying to get scrap pieces to add to the property and redevelop. It seems so small, but it's been a complicated process.

#### **Discussion**

*Commissioner Houck* noted the only opposition was from the SMILE neighborhood that asked if we could wait to see what happens in the future.

- SMILE actually has revised their position, and the board voted not to oppose the vacation request.
- They have been partners with the County in this project, so we've been sensitive to the neighborhood.

*Commissioner Smith* noted testimony from Michael Hayes and his comment about the possibility for better bike/pedestrian connections on the other side of the bridge.

There was no discussion about potentially asking for a sidewalk on the east side of the street during conversations. This would require tearing up the retaining wall, so there would be no requirement for a sidewalk on that side of the street.

*Chair Baugh* closed testimony.

#### **Motion**

*Commissioner Bachrach* moved to approve R/W #7790 as stated in the staff report. *Commissioner Houck* seconded.

(Y9 – Bachrach, Baugh, Houck, Rudd, Schultz, Shapiro, Smith, St Martin, Tallmadge)

## **R/W #8030, SE Harrison St east of SE 3rd Ave**

Hearing / Recommendation: Karl Arruda, Bob Keita

This street vacation request was initiated by OMF, who owns the property just north of this vacation request. It's unpaved and dead-ends at MLK Blvd. BES notified PBOT that they would want an easement to protect several storm pipes and facilities on the eastern edge where the property abuts MLK. PGE asked for an easement for powerlines that clip a piece of Harrison St in that area. PBOT engineering asked to close off the street so if the vacation was approved, there would need to be a sidewalk corridor to close of SE Harrison St. The walkway is just outside of this area and is not affected by the vacation. OMF is pursuing this with development plans in mind. If their development plans don't pan out, they would still want to pursue this property to add to the current property.

*Commissioner Rudd* noted the letter from the neighboring property owner about access concerns. Also I wanted to check about parking and the Comp Plan policies about preserving parking.

- In terms of access, the vacation does not border the property with this in question. When we look at developing the property, we will be sure to maintain the access that's necessary for the property. The City will create buffers but we don't do easements on our own properties.
- We have talked about the parking issue, and it's possible to restripe a portion of 3rd Ave to provide more parking here.
- We could grant an easement to the abutting property owner, but we'd want it to be very restrictive so the City doesn't lose too much of our own property interest. If we lose 10 feet, that would hurt our development. We'd have a sunset clause if the building were ever demolished.

*Commissioner Smith:* My understanding is that this property has been designated as a possible relocation site for R2D2.

- Yes, we're working on this but don't have formal agreements in place. There is a level of improvement needed to accommodate this use. There will be some built structures like restrooms and showers for sanitation purposes for a camp-ground.

*Chair Baugh* asked about the access for the adjacent neighbor's delivery trucks. How much will be required for trucks to get into his property?

- The access is for the entrance door and pathways for emergency access. It is just for pedestrian and emergency exit access.

*Commissioner Schultz* noted there are hazardous materials being brought to and going from the adjacent property. If we're only providing pedestrian access, does the Fire Bureau have concerns?

- They have not required any special access to the property. Restricted access is something we can work on to meet fire/life safety for both the building and residents of the site.

Joe noted that in our research about permitting we found that the egress requirement is for the emergency door. Also, as a reminder, the PSC is looking at the vacation as shown. There is an adjacent City-owned property. The other issues are important, but the heart of the matter is the street vacation.

*Commissioners Schultz* asked about truck access and if they use Harrison to get chemicals into the building today. If they do, when we cut this off, how would they deliver?

- They use the proposed vacation site to access the building and deliver the chemicals in a liquid state via a hose. If vacated, they'll have to have access on the other side of the building and will have to buy the chemicals in crystal form instead of liquid form, then transport these in drums across the warehouse.

Commissioner Shapiro asked about the chemical fumes.

- We don't have this information directly. Air quality has been tested, and it's been ok'd. But inside the plant on a walk-through was difficult for staff to breathe.
- We did air quality testing, and it came in that people would be safe in a residential setting.
- The company does have required permitting from DEQ.

## Testimony

1. Susan Keil, OMSI: OMSI's priorities are to provide a safe, vibrant and engaging place for our visitors. WE have met with the Mayor to consider the transitional camp proposal, and we oppose this proposal and the vacation because they are counter-productive. There has been disregard for transparency in this process. The camp will negatively affect public safety, particularly the closure of SE Harrison next to East Side Plating because Harrison is their emergency route. *See written comments.*
  - a. Commissioner Smith: I frequently bike the Springwater Corridor. It seems like activities of homeless individuals is different than in developed camps. Also, there is heavy rail between the site and OMSI, so would the camp really impact OMSI?
  - b. My understanding is R2D2 wants this full property and an additional sliver. We've seen more homeless camping in the area, and based on what we have seen already, it is not beneficial to OMSI.
2. PJ D'Amico, The Buck Foundation: Denver resident. We're zoning humans outside of existence through the country. What you have done in Portland is to create a dignified pathway for existence. Egress questions are important, but citizens are more than important. We are looking at the work Portland has done to create a place for our indigent communities.
3. Tricia Reed: Member of R2D2 and Right to Survive. If we can't go to this location, I don't know where we can go. We have to vacate our current property in less than 9 months, and we are running out of critical time.
  - a. Commissioner Smith asked about how R2D2 feels about being next to the commercial chemical business.
  - b. We were initially concerned, but we have seen the reports and are confident with them.
4. Leo Rhodes: One of the first owners of R2D2 and homeless advocate. Since we started, 295 people have gotten housing; many social services provided for homeless people. I am a success story from R2D2, which they say can't happen to homeless people. There are lots of people out there right now.
5. Peter Finley Fry: Vice Chair of CEIC land use committee. The issue before the PSC is the City's release of public ROW. Why do we need to do this now? By moving R2D2 here, City Council wants to implement something not allowed in industrial zoning. The ROW can't legally be vacated for this illegal use.
6. Debbie Kitchin, CEIC: We participated for over 2 years with an Advisory Committee for the SE Quadrant Plan. A key objective was to retain the industrial sanctuary and rights of industrial businesses in the Central Eastside (CES). East Side Plating is working to make improvements and keep in business. The property being vacated should be used for an employment use only. *See written comments.*
7. Kat Schon: Business owner in the CES. The bigger picture is that I think it's ridiculous to try to provide housing here. There are many other more humane living environments instead of putting them in an industrial area.

8. Ibrahim Mubarak: Founder of Right to Survive and R2D2. Homeless advocate. I'm appalled by the lack of interest of citizens about houseless people. Where do we go? Where can we go to be productive again? We have had many successes at R2D2. *See written testimony*, which is the code of conduct for R2D2 members.
9. Keiki Alexandra: Documentary filmmaker and member of R2D2. What you don't see is people talking about what they've lost but they don't have a place to stay. Why wouldn't you give us the land to help others have a safe place to stay? People come to us for information and guidance. But when people say bad things about the houseless community, they don't see the day-to-day life. I don't see what the purpose of not giving the land to R2D2 is. I do want to see proof that the land is safe though.
  - a. *Commissioner Schultz* thanked Keiki for the comments about houselessness. I am concerned that we are proposing putting residential area near a hazardous industrial building.
    - i. You have workers in the building and a school nearby. That concern should be addressed for the full community, not just for the houseless community.
  - b. *Commissioner Tallmadge* asked that part of the benefit of R2D2 where it is now is access to social services. I'm concerned if there are any located in CES. Would this move hinder access to services?
    - i. Each time we looked at land close to social services, it got sold. This is the closest property to services we have found. It's close to transit too.
  - c. *Chair Baugh*: Do you enter into Good Neighbor Agreements so you and the surrounding neighbors can understand how you can work together if there are problems?
    - i. Yes.
10. Gary Rehnberg, East Side Plating: The biggest thing I do is care for 40 employees and their safety. We've been operating at this site for 70 years. All our facilities are in SE Portland. We support 600 different NW manufacturers. The first thing the permit from BDS says is that the south portion of the building is moving to an H4 permit, which requires a higher safety standard. The permit required a hazard level that is approved for life safety.
11. Jeremy Horn, East Side Plating: Technical director and engineer. Our processes use various types of chemicals. Process rinse-water is treated and shipped off-site for disposal.
12. Scott Hendricksen, East Side Plating: With chemical handling, we use a bulk delivery system via the Harrison St entrance. If we can't use this, we'd lose our tank and would have to switch our delivery method, which would require more frequent deliveries via drums and hand-moving by staff. We are a high-hazard H4 facility. If there were a fire or large chemical spill, we'd need to evacuate and isolate around the site up to 300 feet, depending on the type of chemical, so the vacation request would be included in that evacuation zone.

*Commissioner Tallmadge* asked about the wastewater treatment on-site.

- The wastewater treatment room is the lower side (bottom triangle) of the site. Everything gets pumped directly out of there.

*Commissioner Bachrach*: Are there agreements with ODOT to use SE Harrison? Our criteria for street vacations is narrow. Has the City talked to you about the potential for the R2D2 site? Assuming Council goes forward with R2D2 here, is there a way to configure that use and compromise to not totally interrupt your business?

- ODOT has noted if there is freeway put in, it will be elevated (e.g. in 2010 the viaduct). The only potential there is for stormwater management. ODOT assurances have all been verbal.
- Discussion about the R2D2 site has been first through a reporter. We've had nothing from the City about the use for the site.

- I'm concerned about protecting life and safety, not adding costs for my business and continue to serve customers while respecting the zoning system. So I'm opposed to the vacation and the use.

*Commissioner Shapiro* asked about reconfiguration of hoses and delivery of chemicals. Does that create a larger concern for exposure?

- There would be lots more hand transport within and around the facility. The connections and hoses that deliver currently are safe.

*Commissioner Smith:* My understanding is you want to deliver via the south side of the building. Can you create a piping system that would allow a vehicle on 3rd to get within 50 feet to deliver this way?

- We're looking at cutting through walls to make access-ways with these changes. It can be done, but physically doing it is a challenge.

*Commissioner Tallmadge* noted spillage is a concern. What's the likelihood of an explosion?

- We don't have flammable materials, but we have corrosive materials that can fume.

13. Tracy Finck, East Side Plating: Plant manager. Responsible for employees. I work with local emergency organizations to keep safe, and we regularly practice emergency plans. Our primary evacuation route is via the ROW location to the south of the facility. I worry about additional foot traffic around the facility.

14. Linda Crossen, East Side Plating: 43 year employee. I realize the homeless need a location, but the site by our building is not the right place for them to live. Safety is my main concern. I'm also worried about losing customers if they lose access to the building.

15. Michael Summers: R2D2. Homeless people need a place to get safe sleep and services, which is what Ibrahim envisioned. When I was working, I worked for a metal extrusion plant in the fabrication department with no respiratory or ill effects. The only thing I worry about for siting R2D2 here would be a spill or leak. Please give consideration to the move.

16. Benjamin Donlon: Visiting from Denver and works for a homeless advocacy group for decriminalization of homeless. The scope of today's meeting is about the street vacation, but I when the City bought the land from the State, I wonder why this was suggested as a viable location for a homeless camp. Please pass the street vacation under the suggestion that the siting of R2D2 is a further discussion.

*Chair Baugh* closed testimony.

## Discussion

*Commissioner Rudd* asked about the distinction between the land use process and this vacation process. There is the potential for an easement, but what about the hose that's crossing the property?

- A preliminary letter was issued by BDS saying a campsite can be sited here. But we have not yet applied for permit. If we want this for the site, we'll have to apply for development permits.
- The hose crossing the property can be a discussion as well.

*Commissioner Tallmadge:* Through development process is there any health criteria considered?

- We don't yet know what criteria would be involved. We did environmental testing (soil samples and known DEQ searches, issues) and it passed. In Phase 2 of the testing, there were minor issues in the topsoil that we can mitigate by capping the property.

*Commissioner Bachrach* asked about community services in an industrial zone.

- According to the use table, it's a conditional use. However, we need to check in with BDS about the current interpretation for a campground. This would be focused on adequacy of services and impact on adjacent businesses.

A Good Neighbor Agreement is being addressed in working with R2D2.

- *Chair Baugh*: The City, Portland Streetcar, adjacent property owner and surrounding neighborhood need to be involved.

*Commissioner Houck* doesn't necessarily agree that it's not in the PSC's purview over street vacations is limited to the "letter of the law." The PSC, during its initial retreat, made a conscious decision to be proactive and engage in advocacy. We have the ability to look more broadly at issues like this.

*Commissioner Tallmadge*: Based on the housing state of emergency, what effect does this have on siting R2D2?

- The ability to allow housing uses on City-owned property is a provision. Community service use is how R2D2 downtown is how it's been permitted.

*Commissioner Schultz*: The proposed vacation is currently being used on a regular basis to support a facility. Just because it's unimproved doesn't mean it's not being used for transportation purposes.

- It's not a through street or part of PBOT's transportation plan to use this piece for general transportation uses. Since there is other street access to the plating company, the vacation wouldn't rise to be an issue in this type of review.
- An issue with this site is that East Side Plating is not immediately adjacent to Harrison St. If the property was touching the street, the property owner could object to the City's proposal to vacate.

*Commissioner Rudd* noted Comp Plan policies about protecting property. There is a transportation function there for the City, even though it's not directly adjacent.

*Chair Baugh* asked about an egress for the truck delivery. If it hurts the business by vacating Harrison St, I have an issue with this. So I'm trying to think about how the City can ensure he has access without having to spend more money to do business in the same location. It's the truck component I'm concerned about.

- Regarding the easement, we'd work with the building owner to make sure he meets code and not have to do improvements to create the buffer. As we do site development with plans and permits, we will work with the adjacent owner to have as little impact on his site as possible.

*Joe*: In the conditional use criteria and land use table, it shows community service use in IG is conditional. In industrial lands, it cannot have significant adverse effects on truck and freight movement or alter the area. There is a whole separate process about the use of the land that will be judged on these policies. The street vacation criteria is about transportation purposes and parking.

*Commissioner St Martin* noted we have industrial land to protect, help local businesses grow and survive. On the other hand, we have a community that needs a place to live, but I have a concern about safety in this area. When people said we trust this will be a safe place, but if we have to cap some of the toxic land, that is questionable to me. Even to approve the vacation and then not have R2D2 move here, we've created a time sink.

#### **Motion**

*Commissioner Smith* has followed the R2D2 site and re-siting process. To the PSC's specific role, it's clear there has been an access and transportation function for this proposed vacation land. I move to approve the street vacation with the condition that the vacation provides access for liquid chemical deliveries at south end of the property. We should encourage City Council to have a full public process about the use of the land, discussion about life-safety issues and seek Good Neighbor. *Commissioner Houck* seconded.

*Commissioner Bachrach* agrees with the motion. If we're trying to influence City Council, we should focus our priorities. We should focus on the transportation piece since that might not be on the minds of Council. I'd like to amend to respect the transportation access this business has. Add a provision to provide compensation to the business if access is reconfigured and disrupted.

*Commissioner Tallmadge* would rather use compensation to house people over compensating the business.

*Commissioner Bachrach*: Housing is a community need, but to put an extra burden on a small business isn't fair.

*Commissioner Houck* agrees, but I'm not sure if putting the word compensation is what we're intending. But, we do want to address impacts on the adjacent business.

*Commissioner Rudd* heard that truck access could not be preserved with the vacation. I would agree about the burden issue – that it's about the community.

*Commissioner Shapiro* noted the comments about Portland caring about homeless in our community. There is a time and place for everything and the sensibility for locations for different needs.

*Commissioner Houck*: I agree with Benjamin from Denver who testified that there are two big issues, one being the vacation the other being the use. We can go forward with the vacation, but there needs to be more discussion about what the use ultimately is.

*Chair Baugh*: We do have a responsibility to promote and preserve businesses. And we have to provide housing. R2D2 here is not a permanent solution.

(Y4 – Baugh, Houck, Smith, Tallmadge / N5 – Bachrach, Rudd, Schultz, Shapiro, St Martin)

*Commissioner Bachrach* moved to deny the street vacation because there is an existing transportation / access use. If Council chooses another path and approves the vacation, the PSC recommends that existing access needs to be protected and the vacation provide access for liquid chemical deliveries at south end of the property or another similar way; and City Council should have a full public process about the use of the land, discussion about life-safety issues and a seek Good Neighbor Agreement. *Commissioner Schultz* seconded.

*Commissioner Smith*: I appreciate the spirit, but I want to vote yes in keeping the process for the rest area moving forward. A positive motion likely will better protect the business.

*Chair Baugh*: The street vacation is not necessarily the issue people are thinking about. A “no” vote sends the message that the PSC doesn't care, but that is certainly not the message we want to send.

(Y6 – Bachrach, Rudd, Schultz, Shapiro, St Martin, Tallmadge / N3 – Baugh, Houck, Smith)

## **Task 5 – Campus Institutions Zoning Project**

Hearing: Tom Armstrong, John Cole

*Commissioner Rudd* recused herself from this agenda item.

### **Presentation**

Tom and John presented the overview as a reminder of the information they presented at the PSC meeting last month.

## Testimony

1. Michael Robinson, Providence: We appreciate the time and professionalism of staff on this project. We think there are lots of things that are right, but we are concerned about the early termination of our CUMP. This part of the proposal should be amended so we can keep our property right through 2022. Transportation Demand Management is another question we have. We are concerned about being locked into a new TDM without knowing what it will entail, so we don't think a new TDM should be required. *See written testimony.*
2. Jim Kuffner, UP: Conforming uses: we believe all buildings under the current Master Plan should not be designated as non-conforming. Expiration date: the neighborhood association worked with us to produce a Master Plan that was given a life until 2023, and we don't want to give up 3 years and extension rights. Also, a traffic study was included in our Master Plan, and we're not sure what PBOT is looking at in a new TDM. *See written testimony.*

Regarding work with PBOT, we are required to meet biannually with PBOT to review the transportation plan. We haven't seen how the TDM measures will be implemented. We have a good, effective TDM model right now, so we think this should be the base for any new TDM. Also, once there is requirement for a new TDM, we want to see what's required exactly, but we haven't had that yet. My understanding is that City staff will be setting up a meeting with institutions and PBOT to review this soon.

3. Brad Perkins, N/NE Business Assn: At the Emanuel Hospital site, there are 3 blocks in particular where we're talking about providing land for permanent housing. We can offer space for 180 housing units that can include housing and retail as well. Three blocks should not be zoned as IR but MU3 instead so the community can push for housing here. *See written testimony.*

*Commissioner Tallmadge* asked about the housing option. Are there plans or negotiations underway?

- It will take action of the PSC first. I don't imagine Emanuel on their own would create the community and housing we're talking about. They do not have a plan for these blocks.

*Commissioner Smith:* The TDM components of the Comp Plan are still very much under consideration and review.

The existing CUMPs have extension provisions that would be lost if they get cut off with a prescribed 2020 end date. We're concerned about the implications about the included Good Neighbor Agreements included too.

4. Karen Karlsson, NWDA: We worked to coordinate initial response with Legacy Good Sam. Don't include Good Sam in the CIZUP. The current regulatory construct has worked well for NW Good Sam, allows for growth in the current Master Plan. Current allowed FAR is 3.78:1, which is greater than what will be allowed in the proposal. Good Sam campus is unique compared to other campuses. We would be better served to create a sub-district of the NW District Plan. We remain committed to working to find a solution. *See written testimony.*
5. Dixie Johnston: When the process first started (we live across from L&C), we had just been through the CUMP process, which was messy. There was a great desire to change the process. But in looking at different Master Plans and in other cities, we thought perhaps what we have here isn't so bad after all. One size does not fit all; each campus is unique. The Comp Plan testimony we've heard includes concern about commercial on campus edges. Clean energy biomatter is not defined in this proposal, and we don't know how that will affect Comp Plan language. *See written testimony.*
6. Thomas Karaki, UPNA: Part of the group reviewing the UP Master Plan. No one on the advisory group is in favor of the current proposal. We had over 300 neighbors involved in the creation of the UP Master Plan. We want to see the CUMP have its full life. You should allow conditional

uses or require that because universities are public benefit corporations that you require them to return to neighbors to review Master Plans. *See written testimony.*

7. David Johnston: Have been through many CUMPs over 20 years. They are terribly complex and difficult for residents to understand them. I commend staff for developing the rules and urge you to approve them subject to comments, particularly the provision for retail sales and services at the edges of campuses; focus should be on the institutions' primary services. Small scale energy production is of interest too. *See written testimony.*
8. Rick Michaelson: There is a provision that would no longer allow housing within campus sites. I think we can trust the institutions to not allow housing unless appropriate for campus uses. South edge of Good Sam and the Emanuel blocks are two such areas that could be used for housing. Not allowing housing in the zoning code is not necessary.

*Chair Baugh* closed oral testimony. The written record will remain open until December 31, 2015 at 5 p.m.

### Discussion

*Commissioner St Martin* asked about who's happy and who wants to keep what they have in their current CUMPs. I know the process was meant to make things better. Also, can we look at when the Master Plans expire?

*Commissioner Tallmadge* also asked for a list of concerns from the institutions based on what we heard today.

*Commissioner Schultz* noted the expiration date of CUMPs. Why don't we let these plans come to the end of their life then move forward with the new provisions?

*Commissioner Smith* noted properties within institutional zoning that are not part of the institutions and how they could still be used for housing and/or residential purposes.

*Commissioner Bachrach* asked about approved Master Plans with a set date: Can the City legally terminate the CUMP early?

*Commissioner Houck* asked for staff response to Rick Michaelson's testimony regarding housing.

*Chair Baugh:* The Good Neighbor Agreements are a way for the institutions to work with the neighborhoods. How do we keep this? What's the path for transportation?

- PBOT is supposed to publish their Proposed TSP Draft next week; the PSC hearing on it is currently slated for March. In the Campus Institution code, it just says to do the impact analysis every 10 years, which they are required to do now. The question is uncertainty about the details that will be proposed in the new TSP. You could defer your vote until you see how the TDM process works out at part of the TSP process.

We could honor existing plans and draw the line out a few years, but we are trying to get to the higher standard TDM program sooner, so there is a balance.

Over the life of the Comp Plan, we have to see significant modal shifts to meet climate goals.

Staff will respond to the PSC's questions and other testimony prior to the January 26 work session.

**Adjourn**

*Chair Baugh* adjourned the meeting at 8:15 p.m.

Submitted by Julie Ocken, PSC Coordinator



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**Portland Planning and Sustainability Commission**  
**December 8, 2015**  
**12:30 – 1:30 p.m.**  
**1900 SW 4<sup>th</sup> Ave, Suite 2500A**  
**Portland, OR 97201**

**AGENDA**

- 12:30 PM**      **Call to Order**  
**Items of Interest from Commissioners**  
**Director's Report**
- 12:35 PM**      **Consent Agenda**
- Consideration of Minutes from November 10 and 17, 2015 PSC meetings
- 12:36 PM**      **Task 5 – Employment Zoning Project**  
**Work Session**
- 1:30 PM**      **Adjourn**

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**Ord. 188177, Vol. 2.4, page 11511**

## Portland Planning and Sustainability Commission

Tuesday, December 8, 2015

12:30 p.m.

### Meeting Minutes

**Commissioners Present:** Jeff Bachrach, André Baugh, Mike Houck, Gary Oxman (arrived 12:49 p.m.), Michelle Rudd, Katherine Schultz, Chris Smith, Teresa St Martin, Maggie Tallmadge (arrived 12:55 p.m.)

**Commissioners Absent:** Howard Shapiro, [1 open position]

**City Staff Presenting:** Susan Anderson, Kevin Martin, Tom Armstrong, Steve Kountz

*Chair Baugh* called the meeting to order at 12:33 p.m. and gave an overview of the agenda.

### Items of Interest from Commissioners

- *Commissioner Houck:* I checked in with the City about conditions on Johnson Creek. We've had significant flooding events there event after BES' work with FEMA funds, and yesterday was a super event. We have an additional 248 acre feet of storage which wasn't there about 10 years ago, which is huge. Yesterday's event is exactly what has been projected as a result of climate change in the City's Climate Action Plan and Climate Preparation Strategies. I bring this up for obvious reasons as we talk about protecting industrial lands and not concurrently updating environmental zones and implementing environmental protections in Airport Futures. As we establish policy, we need to think seriously about where we are with these types of severe events.
- *Commissioner Smith* followed up with a comment about urban infrastructure. I saw a Tweet that said "Pearl District, meet Couch Lake", which is what was there before. It makes me think about the Big Pipe and if other infrastructure is sized correctly.
- *Chair Baugh* reminded the PSC members that we need a new PSC member to sit on the CIC, which will meet 2-3 times in the upcoming months prior to the Comp Plan adoption.

### Director's Report

Susan Anderson

- Next Tuesday's meeting will be Howard Shapiro's last on the PSC. With that, we will need a PSC member to participate in the last two meetings of the Community Involvement Committee, which Howard has co-chaired. The CIC will be ending in June.
- We have provided recommendations to the Mayor about two new PSC members who will be joining the PSC in January.
- The Mayor and Michael Armstrong were at the Paris climate talks. The Mayor was one of the main speakers at the Local Leaders featured event and was part of a growing group of Mayors that are showing cities are in a leadership position in terms of climate action. On Thursday and Friday of this week, there is a West Coast Mayors Summit in Portland (Seattle, Eugene, LA, SF and Portland). Homelessness and affordable housing then climate change and climate adaptation will be the focus of their discussions. I will find out if it's appropriate if PSC members may attend any of the work sessions. They will be at the City Club lunch this Friday.
- Susan introduced Kevin Martin, who will do a brief demo on the new Map App and Database.

Kevin Martin

This is version 3 of the Map App. It is one of our Comp Plan outreach tools to reach a new and different demographic. It's available 24/7 from any device. We've seen 20-30,000 unique visitors already, which is huge for a planning project. We developed it entirely in-house and have gotten lots of interest from other cities as well.

<https://www.portlandmaps.com/bps/mapapp/> is the landing page where all the project proposals have a "card". We'll be adding the CC2035 and other pieces of the TSP to the app, so we're working to make this a bit cleaner and user-friendly.

The About page distills what the Comp Plan is, designations, zoning differentiations. Kevin highlighted the Discussion Draft map site for the Mixed Use Zones project.

*Commissioner Bachrach:* I'd like to see the difference between what you're allowed to do with current zoning versus what's proposed.

- We'd ultimately like to get there, but right now people have to read the proposal and refer to Portland Maps for what their proposed is.
- *Commissioner Houck* confirmed having information available on the site about what changes with the proposal is key to people's understanding.

We've gotten about 3000 comments in this app to date. People can see comments that others post; this is not moderated by staff. We aren't used to dealing with this volume of testimony, so we're now building a testimony database. PSC members will have access to this in the future, but initially this is for staff to track all the comments that are coming in, flag for follow up, have internal staff dialogue that's recorded in the database, filter by a project or location, etc. City Council will also have access to use this. We'll ultimately make a similar version for the public so people can track what changes they've commented on, proposed change and what staff did with the person's comment or proposal via a staff comment.

This is coming out in the next few months, and we'll let PSC members know when this is ready for a training at the PSC.

*Commissioner Smith* noted that comments he heard about the previous version was that people could only comment on a property that had a proposal on it.

- This is something we're working on going forward.

Is it possible to depict all the comments through the app on a map to see the distribution?

- We are doing this for City staff currently, and we can do that. For the public-facing version, a heat map would be a part of the app.

We are building a workflow so that other comments (e.g. via written, email, in person testimony) can be included in this database. We might have the capability to let people upload a letter and submit testimony that way into the comments too.

## **Consent Agenda**

- Consideration of Minutes from the November 10 and 17, 2015 PSC meetings.

*Commissioner Smith* moved to approve the Consent Agenda. *Commissioner St Martin* seconded.

The Consent Agenda was approved with an aye vote.

(Y9 – Bachrach, Baugh, Houck, Oxman, Rudd, Schultz, Smith, St Martin, Tallmadge)

## Documents and Presentations for today's meeting

### **Task 5 – Employment Zoning Project**

Work Session / Recommendation: Tom Armstrong, Steve Kountz

#### Presentation

This is a continuation of the proposal. At this point, we are giving staff direction for when the compiled map comes back to the PSC in late spring.

Tom highlighted today's agenda:

- Code proposal that responded to *Commissioner Schultz*' question about including a jobs capacity criteria into larger parks.
- Map discussion to review/respond to Zoning Map changes. Request for PSC to give direction to staff on these discussion/proposal points.
- Map discussion to discuss testimony that was more directed to Council because of the Comp Plan map if we have time today, but we don't need a recommendation about this part.

Eventually all the Zoning Map pieces will come to the PSC together for a hearing in the spring.

Tom walked through the December 1 memo, which deals with the piece of the code regarding Parks and Open Space in the Prime Industrial Zones and Metro Title 4.

Code change options for "local" Parks and Open Areas larger than 2 acres in the Prime Industrial Overlay:

1. No conditional use for larger (2+ acres) local parks
2. Conditional use criteria as proposed
3. Conditional use criteria as proposed with 10-acre size limit
4. Conditional use criteria as proposed with 10-acre size limit and adequate industrial capacity criterion

The question of jobs or a park is not an appropriate framing of the issue for conditional use; this is how the question is framed in a balancing of Comp Plan policies. On page 3 of the memo, we've suggested adding a criteria that, as part of conditional use, PP&R and BDS need to make a finding that after you account for the larger park, we will still have enough industrial land capacity in that EOA geography. There would have to be a finding that, for that size, we counted "x" acres of capacity and we have at least "x" acres surplus in industrial land. If not, they would have to go to the Comp Plan policy.

Definition of Effected Industrial Geography: EOA has three main industrial geographies, so for whichever location the proposed park site is, the calculation would be based on the industrial land capacity in that area.

- *Commissioner Smith* noted this isn't clear in the current language.
- We can make this clearer in the proposed language to Council.

*Commissioner Houck* noted the reference to natural area park. Metro indicated in their letter to us, in addition to Title 4 issues, they want to be able to acquire natural areas, not for active park use. We aren't referring to those in this policy, are we?

- No, this is for active recreation-type parks. The Metro prohibition is to not site things such as ballfields in industrial areas. But they do make an allowance for siting smaller recreation parks. We've started with a 2-acre limit on this.

*Commissioner Oxman* asked about option 2. Is this conditional use criteria with no limit on size?

- Correct.

*Commissioner Schultz* commented on the proposed language — thank you. I'm still struggling with item E. How does one go about showing something is a primary market in a park?

- It is discretionary since we're talking about conditional use. It's up to BDS staff and the hearings officer to show the need for the park, but it is open to some interpretation. Once we've sited and sized it, there aren't continued restrictions about who uses the park.

*Commissioner Tallmadge* is concerned about lack of parks in East Portland in particular. What is the radius beyond Prime Industrial area to show what's parks-serving?

- We've left this open to PP&R. The Prime Industrial Areas are mostly in areas north of N Columbia Blvd, so it is farther away from the residential concentrations in East Portland.

*Commissioner Houck*: Mike Abbate, the PP&R director testified. Did he reference 10 acres as being adequate?

- Yes.

*Commissioner Smith*: If the typical neighborhood park is 5-7 acres, why wouldn't we set the minimum at that size?

- We took in to account Goal 9. I'm not sure how Metro would react to saying up to 5 acres is local-serving without having to go through a discretionary review.

*Commissioner Rudd*: With the language in F, how does that capture cumulative impact?

- As part of making the finding, we'd have the EOA. Then substantive to that, there would be a number of City legislative actions to show an accounting of how much acreage we have. Our intent is to update the EOA every 5 years, so we'd reset the capacity account in that time frame, and we'd look at the current available land.

*Commissioner Rudd*: I'm not sure that comes through in the language.

- We can work to clarify that.

*Commissioner Tallmadge*: In terms of conditional use criteria for number 4, is it possible to add on to that list? If it's a park in East Portland proposed larger than 10 acres, can we add on that it will either provide job or serve other equity goal?

- I'm not sure how you'd do that through a conditional use process. 10 acres is a large park, so larger than that is more of a Comp Plan process.

*Chair Baugh* noted the need to balance criteria. I am in the thought process of if we're going to have significant discussion, that seems like a Comp Plan / PSC discussion. We can discuss those tradeoffs if it's a significant benefit for the community.

*Commissioner Rudd* agrees with this distinction. We aren't talking about limiting parks throughout the city; we're talking specifically about parks in Prime Industrial Lands. I don't think it's unreasonable to ask PP&R to bring their proposal to the PSC for a Comp Plan level discussion.

*Commissioner St Martin* noted by bringing it up to the Comp Plan level that it creates a hurdle for creating park lands. If we're talking about vacant lands, seems like the Comp Plan hurdle is not in the best interest of people. Parks do create jobs (people are maintaining them for example), so they aren't "just dirt".

*Commissioner Bachrach*: The difference is if the PSC wants to make the decision or if we want a hearings officer to make the decision. The Comp Plan process isn't necessarily much longer process.

- It would be more expensive and a longer process to come through the PSC for a Comp Plan review.

These are real (dollar) costs and permit costs to process a conditional use review. For a Comp Plan amendment, it is BPS staff time as the resource.

*Commissioner Rudd* noted the public has to pay to do conditional use reviews all the time, so I don't think it's out of the question to ask a public agency to do the same.

*Commissioner Schultz* noted the somewhat split discussion, which means it's complicated. This makes me think it even more so a Comp Plan discussion versus a conditional use review.

#### **Motion**

*Commissioner Rudd* moved to proceed with Option 1. *Commissioner Schultz* seconded.

#### **Discussion**

*Commissioner Oxman* asked about what an adequate industrial capacity look like?

- The language is on page 3 of the December 1 memo. BPS would issue a memo with the actions, surplus, proposed park size and state/show if there is adequate capacity (or not).

If this is elevated to a Comp Plan discussion, we would be looking at Comp Plan policies, particularly in Chapter 6 and 9.

*Commissioner Smith* noted Option 1 is the most restrictive; then in sequence the most restrictive are option 4 then 3 then 2.

*Chair Baugh* noted we made specific reference to have parks in park-deficient areas in the Recommended Comp Plan. There is language to support larger parks, and at the same time, we have the jobs discussion.

*Commissioner Houck* stated before his vote that he had initially been opposed to allowing active parks in industrial areas but as we have proceeded to rezone Open Space for industrial uses it seems unreasonable to make it even harder to locate parks where there are park deficiencies.

(Y5 – Bachrach, Baugh, Oxman, Rudd, Schultz; N4 – Houck, Smith, St Martin, Tallmadge)

Steve walked through the Zoning Map issues identified in testimony (slide 5).

#### *Montgomery Park on NW Vaughn St*

Map change options:

1. Keep the proposed map change from EX to EG2.
2. Retain EX zoning.

If City Council changes plan designation from EX to Mixed Use, then Commercial Mixed Use zoning will apply.

*Commissioner Tallmadge* noted the conversation about housing and when we're making changes what are we getting for it. I'm curious if EG2 would be more profitable than EX?

- Not necessarily. People sometimes think they're losing value because they can't develop housing on the site. But we don't necessarily want housing creeping closer to heavy industrial lands, so that is the tradeoff. In the EG zone, in exchange for not allowing housing, we've proposed more office space than is currently allowed.
- We are not expecting additional value to come from EX to EG.
- We are only charging what it costs to process the application.

The area is not intensely developed. Is the Montgomery Park building historic?

- Yes.

*Commissioner Smith* noted EX is mixed-use. But we've designated EG above Vaughn, not mixed-use.

- A change in the proposed Comp Plan is to pull back on EX outside Central City. We've looked at other areas outside the Central City to designate different areas, but this is one of the edge sites.

*Commissioner Oxman* asked about current zoning between Thurman and Savier.

- It is mixed-use.

*Commissioner Houck* noted we had a conversation about capturing increased wealth for affordable housing specifically. In the bigger picture, will this be a conversation?

- Yes, as part of the mixed-use zones proposal.

PSC members confirmed the proposed map change from EX to EG at Montgomery Park.

*Freeway Land site at SE Foster and I-205*

Map change options:

1. Keep the proposed map change from EX to EG2.
2. If City Council changes plan designation from EX to one of the Mixed Use Dispersed on part of the site, apply CE Commercial Employment zoning.

PSC members confirmed the proposed map change from EX to EG2.

*PECO Site on SE 17th Ave*

Map change options:

1. Keep the proposed Prime Industrial Overlay on the current IG1 base zone.
2. Do not apply Prime Industrial overlay on SE 17th Ave frontage sites. Leave IG1 General Industrial base zone.
3. Create a different overlay zone to allow Industrial Office along SE 17th Ave.

PSC members confirmed the proposed Prime Industrial Overlay on the current IG1 base zone.

*Broadmoor Golf Course*

Recommended change to Proposed Draft map:

- Change OS to IG2 on the 15-acre part of the site proposed IS Industrial Sanctuary.

PSC members confirmed the proposed map change.

*Metro Greenspaces requests on Port of Portland land*

Recommended change to Proposed Draft map:

- Retain Prime Industrial l-overlay on Port-owned properties and railroad right-of-way and remove from other sites on maps below per Metro request.

Options:

- Remove Prime Industrial l-overlay from other sites recommended by Metro.

Tom noted that Metro “overreached” and proposed map changes for Port and railroad land in their request. Staff proposes to leave those belonging to the Portland railroads in the Prime Industrial but pull the Metro land out.

*Commissioner Houck*: What is the overlap between the Natural Resources and Metro-owned property? I am familiar with the properties, in particular one of the Port owned properties that is a highly significant wetland. Has that area already been e-zoned?

- It’s a wetland that is also Bonneville Power ROW and railroad yard.
- It’s a subtle difference. The Prime Industrial overlay doesn’t change the e-zone.

*Commissioner Rudd* asked if all the Metro land is submerged.

- Not all, but most is. The total acreage is over 100, but we didn’t separate out what is Port-versus Metro-owned.

PSC members confirmed the proposed map change.

### *Linnton Prime Industrial Overlay*

Generally the Prime Industrial was put on industrial sanctuary land in Linnton. Excluded were edge EG zones, existing parks and two commercial shopping areas. Steve walked through the proposed three map changes he had previously shared with the Linnton Neighborhood Association.

PSC members confirmed keeping the proposed map change.

### *N Hayden Island Dr Boat Ramp*

Map change options:

1. Keep the proposed Prime Industrial Overlay on the IG2 base zones.
2. Do not apply Prime Industrial overlay on vacant IG2 sites (6.6 acres shaded brown), to allow regional boat ramp.

PSC members confirmed keeping the proposed Prime Industrial Overlay on the IG2 base zones.

### *Proposed Draft Addendum*

Recommended addendum changes to implement additional Comp Plan Map changes:

- Split zoning corrections – Apply IG2 or EG zones to align zoning with property boundaries.
- Marina sites – Apply IG2 zoning on 2 sites to enable infill moorages.
- Unincorporated county pocket – Apply IG1 or IG2 zoning at 3 sites being brought into Urban Services Area.
- Map correction at Reed College site – remove Prime Industrial overlay zone at a warehouse site with IC Campus Institution Plan Map designation.

Additional Comp Plan Map Issues.

- Cornfoot/Slough residential areas
- Levee Road area
- Airport Way EG2 limitations
- NE 148th split zone
- SE Quad – MLK IG to EX loading dock issue
- MU zone a SE 92nd and Powell

These are items staff is working on with Council members that are explained in the December 8 staff memo.

*Commissioner Houck* asked if the PSC made a decision regarding the timing of the e-zone update and the airport regarding applying the industrial overlay simultaneously.

- We didn't have a determination. We are trying to figure out where it fits into the 3-year workplan as part of the budget discussion.

*Commissioner Houck* reminded the commission that our letter of conveyance will have a strong statement regarding making the e-zone update and application of Airport Futures a high priority

*Commissioner Oxman* is on the BPS BAC and can keep an eye on this issue.

### **Adjourn**

*Chair Baugh* adjourned the meeting at 2:23 p.m.

Submitted by Julie Ocken, PSC Coordinator



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

**Portland Planning and Sustainability Commission**  
**November 17, 2015**  
**5:00 – 8:00 p.m.**  
**1900 SW 4<sup>th</sup> Ave, Suite 2500A**  
**Portland, OR 97201**

**AGENDA**

- |                |   |
|----------------|---|
| <b>5:00 PM</b> | <b>Call to Order</b><br><b>Items of Interest from Commissioners</b><br><b>Director's Report</b>                     |
| <b>5:05 PM</b> | <b>Task 5 – Campus Institutional Zoning Project</b><br>Briefing   |
| <b>6:00 PM</b> | <b>R/W #7942, N Lombard St between N Richmond and</b><br><b>N Charleston Avenues **</b><br>Hearing / Recommendation |
| <b>6:30 PM</b> | <b>Powell-Division Local Action Plan **</b><br>Hearing  |
| <b>8:00 PM</b> | <b>Adjourn</b>  |

\*\* Public testimony will be taken for this agenda item. Testimony is limited to 2 minutes per person maximum and may be changed at the Chair's discretion based on number of testifiers. Testimony sign-up will be available beginning at 4:30 p.m.

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**Ord. 188177, Vol. 2.4, page 11519**

## Portland Planning and Sustainability Commission

Tuesday, November 17, 2015

5 p.m.

### Meeting Minutes

**Commissioners Present:** Andre' Baugh, Mike Houck, Gary Oxman, Michelle Rudd, Katherine Schultz, Chris Smith, Teresa St Martin

**Commissioners Absent:** Jeff Bachrach, Howard Shapiro, Maggie Tallmadge [1 open position]

**City Staff Presenting:** Susan Anderson, Joe Zehnder, Tom Armstrong, John Cole, Radcliffe Dacanay; Dee Walker, Grant Morehead, Lance Lindahl, April Bertelsen (PBOT); Karl Dinkelspiel (PHB); Kate Deane (PDC)

*Chair Baugh* called the meeting to order at 5:06 p.m. and gave an overview of the agenda.

### Items of Interest from Commissioners

- *Chair Baugh:* This Thursday starts the hearings for the Comprehensive Plan at Council. I encourage all people who have a view to please provide your testimony to Council. This is a plan for the next 20 years for the growth of our city.

### Director's Report

Susan Anderson

- As *Chair Baugh* noted, the first Council Comp Plan hearing on Thursday at 2 p.m. at City Hall. 2-3 p.m. will be a focus on the EOA, growth scenarios, CIC report and CSP. Then beginning at 3 p.m. will be the hearing on the Map, TSP and Goals & Policies. Other hearings are set for December 3 and 10, and we likely will have a fourth meeting in early January.
- The Fossil Fuels policies were passed at Council in the past couple of weeks. In terms of developing the code, we'd be happy to have PSC members weigh in, and we'll keep you apprised of our progress.
- The last 2 PSC meetings of the calendar year are on December 8 (12:30 p.m.) and December 15 (5 p.m.).

### Documents and Presentations for today's meeting

### Testimony for today's meeting

### Campus Institutional Zoning Project

Briefing: Tom Armstrong, John Cole

### Presentation

John provided an overview of the project. The PSC will have a public hearing about this project at the December 15 meeting.

The City's Employment Opportunity Analysis identified a shortfall of development capacity within the healthcare and higher education employment sectors (hospitals and colleges), and that these are

important job providers for the city. The 2010-2035 job growth potential is projected to be 22,700 new jobs, but there is only capacity for about 81 percent of these jobs under existing zoning regulations.

Subsequent policy language in both the Portland Plan and the Comprehensive Plan direct the City to provide for the growth of colleges and hospitals while protecting adjoining residential neighborhoods Comp Plan Map.

Staff worked with a Project Advisory Group (PAG) and had 11 meetings with these representatives from institutions, neighborhood associations and business districts. We also had about 50 additional meetings with others to arrive at the staff proposal.

The strategies in the proposal apply to 15 dispersed campus institutions. Each of these are 10 acre or larger sites with more than 100 employees. The majority are located near residential neighborhoods subject to either a recurring Conditional Use Master Plan (CUMP) or Impact Mitigation Plan (IMP). Not included are hospitals on Marquam Hill and colleges and institutions within the Central City because they are either subject to their own plan district or they have Central City zones applied to them, so they have other regulatory structures to provide for their growth.

High school campuses of 10 acres or more are included on the map, but as the project moved forward, we realized we didn't have the capacity to work with high schools at this time. Some of the work may provide a template about how the City regulates these campuses in the future.

The proposal includes 3 components:

1. Create 2 new Campus Institutions base zones that (a) encourage campuses to grow up, not out, and (b) focus on the edges and off-site impacts.
2. Apply zones to the 15 specific campuses and replace existing Conditional Use Master Plans and Impact Mitigation Plans.
3. Provide for a transitional period.

The proposed base zones are:

- CI-1 for larger college campuses typically located within residential neighborhoods with lower development typology.
- CI-2 for more intensive development associated with hospitals and PCC campuses.

Allowed Land Uses and Development Standards for each zone reflect this difference.

John walked through the application and how each of the two zones would look and function in terms of allowed land uses and development standards.

*Commissioner Smith:* Wouldn't the same criteria for CI-2 apply to Good Samaritan Hospital in Northwest?

- All hospitals will be zoned CI-2 in this proposal.

*Commissioner Schultz* asked about building dormitories - how they support the primary institution work and what the process for these building permits is.

- Staff in BDS who administer the zoning code currently need to determine dormitory building applicability. It's not necessarily ownership, but when the application is made, BDS staff need to determine the construction is in support of the primary function of the institution.  
*Commissioner Schultz* would like more information about how this is determined.

*Commissioner Oxman:* For commercial uses by right, is this restricted by the mission of the primary use of the institution?

- Unrelated development could occur on a CI-2 campus.

*Commissioner Oxman:* What is the policy rationale for allowing this?

- Currently the activities occur on these campuses (e.g. a credit union on a hospital campus). The focus has to be for the interior of the campus, not the surrounding neighborhood in the

current zoning. The institutions noted that property, particularly for hospital campuses, is very valuable to them and proximity to other functions on central campuses. The trend is to push some of the campus functions away from limited properties so they can devote more attention to their primary mission.

*Commissioner Oxman:* What was the reaction of local/neighborhood business people to this proposal?

- There was some apprehension in the CI-1 zones. An example is a proposal for a retail activity (e.g. a coffee shop). Commercial development in a CI-1 zone is a Conditional Use, so that is limited and has a higher review standard. Especially with hospitals, people often saw the campuses as dead zones, so providing services would fill a perceived gap to complete the street.

*Chair Baugh:* Biotech firms are closely connected to the hospital work. How does that play here, in terms of a hospital sponsoring research institutions?

- We are encouraging this type of adjacency in the CI-2 zones.

Building heights at the campus edges would depend on to what the campus is adjacent to: single-dwelling residential zones versus commercial and/or multifamily residential zones. They have a limited land resource in terms of development capacity, so we are less concerned about spin-off businesses.

*Commissioner Oxman:* In the CI-1 zone, FAR is .5 to 1. Why is that the ratio you chose?

- In developing these standards, we looked at existing development code standards, and we drew from that code language unless there was a reason to change. FAR of .5 to 1 is currently what's applied to a campus development in a single-family residential zone.

In instances where unique development standards have been negotiated through the CUMP or IMP process that are more detailed than can be accommodated through the base zone standards, specific height and setback standards are included in maps at the end of the Chapter 33.150. We didn't want to create a base zone around very specific standards, but we have developed maps for UP and Good Sam campuses (page 73 of the proposal).

While the proposal includes two new based zones, other zoning code sections' regulations will remain, including environmental and design overlays and plan districts. Outdoor athletic fields and limited retail sales and service uses will retain conditional uses status and be subject to conditional use reviews.

Traffic and Parking issues were identified as perhaps the biggest off-site impacts by adjoining neighborhood interests. Institutions are willing to mitigate for traffic impacts but worry about proportionality. We are proposing to continue the review and negotiate under a base zone scenario.

Under the proposal, Transportation Impact Reviews, including both a transportation impact analysis that matches proportional transportation system improvements to institutional growth, and an ongoing transportation demand management program promoting public and active transportation options over single occupancy vehicles, will be required. Mitigation measures will be required to ensure the transportation network continues to flow. PBOT will rely on expanded transportation impact analyses and transportation demand management (TDM) programs to achieve mode split targets established in the Transportation System Plan (TSP).

The TDM includes how many parking spaces an institution will provide on the campus to meet the needs of their visitors. Currently the City has negotiated this. Under the base zone approach, we can still negotiate the parking.

*Commissioner Smith:* What's the trigger for the parking and transportation review?

- Every 10 years, campuses need to update the Transportation Impact Review, even if they don't project any changes. When they come in for a building permit, that new building needs to be

anticipated in the existing Transportation Impact Review, or the campus will need to provide a new update.

The transportation review is a Type 2 review. It's a Type 1 in the commercial mixed-use zones. Institutions are much large places and trip-generators as opposed to individual buildings along corridors.

*Chair Baugh:* I'm concerned because of the commercial side and the parking/transportation planning.

- Those concerns should be directed to PBOT when we get to the TSP hearing.

The base zone land uses and development standards will be established in Titles 33 and new Transportation Impact Reviews will be included in Title 17. Then these new zones must then be applied to specific properties.

The series of 15 maps in the staff report identify the geographic location and extent of the proposed CI-1 and CI-2 zones (pages 119-133). These boundaries with limited exceptions correspond to approved CUMP and IMP boundaries or institutional ownership where there is no CUMP or IMP.

We are including a five year transition period in the proposal; institutions and neighborhoods can continue to rely on development entitlements and operating conditions attached to existing impact and master plans for approximately the next five years. After December 31, 2020, new development will be subject to the new zones and applicable code sections.

During the course of this preparing this proposal, staff worked with an advisory group comprised of representatives of institutions, neighborhoods and business associations. Based on these discussions and other outreach efforts, the PSC may expect to hear concerns related to these themes at the December 15 hearing:

- Inability of base zones to address unique circumstances.
- Loss of development entitlements included in existing IMP or CUMP.
- Transportation Impact Analysis and Transportation Demand Management uncertainty.

*Commissioner Oxman:* Why isn't decreasing the number of parking spaces on a campus a trigger for a TIA?

- Campus-wide transportation impact analysis doesn't and a TDM program in place so when they come in for individual building permits that negotiation has already taken place. Regarding the 4 parking spaces proposal, there is nothing magic about that number aside from BDS staff requesting some threshold so minor improvements on the campus won't trigger the need to update a review.
- Regarding decreasing spaces and the impact of that change, staff will follow up with PBOT to get clarification.

*Commissioner Rudd:* Some institutions are concerned about their right to develop. Can you clarify the transition period?

- In the proposed code language, all conditional use plans expire on December 31, 2020. We are trying to get everything online sooner to ease the staff work, but we are also trying to find the "sweet spot" for the transition time.

*Commissioner Rudd:* What if the specific building isn't reflected in the plan, but the number of trips are? Would the institution have to provide an updated plan?

- No, this is something we are trying to alleviate in this process. Institutions can provide a metric to describe the number of trips coming from their site and how they will accommodate these trips without being specific to where the trips are coming from.

*Chair Baugh* asked about Good Neighbor Agreements being eliminated because of legal issues. What is the impact of the elimination of these?

- Staff can return with a response.

## R/W #7942, N Lombard St between N Richmond and N Charleston Avenues

Hearing / Recommendation: Lance Lindahl, Kurt Krueger

Lance provided an overview of the proposed vacation area as described in the staff report. There is still uncertainty where the north-easterly triangle will revert to. Mr. Bolouri has been negotiating with the property owner to the northeast, but despite the property owners' interest, they don't have a signed agreement just yet.

Alan Jones of Jones Architecture provided a presentation about the proposal and the project, The Union at St Johns. It's a 4-story mixed-use building with retail on the ground floor. He walked through the background of the St Johns Lombard Plan as well as the proposed vacation. As Lance noted, they are still working with the adjacent property owner to the northeast, and they have received support from various other neighbors and groups.

### Testimony

1. Kristine Munholland: Lives a few blocks north of the proposal. Would like to request mitigation including for the 20-30 mature trees that will be lost; we should increase the tree replacement requirement. Traffic in this area is crazy; be aware that congestion is real, and I'm concerned about both the vacation and the building proposal. Also we need to look at the signal timing and phasing of lights in the area.
2. Clinton (CJ) Doxsee: Supports street vacation. Ivy Island is not pedestrian-friendly as it is right now. The slip-lane is a problem, particularly because it is right at the entrance to the neighborhood, right near an elementary school. The St Johns Lombard Plan calls to create a stronger gateway, calm traffic and enhance safety. The proposed plazas with the relocated historical sign will forward these objectives.
3. Lindsay Jensen, ED, St Johns Main Street Coalition: Supports the vacation of Ivy Island. Some people don't think the St Johns Lombard Plan is valuable and relevant, but the Main Street Coalition thinks otherwise. The conversation should be about ensuring the public has permanent access and that safety initiatives are at the forefront. This is one of the core gateways, and the vacation is consistent with the vision of the plan.
4. Shamus Lynsky, St Johns NA: Supports the vacation. We've had 3 public meetings that addressed the development. There is a vocal opposition to the plaza, but many people are in favor of the vacation, particularly for safety reasons.
5. Tom Stubblefield, St Johns Main Street Coalition: I've been in St Johns since before the plaza was there. The light used to be on Lombard and Charleston, and then they moved it down to Ivanhoe. The proposed plan makes sense, and it provides for a safer intersection and gateway into the neighborhood.
6. Richard Tennant: Opposes the vacation. I was unable to get ahold of PBOT, and they haven't responded to my inquiries about Lombard. St Johns is a busy corridor with an infinite number of trucks coming through the neighborhood, creating negative health impacts. This is a safety question for the people of St Johns and the dangerous traffic corridor. *See written testimony.*
7. Susan Tennant: Has lived many years in North Portland. I'm concerned about the pollution in St Johns. You cannot discriminate in area of low income and high diversity. I'm worried for the health and welfare of our children and community.
8. John Teply: Opposes the vacation. We do need a gateway, and the proposal doesn't give it to us. The vacation solves the problem of the intersection, but the loss of the gateway isn't worth it. *See written testimony.*

9. Curt Schneider: Supports the proposed vacation. The vegetated island is pretty, but in this location, safety outweighs the current use. *See written testimony.*

*Commissioner Houck:* There was reference to 20-30 mature trees from the first testifier, and I know there is significant forest canopy on Ivy Island. We saw reference to trees in the development proposal. Do you think that mitigates sufficiently?

They are black willow trees on the island. There are probably a half dozen trees. I'm not sure about the mitigation, but seeing trees on the plans for the two proposed sites is promising.

10. Laura Hoffar: Ivy Island is aesthetically pleasing, but I am in support of the vacation. Traffic concerns are still real. I'd like to see the developers work with PBOT. I like the elimination of the slip-lane, but truck traffic and congestion still needs to be fixed.
11. Billy Tosheff: I represent the adjacent property owner, and she is in favor of the vacation. We are certainly happy to continue to work with the developer.
12. Barbara Quinn: Worked on the 2004 St Johns Plan. We don't have enough density to support a full main street, but we do want to support our small businesses and keep them. We want to create a better pedestrian district that is safer for the community. I fully support the proposal. The vacation and proposal creates a safer environment, removes the berm, and creates a new plaza and better gateway. *See written testimony.*

*Chair Baugh* closed testimony at 6:57 p.m.

### Written Testimony Received

#### Discussion

*Commissioner Oxman:* I'm concerned about the questions of slowing of truck traffic and pollution. Has there been any modeling of this, particularly about the loss of the slip-lane?

- We will slow traffic down, and it will cause some delay for truck traffic. But that will better accommodate pedestrian concerns.

*Commissioner Smith:* There was a deliberate plan in St Johns about where the truck route should go, and this is where we put the trucks.

*Commissioner Smith:* About bicycle facilities, are there are no bicycle improvements in the proposal?

- We are proposing a striped and dedicated bike lane in this proposal.

*Commissioner Smith:* The Streetcar System Master Plan has a route out Lombard to St Johns. Does the geometry of the intersection allow for a streetcar? I realize this is early in the process to think about that.

- We've done the analysis for a TriMet bus to go through, which is good, but no specific analysis for streetcars at this time.

*Commissioner Smith:* Regarding the trees, do any of our policies point towards replacing them if they are removed in a vacation?

*Commissioner Rudd:* Once you vacate the property, wouldn't tree code provisions apply?

*Commissioner Houck:* The only consideration for the environment in the report was related to views, not to the loss of tree canopy. The project sounds great, but we have an issue of losing mature trees citywide. I'm just saying I'm concerned that we mitigate for the loss of tree on Ivy Island and the East Plaza.

*Commissioner Smith:* Under our different tree codes, are these considered street trees?

- These are street trees in the public right-of-way, so they would have to be addressed per the Tree Code.

Can we add a condition to ensure the replacement of trees is equal?

Kurt: The PSC's recommendation goes to Council. Your letter of support for the vacation could include the strong note about maximizing the number of trees to be relocated and what's in the public plaza.

*Commissioner Rudd:* I like the more general tree statement as opposed to the one-for-one replacement idea. We are getting a huge benefit with the vacation, and I don't want to constrain the use of the property so much that the developer can't develop.

*Commissioner Houck:* It's important to remember all tree replacement doesn't have to be on the property. There can be planted trees nearby or contributions to a fee in lieu that will allow for trees to be planted elsewhere. We still have a citywide goal of 37 percent tree canopy (currently at 33 percent), and we will never get there unless we have full mitigation for loss of tree canopy. What we are experiencing is a death by a thousand cuts. We have to address cumulative impact of canopy loss.

*Commissioner Smith:* Regarding more people coming to St Johns with this development, that is a citywide growth issue. If we can do development on the main street near services, that can help to reduce VMT.

*Chair Baugh* asked about transit stops in the area. Will they move to the plaza area?

- We did contact TriMet about the bus stop that is currently there as you enter the slip-lane. They feel like it's safer to not continue with the stop on that area of the highway, so removing the one in the slip-lane is the safest thing to do.

*Chair Baugh* raised a concern of the gateway to St Johns. Neighborhoods fight to be preserved and recognized in plans. I like the development, but I'm concerned about losing the gateway. I'm not in favor of moving forward unless the developer can recognize the gateway.

- We are proposing to relocate the sign onto the East Plaza. St Johns Boosters owns the sign. We are proposing to relocate it before you enter the slip-lane, which actually may enhance the gateway.

PBOT is working to explore a community plaza design effort if the property owners don't come to agreement before the Council hearing.

*Commissioner Smith* asked if the PSC wants to approve with the mitigation for trees. Or if we want to send it back to staff for the inclusion of a tree statement/proposal.

### **Motion**

*Commissioner Houck* moved the staff recommendation with the requirement/condition for staff to work with the developer and Urban Forestry Program to develop the tree mitigation before the plan goes to Council. *Commissioner Smith* seconded.

The motion passed.

(Y6 – Baugh, Houck, Oxman, Rudd, Smith, St Martin)

## **Powell-Division Portland Action Plan**

Hearing: Joe Zehnder, Radcliffe Dacanay, April Bertelsen, Karl Dinkelspiel, Kate Deane

### **Presentation**

April gave an overview of the project and provided context for the local action plan, which is the focus of consideration today.

The plan works to connect communities to education, healthcare and jobs in the corridor and beyond. The project is led by Metro in coordination with a number of agency partners and TriMet, which are all represented on the Steering Committee. The Steering Committee also includes community stakeholders, so everyone is at the table together.

There are four project goals:

- Transportation
- Well-being
- Equity
- Efficiency

Embedded in the goals are Portland Plan and Comp Plan policies that have helped to reinforce these goals so they are aligned.

We can return with more information for feedback about the Locally Preferred Alternative (LPA) in the next couple of months, but tonight's meeting is about the local action plan for Portland.

The three major stages of the project timeline are:

- The planning process, in which the action plans (transit and local actions) were created. We just finished this portion.
- In September, we officially entered into Project Development (design) phase.
- If all goes well, construction will occur 2018-2020.

Metro has led the public outreach and coordination for the project, which has included engagement with:

- Youth and local businesses.
- Latino, Chinese, Vietnamese, Russian, Tongan, Bhutanese and Native American groups.
- Participation at community events and related projects' events.
- Staff sessions.

This is an umbrella plan with the aim of all the plans achieving the overall project outcomes.

Radcliffe walked through the Portland Action Plan.

The Design and Development Direction focuses on major opportunity areas that align with Centers and Corridors in the Comp Plan. Examples include 162<sup>nd</sup> Ave & Division; Division Midway; 122<sup>nd</sup> Ave and Division.

The plan also aims to achieve goals beyond transit to create grow emerging, complete communities such as in the Jade District. Health, safe and connected neighborhoods. Reduce existing disparities. Reduce involuntary displacement of residents and businesses.

Housing, PDC, PBOT and BPS have been working to sharpen and coordinate actions. The updated actions now include information about timing and funding, which wasn't available before. We are planning is to ensure the City is coordinated to carry out community development actions and that community continues to participate in process.

Karl noted that the overarching affordable housing goal is to develop and preserve affordable units. There is very limited funding from PHB, which is mostly via TIF. But we have very few robust tools to ensure displacement doesn't happen here. PHB would have trouble finding the funding for the kinds of community building and development this plan calls for.

Kate highlighted work on strengthening business and job opportunities, which includes building on current work with NPIs, developing new programs that help businesses thrive and creating more job opportunities for local residents. We want to make connections intentionally.

The Design and Transit portion of the plan focuses on placemaking: it works toward the vision crafted by the community to increase safety and connectivity in opportunity areas and to work off the strengths of existing character of these opportunity area. Improving safety and active transportation; access to transit; and enhancing transit service and transfer are key components. We want to activate and reflect the communities in the corridor with opportunities such as food carts, farmers markets and depave projects.

Funding is mostly existing funding and grants. We can seek additional funds via the potential of a new URA, other options such as LISC and Raza Development Funds and additional budget requests. The coordination group is looking into this.

### Testimony

Susan: This project is a great showcase of how we've worked across the "silos" in the City and with other partners. I think there is more interest in the project than the lack of testimony we've seen.

*Chair Baugh* closed oral testimony at 7:46 p.m. Written testimony will remain open until November 30 at 5 p.m.

### Written Testimony Received

#### Discussion

*Commissioner Smith* asked about how all the components of the plan are adopted.

- By resolution by Council.

*Commissioner Smith*: Have we conducted displacement/risk analysis in this corridor?

- Displacement Risk Factors (slide 16) show the study area. The darker the color, the more displacement factors. Risk factors include:
  - Renters > 45%
  - Education Level / without a Bachelor's Degree > 56%
  - Household Income at or Below 60% MFI > 43%
  - Communities of Color > 27%

*Commissioner Smith*: The letter from the Steering Committee members asks for some fairly radical things. If we look at the history of transit project in Portland, we've seen lots of displacement. How do we do it right in this corridor?

- Joe: This is an evolution in how we are planning now. On the risk factor diagram, the impacts are about what's going on currently, even before BRT, showing that risk factors are independent of a transit investment. We need to pay attention to these factors regardless of transportation improvements. Actions we have in the plan are more focused and include dollar figures. This is a concise approach, but we know we still have the funding gap.
- Karl: We use about \$100,000 in City subsidy per new housing unit.
- We don't know the overall funding gap at this time.

Susan: When staff comes back, we can bring forward the key points from the PSC so we can put this all together in a letter of recommendation to Council. What you put in your letter to Council will have a big impact on funding.

We're going to make a public investment that we know has lots of benefits and negative consequences. I want to know the resources address.

*Commissioner Houck:* Gentrification is a two-sided coin. I'm interested in wealth-creation for people who own their homes can be quite a benefit. Do we have information about this side of the coin?

- Karl: I'm not sure we can quantify this, but for example, in N/NE the experience even of owners was that they felt uneducated, and many left their homes leaving a lot on the table. And another of other factors having to do with the homeowner that influence their ability to stay.

*Commissioner Houck:* A strategy might be around homeowner education. I know the Portland Housing Center has renter and home owner education programs. That should be one of the tools we use.

- Yes, but we can't use TIF for these types of opportunities, so it again is a funding issue.

*Commissioner St Martin:* With the displacement risk factors balanced with need for more affordable housing, we know we're not going to create enough. It's just as important to figure out ways to keep owners in their homes, which is a different set of tools. Give us some good ideas that we can support.

*Commissioner Oxman:* The Action Plan is good, but I'm also concerned about how the funding is being approached. Housing/social development is not funded like TOD. What can we do as the PSC? We see a lot of projects using grant funding for transportation and place-making, but the more development-oriented actions get a "should" comment – mostly labeled as funding that is TBD or not identified. What about setting specific housing and development goals, and the resources we need to accomplish them. We may or may not achieve the goals the first time out, but this approach states their importance and keeps the goals active at the program and policy levels. I think this is a healthier way to approach this perhaps. Is there something the PSC can do to promote a more accountable approach? There is opportunity for success here, but we need to acknowledge that it can be risky from a bureaucratic perspective.

- Karl: This is a citywide problem. PHB is developing a toolkit that could be applied citywide to help with this. Federal tools are very limited. PHB is proposing tools that will come before City Council that can help. The PSC can get behind these initiatives, which would be a huge step.
- April: It is through the Local Action Plan that the conversation about a new URA came up, thinking about how we fund this. Also, the transit project is not yet funded, so we are on the same plane as the local plan. The ballpark cost is in the \$150M range to maximize federal investment (\$75M cap... max project costs can be \$250M).

*Commissioner Smith:* There isn't currently a Local Improvement District (LID) included in the plan. What about asking the "winners" to contribute via an LID?

- At this time we aren't considering an LID. Conversation has been around SDC funds being part of the Portland contribution.

*Commissioner Rudd:* When looking at funding strategies, also look at ways to lower the cost per affordable unit.

*Commissioner Schultz:* Is a part of the effort someone taking the time to study what's happening today and where we end up? And/or are there other programs that can participate and learn?

- Joe: We do have this built in the project and are continuing work with Professor Bates at PSU regarding displacement and program design for the housing folks. In the next phase, Bates will look at the households and choices so we'll have information over time to see how this unfolds. The other way to do this is to do a fiscally constrained plan, but that will not be enough to meet our objectives; so this is the tension.

Susan: If we weren't doing the BRT at all, we'd be having the same conversation, maybe 5-15 percent "less bad". When you look at the displacement factors, we don't include the market factors, which really makes things shift and cause displacement.

*Commissioner Houck:* When Robert Liberty was Metro councilor, we looked at the concept of a windfall tax regarding the UGB. When the UGB is expanded and urban reserves established the result is dramatic increase in land value. With this project we need to think creatively and aggressively about how we can capture some of this increased value that gets invested to help things we want to do.

*Chair Baugh:* We know market forces play into it. In N/NE, we had a sense of gentrification, but we didn't know the extent to which it would occur. Today we know – we have data – we know it's going to happen. We need to mitigate the effects. This transit project can exacerbate the problem, and we need to do better than say we're going to look for funding and a plan while we still build. I can't support that. We have to show statistically, through Title VI, implications. I'm concerned because to me this seems like we have no mitigation measures, even just to preserve housing and the people currently in the neighborhoods. I can't recommend to propose this project to Council.

- *Joe:* This is a very good argument, and I wouldn't be surprised if that is ultimately the recommendation from the PSC to Council. But what we're talking about along this corridor is happening with or without BRT. Technically, we up-zoned this corridor in the 1980s, so land values were put in motion, and now, the market is finally catching up. We do need to look at the Title VI linkages.

*Commissioner Smith:* If this is \$150M, it doesn't seem unreasonable to find 10 percent or so of that to work on the community impacts. This investment will create lots of winners. We need to look out for those who will bear the burdens.

*Karl:* In our last count, we had 2000 people literally homeless and 20,000 people under-housed in Portland. This does shine a light on this issue and says it is a citywide problem.

*Commissioner Rudd:* Federal funding can in part be budgeted to things like public art. What can you spend the combined money on? I'd like to understand this better.

*Joe:* The proportionality question Chris asked may get at what Gary was saying – what is our target for success and how do we define it?

*Commissioner Oxman* thanked staff for the engaged conversation this evening for these important issues. *Chair Baugh* concurred.

The project staff will return to a PSC meeting for further discussion and a PSC vote / recommendation.

## **Adjourn**

*Chair Baugh* adjourned the meeting at 8:35 p.m.



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**Portland Planning and Sustainability Commission**  
**November 10, 2015**  
**12:30 – 2:15 p.m.**  
**1900 SW 4<sup>th</sup> Ave, Suite 2500A**  
**Portland, OR 97201**

**AGENDA**

- 12:30 PM**      **Call to Order**  
**Items of Interest from Commissioners**  
**Director's Report**
- 12:40 PM**      **Consent Agenda**
- Consideration of Minutes from October 27, 2015 PSC meeting
- 12:45 PM**      **Task 5 – Employment Zoning Project**  
**Work Session / Recommendation**
- 2:15 PM**      **Adjourn**

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**Ord. 188177, Vol. 2.4, page 11531**

## Portland Planning and Sustainability Commission

Tuesday, November 10, 2015

12:30 p.m.

### Meeting Minutes

**Commissioners Present:** Jeff Bachrach (left at 2:50 p.m.), André Baugh, Mike Houck, Gary Oxman, Michelle Rudd, Katherine Schultz, Howard Shapiro, Chris Smith, Teresa St Martin (arrived 12:59 p.m.), Maggie Tallmadge

**Commissioners Absent:** [1 open position]

**City Staff Presenting:** Joe Zehnder, Tom Armstrong, Steve Kountz

*Chair Baugh* called the meeting to order at 12:31 p.m. and gave an overview of the agenda.

### Director's Report

Joe Zehnder

- We just finished the last of the five Council Comp Plan work sessions. Thanks to PSC members who attended them. We now move on to the hearings, with the first a week from this Thursday, on November 19 at 2 p.m. in Council Chambers.
- As a reminder, we have another PSC meeting next Tuesday, November 17 at 5 p.m. Then we have a break likely until December 15 (5 p.m. meeting). There is a small chance we will have the December 8 PSC meeting, depending on the outcome of today's meeting.

### Consent Agenda

- Consideration of Minutes from the October 27, 2015 PSC meeting.

*Commissioner Shapiro* moved to approve the Consent Agenda. *Commissioner Schultz* seconded.

The Consent Agenda was approved with an aye vote.

(Y9 – Bachrach, Baugh, Houck, Oxman, Rudd, Schultz, Shapiro, Smith, Tallmadge)

### Documents and Presentations for today's meeting

#### Task 5 – Employment Zoning Project

Work Session / Recommendation: Tom Armstrong, Steve Kountz

#### Presentation

##### Testimony received 10/28-11/06

This is a follow up session to the last PSC meeting's hearing that implements changes in the employment zones. Today we will discuss code issues and map choices and changes with a hope for a vote and recommendation about the code changes. We'll accept general direction about map changes, but the hearing on the fully updated zoning map will not be until February at the PSC, so we will take a vote on the zoning map based on all changes in early 2016.

There are 9 bundles of code questions in the November 6 staff memo. Not all require a decision or amendment to the proposed code; some are simply clarifying information.

### ***Environmental Overlay Zones Compatibility with Prime Industrial Overlay***

- Slide 6 shows how the overlay zones fit together. Prime industrial zoning regulates what can happen on the site and the development review procedures. E-zone overlays control, regulate and restrict the size and shape of development on parts of a site. As an example, if you have a site with a slough in the back, we have a base zone and then a laying of various overlays applied to different parts of the resource. The prime overlay applies to the full site because it restricts uses. We want the use restriction to apply to the whole site, not just the prime development portion.

*Commissioner Smith:* One testifier we heard thought they were mutually exclusive.

- As you can see in the slide, they can layer on top of each other.

*Commissioner Rudd* asked about counting capacity and Buildable Land Inventory (BLI) constraints.

- For the p-zone we assumed the land was 100 percent constrained; and we assumed 50 percent for c-zone.

*Commissioner Tallmadge:* With a c-zone, it sounds like you could built something on that part. Would have to mitigate for environmental impacts?

- You can build in certain areas of the site, but if you build in an e-zone, there are mitigation requirements.

*Commissioner Houck:* This is the heart of BES testimony and Audubon Society, particularly as it relates to the Columbia Corridor. In the early 1980s I pleaded with the Planning Commission and City to not rezone the full corridor as industrial land without also doing the environmental zoning. The City created unrealistic expectations for property owners without that simultaneous zoning updates because owners assumed they had full industrial (or other) zoning that they could develop, only to find out later their land was constrained.

*Commissioner Tallmadge:* A conservation zone can vary in size. Is there a typical ration or size of the protection zone?

- It depends mostly on the type of resource and where it is and anticipated future use of the property and where the line is on the map.

### ***Parks and Open Areas Prohibitions***

This is the question of interpreting Metro's Title 4 and prohibitions they want local jurisdictions to adopt. The prime industrial overlay is how we implement this in Portland. With this issue, Metro Title 4 says "prohibit parks except for those designed to serve local residents and employees". We used a 2-acre maximum to fit this description. There is a question about what a "developed park" versus "open space" is, as well as how nature preserves relate to wetlands and slough areas that could be considered a stormwater area. Metro has noted that Title 4 prohibits developed parks (e.g. fields for sports), but their definition isn't very clear. Metro's opinion is that nature preserves should be allowed. BPS has proposed to be more restrictive than this guideline, so we've said nature preserves should be prohibited in these areas. For wetter resources, we've suggested those could be stormwater facilities and are therefore allowed.

Prohibitions often go into play when you go in to make a change or develop the site, not typically at the acquisition point.

In response to testimony, there are two options to consider:

- PP&R recommended that the 2 acre park size maximum should be more like 10 acres; 2 acres was based on a Goal 9 rule that says that any change less than 2 acres doesn't have a significant impact so you don't need to comply with Goal 9 rules. BPS staff thinks 10 acres is large to be a locally-serving park. But we could create a conditional use process for something larger than 2 acres and prove the size can meet local needs.

- The other option in this category has to do with the status of nature preserves. The PSC can say those can be allowed as outright uses in regionally significant industrial zones.

*Commissioner Houck:* The issue of lack of parks in N/NE parks is an equity lens question. I think the language staff has proposed is good on pages 4-5 (highlighted yellow additions to proposed code).

- The flipside is that we need to have something in here based on Metro Title 4.

*Commissioner Houck:* There is a misconception that water quality is associated only with areas on or near water. Upland areas are also important for watershed health and water quality. I'm not sure how many large upland sites there are, so I'm not sure practically speaking what the impact of including upland areas would be on industrial land capacity.

- If the site can be justified to be bought with rate-payer dollars, it has a water quality impact.

*Commissioner Rudd:* My preference is prohibition and to make PP&R go through a Comp Plan process. A conditional use doesn't get at the jobs trade-off concern. In terms of stormwater facilities, why is this a different definition than in Title 33?

- It's a clarification procedurally, not in the proposed code. BDS won't second-guess BES about meeting the zoning code definition of a stormwater facility.

*Commissioner Schultz:* When PP&R testified, we asked where their master plan may overlay.

- They have identified park-deficient zones, but they don't have specific acquisition targets at this point. Acquisitions are based mostly on when land is available and the budget.

*Commissioner Schultz:* Conditional use is a land use review. A Type II review is a staff decision, but it is appealable. Type III goes directly to a hearing's officer. If we go to the conditional use option, we need more balance.

*Commissioner Bachrach:* I'm agreeing that the conditional use isn't fitting. I think it's a policy and more about Comp Plan amendments. About nature preserves, how would you site a nature preserve, and how is that different from PP&R siting a park?

- That gets to what type of park it is, developed versus natural, for example. Metro wants to be able to manage the site if they invest in it.

*Commissioner Houck:* Metro's primary focus is to acquire lands to protect natural areas, not active parks.

If you look at Columbia Blvd and N Lombard as the dividing line of where parks are, most people live south of Columbia. People who live north of there we have Comp Plan zoning that will keep them that way but not to add new residences in that area. What is there will be to serve the existing residences and employees.

*Commissioner Smith:* I have questions about the code language itself. We can do option 1, 2, neither or both. For Option 1, in the transportation system condition language, the term "Level of Service" is used. We are trying to move away from this in the TSP, so I want to be sure we are consistent. In condition E, we see "primary market". Is this well-defined versus an access area / is there a more precise way to define this?

- Primary market is looser and open. We have such low-density in this N/NE area that it's difficult to give a specific service area size or distance.
- In terms of Level of Service standard, this is pretty standard conditional use language we have now. We can look at if we would change all our conditional use standards as the TSP moves forward. This could be an amendment in the Housekeeping Task 5 project to be consistent.

*Commissioner Smith:* I can go either way on Option 1 and in favor of Option 2.

*Commissioner Houck:* PP&R and Metro both have a natural acquisition priorities and target areas, including in the Columbia Corridor. How likely is it an area of habitat that wouldn't be on the NRI?

- There are 4 levels in the NRI. The map just shows high and medium resources, so there could be quite a bit out there they might want to acquire.

*Commissioner Oxman* commented on Metro's testimony. What I took away is that it is not allowable for the City to say nature preserves are prohibited in industrial zones.

- Our understanding is that they consider nature preserves to be habitat, not parks (where people would recreate). With the proposed code, the City is exercising their ability to be more protective of industrial land opportunity, and there is a higher bar to get to a habitat area status. We consider this as a local option because Metro's note is a recommendation, not a requirement.

*Commissioner Houck* noted the proposed language by staff addresses the concerns and what people commented on in their testimony.

*Commissioner Schultz* moved to accept the staff proposed code language. *Commissioner Bachrach* seconded.

*St Martin* noted the proposed language signals the intent, and the options show that one size does not fit all.

(Y4 – Bachrach, Rudd, Schultz, Shapiro; N6 – Baugh, Houck, Oxman, Smith, St Martin, Tallmadge)

The motion fails.

*Commissioner Smith* moved to adopt code language for Option 1: Allowing larger local-serving parks as a conditional use. *St Martin* seconded.

*Commissioner Schultz* moved to amend Option 1 to add language to conditional use that balances industrial land with the need for parks. *Commissioner Tallmadge* seconded.

*Commissioner Bachrach*: Which is more appropriate to review this, the hearings officer or the PSC? We want policy considerations, so I think it's more appropriate to come to the PSC than a legal land use hearings officer. I'd suggest this comes as a Comp Plan amendment to the PSC.

*Commissioner Rudd* agreed. This just constrains the size of parks allowed outright, but there is a need for discussion if we take larger areas out of industrial use.

The PSC voted on Option 1 with *Commissioner Schultz*' amendment: Allow larger local-serving parks as a conditional use with the inclusion of balancing industrial land with the need for parks.

(Y6 – Houck, Oxman, Shapiro, Smith, St Martin, Tallmadge; N4 – Bachrach, Baugh, Rudd, Schultz)

Option 1 with the amendment passed. Staff will return with proposed language.

*Smith* moved to adopt Option 2: Nature preserves can be allowed as outright uses in regionally significant industrial zones. *Houck* seconded.

(Y6 – Houck, Oxman, Shapiro, Smith, St Martin, Tallmadge; N4 – Bachrach, Baugh, Rudd, Schultz)

Option 2 passed.

### ***E-Zone Update Timing***

This proposal gets at questions about updating other e-zones in the Columbia Corridor, specifically the middle segment that was looked at as part of the Airport Futures project. We couldn't move forward with the e-zone update on industrial land at that time, but now we potentially have a batch of e-zone updates to come through. A proposal was to roll them into this zoning update package. The flip side was to waive or suspend the full implementation of the overlay until the rest of the e-zones are done.

Staff noted that waiting for the re-zoning of e-zones doesn't get us where we need to be as part of the Comp Plan in terms of the EOA or complying with Metro. Regarding Airport Futures e-zone updates that are still hanging out there, we have had no public process about bringing those forward. Staff's preference is to keep things how they are and to continue to push forward to do the full Columbia Corridor update sooner than later.

It would be a 6-12 month process to review the Airport Futures e-zones maps, how that would affect land supply to incorporate into the EOA, notice property owners of the proposal, create and share a discussion draft, and then publish a proposed draft to be reviewed at a PSC hearing.

The PSC has two options:

1. Keep the proposed code as written (*as amended*).
2. Add the Airport Futures e-zone changes to the proposed zoning map.

*Commissioner Smith* noted right now the environmental work is not part of Task 5. What staff just described is what we would have to add to Task 5 to get e-zones and employment zoning synched.

Joe: Part of what the PSC has heard through the EOA and Comp Plan policies is a package that we're going to provide for 20 years of industrial employment capacity through investments and allowing future space for the e-zone projects.

*Commissioner Houck* noted we're talking about significant high-med-low natural resources. My recollection about Airport Futures was there was an ESEE done during that process. Why couldn't those lands be added into the overlay process?

- Airport Futures just looked at the middle section of the slough – the resources on golf courses and airport properties e-zones went forward. The other review of e-zones are looking at private land, which didn't move forward since are waiting for the EOA and adopted Comp Plan. We would now have to base e-zone changes on the now-proposed EOA, which has lots of evidence and policy changes from the Airport Futures project.

*Commissioner Houck*: I thought that through the Comp Plan PEG process and EOA process the other e-zones areas were considered as constrained lands and developing capacity.

- The BLI looked at physical characteristics that contribute to land being a significant natural resource. But our analysis did not fully account for the capacity losses that would come from whatever e-zone decision you make. We have done an analysis that shows we know it will use up most of the excess capacity. This is dependent on Council adopting the proposed brownfield strategies and the other concepts that create the 90-acre surplus in the BLI.

*Commissioner Houck*: So, if we don't deal with these natural resources now and adopt an EOA and then attempt to apply e-zones later the argument will be that we can't apply the e-zones to because there will then be a shortage of industrial lands. I predict that is exactly what will happen.

- We have assumptions built into the EOA. We need to show some progress towards creating this assumed capacity before we start changing it or using it for additional environmental protection.
- If any of the contingencies happen at Council, we'd have to amend the EOA. So this may happen now, it may happen in the future, but it can't prevent us from doing it.

*Chair Baugh* noted we have a Comp Plan and an EOA sitting in front of Council. I'd like them to get through their work on the Comp Plan before the PSC starts in on making changes and adding the Airport Futures e-zone changes. I appreciate the concern *Commissioner Houck* has raised, but Council ultimately has a strong responsibility to follow-through on the e-zone side too.

*Commissioner Houck*: There are 2 sets of environmental areas, Airport Futures and the remaining areas in the NRI. But, the natural areas associated with Airport Futures already gone through the ESEE analysis. Why can't those natural areas be included in this process?

- We would have to refresh and re-analyze the previous work looking at the new Comp Plan policies. There is definitely a starting point, but it's not just a quick project. And there would be another basic education and outreach process.

*Commissioner Houck:* I can see where this is leading. As part of this process, I'm going to be expecting a very strong statement from the PSC that it isn't acceptable to wait. This is a high priority that needs to be taken on, particularly per BES' Director Mike Jordan's comments.

*Commissioner Oxman* asked when the e-zone updates are likely to be done.

- When we finish with the Comp Plan and Task 5 code (end of 2016), this could be a 2017 initiative. We can begin working on changes in conformance as soon as we send the Comp Plan package to the state. So this could be in about 1.5 years.

*Chair Baugh* noted the PSC will put a strong statement in the letter to Council that the e-zone process needs to be taken up quickly.

*Commissioner Bachrach* asked about trade-offs for working on the e-zone priority. I don't know what other projects would be put aside by saying this is a priority.

- We'd say it's something that needs to be taken up as soon as possible. But it's also a budget and staffing process question. The PSC will have a chance to weigh in on the proposed BPS workplan and budget early in 2016.

*Commissioner Houck* noted that when there are differences of opinion on the PSC they are often spelled out in our letter to Council. And, while we strive for consensus if there is a difference of opinion we are free to go to Council to express our issues of concern.

The PSC confirmed the proposed code as written.

### ***Self-Service Storage Definition***

The City is going beyond what Metro Title 4 requires with this prohibition. This is an extra step to protect industrial capacity for jobs. We have talked with BDS about how they interpret the different types of storage, and self-service is mostly allowed in industrial zones. Think of the mini-storage facilities as opposed to a commercial storage facility. Staff is comfortable with the current language in the prime industrial overlay zone. Small industrial zones outside this area are still ok to have self-service storage.

The proposal is to prohibit self-storage in the Prime Industrial Overlay Zone.

The PSC has two options:

1. Keep the prohibition in place. Self-service storage would continue to be allowed in employment and industrial zones outside of the Prime Industrial Overlay Zone.
2. Delete the prohibition. No change to the current regulations.

*Houck* moved Option 1: Keep the prohibition in place. *Smith* seconded.

The policy question is really about job capacity/density. It is less than the density of a warehouse.

Small craft businesses would need the size of storage that we typically see in self-storage.

*Commissioner Oxman:* By keeping prohibition in place, does that compromise self-storage?

- This prohibition is just in the prime industrial overlay zones. But yes, over time it could change the nature of the sites. It could drive more vertical self-storage facilities.

(Y9 – *Bachrach, Baugh, Houck, Oxman, Rudd, Schultz, Shapiro, Smith, Tallmadge*; N – *St Martin*)

The motion passed.

### ***Golf Course Landscaping Standards***

The Portland International Airport Plan District (Chapter 33.565) implements the Airport Futures Land Use Plan. As part of bringing a proposal forward to put the Comp Plan in place for future industrial conversion, we have added landscaping standards that give us some ecological lift. We've proposed increasing the required landscaped area from 15 to 20 percent. We've also proposed at least 75 percent of the plants must be native plants from the Portland Plant List. There is an Airport Plant list that is less bird-friendly. As we heard at the last meeting, Broadmoor Golf Course representatives were concerned about the increased landscaping requirement.

In response to testimony objecting to these standards, the PSC has two options:

1. Keep the proposed standards in place, which includes a minimum landscaped area of 20 percent, including setbacks and parking lot landscaping, as well as eco-roofs. At least 75 percent of the plants must be native plants from the Portland Plant List.
2. Delete the proposed standards. The minimum landscaping standards in the base zone (IG2) would apply (15 percent minimum landscaped area).

*Commissioner Bachrach* asked about how much land the extra landscaping requirement would be. Is there something different about this land versus the surrounding industrial land?

- There are 112 acres total. Today it is designated as Open Space.

*Commissioner Bachrach*: Does a golf course have significant ecological value?

- *Commissioner Houck*: Yes, Heron Lakes Golf Course is a prime example. We are discussing rezoning open space to industrial here, so the trade-off is enhanced landscaping and use of native species.

*Commissioner Rudd*: We aren't talking about converting all land in all the golf courses. For each, it's only parts of the golf course. But my question is, why can't I use recreational land as part of my landscaping?

- This has to do with parcel lands and what's defined as a site. You can't have off-site mitigation for landscaping. It would depend on where the parcel line is defined to see what we would include as part of the landscaped area.

*Commissioner Rudd*: On the bigger industrial site, if I want to put in a lawn bowling facility, why is this not part of my additional 5 percent?

- The current requirement 15 percent landscaping, and part of this can be passive hard-scape. The proposed change is to not allow that in this plan area because of the additional area of habitat protection in the prime industrial zone.

*Commissioner Schultz*: I'm a proponent of ecoroofs, but they aren't great in all facilities.

- This is an optional incentive.

There is the Portland Plant List with a sub-set that is the Airport Plant List, which is less bird-friendly. It's designed to discourage bird habitat around the plane landing area. They applied this limited list to a narrow area (the airfield), but it doesn't apply to the rest of the plan district currently. BPS thinks that if it makes sense to apply this Airport Plant List to a broader swath as part of a zoning update.

*Commissioner Bachrach*: We are placing lots of policy expectations on the property. I don't see a need to put this property under further scrutiny.

The PSC confirmed the proposed code as written: a minimum landscaped area of 20 percent, including setbacks and parking lot landscaping, as well as eco-roofs. At least 75 percent of the plants must be native plants from the Portland Plant List.

### ***Residential Non-Conforming Uses in EG Zones***

This is mostly about properties on 82<sup>nd</sup> Avenue, specifically the area between Montavilla business district and SE Division/PCC Southeast. On the Comp Plan Map, we have switched from General to

Mixed Employment to provide more employment in this area. A concern we heard is because of how we've drawn the map line, the back side of properties picks up a one-lot deep strip of existing residential homes. We did this because lots of these homes already have a General Commercial zoning and Comp Plan designation. We looked at trying to get 200-foot deep sites to be more functional sites in the future.

The questions from testimony were because we're prohibiting residential development in EG zones, the existing houses become non-conforming. We do include an ability to expand your house by 500 square feet, but there is a limitation about what happens in the case of a fire and rebuilding. The answer is if it is more than 75 percent of the assessed value damaged, you can't rebuild, and it would convert over to new mixed employment zoning. You could still get replacement value as cash.

*Commissioner Oxman:* When you apply the 75 percent of assessed value, is this based on improvements on the property or the value?

- It's improvement value. A concern we've talked about has been how the assessed improvement value reflects market values in the City, and they don't reflect true market value or replacement costs. This is likely to be addressed in RICAP 9 next year to review the assessed value since it's usually very low.

*Commissioner St Martin:* This seems like a more fair way to address this issue.

- Yes, and since this code doesn't go into effect into about July 2017, RICAP 9 would likely be about this same time period as when this code does.

*Commissioner Schultz:* Why did we chose no housing in the EG zones but by conditional use in the IG zone?

- Houseboats are a conditional use in the I-zones. There aren't houseboats in the EG zones, but there are marinas allowed.

### ***Industrial Office Definition***

This is purely to true up the definition as part of the Central City code update. We just wanted to acknowledge this question is out there.

### ***Air Quality as Part of Development Review***

The City relies on the DEQ to regulate for individual businesses. We do have some buffer zone standards to deal with the edges. We have a future work task as part of a health project/package to come up with new landscaping, HVAC standards for the sensitive sites at the edge, but that mainly gets at the receiving end of the air quality question. We haven't yet seen a way to get at air quality emissions through the Zoning Code. We are not currently proposing standards.

*Commissioner Smith* noted he's interested in seeing the City be more proactive about air quality issues, even if it's just in terms of monitoring. Technology is improving, but DEQ isn't advancing as quickly as the technology options are. We could look at both sides of the equation.

- *Commissioners Tallmadge and Houck* concur.

*Commissioner Oxman:* Impacts extend well beyond the current 20-foot buffer. So I think the answer is in source-control, but this is not the City's role.

### ***EG Zone Office Uses at 3:1 FAR and Guild's Lake Industrial Sanctuary Plan***

Code change options:

1. Keep the citywide 3:1 FAR for office uses in place.
2. Reduce the citywide 3:1 FAR for office uses in the EG zones.
3. Limit office use to 1:1 FAR (plus bonuses) in the Guild's Lake Industrial Sanctuary Plan District.

Map change options:

1. Keep the proposed map change from IG1 to EG1.

2. Retain IG1 until transportation capacity is further evaluated.

There may be an option to bring additional transportation analysis forward to look at somewhere between the 1:1.8 and 1:3 FAR.

Also, regarding map change Option #2: You could defer the limits until we see the transportation information. Then in February you could make a final decision about Option #3.

*Commissioner Smith:* How does the proposed change interact with the Guild's Lake Plan District?

- If 3:1 FAR is the base zone standard, the Guild's Lake Plan District in subzone B trumps. Guild's Lake didn't specify a 1:1 FAR.

*Commissioner Smith* moved to adopt Option 3 of the code change proposals: Limit office use to 1:1 FAR (plus bonuses) in the Guild's Lake Industrial Sanctuary Plan District. *Commissioner Houck* seconded.

ESCO also has proposed to change the area to Nicolai on their property re-designated as mixed employment with EG zoning so they can do more office space here in conjunction with their headquarters. We are relying on ESCO to bring forward transportation analysis about the 21<sup>st</sup> and Vaughn intersection. Our consideration is that it is probably ok and fits our policies to do mixed employment Comp Plan map change, but we'd want them to ultimately go through a quasi-judicial zoning change in the future to resolve the transportation impacts.

Particular to this site, we can adopt additional code standards to get us close to 2:1 office (1.8:1). We could wait and see what the transportation analysis looks like and review with the map in February or with the Housekeeping amendments at the end.

*Commissioner Smith:* I don't have a problem with the citywide proposal in Code Change 1. But the goal is to protect the intersection, and the Guild's Lake Plan took this on. My first goal is to do no harm to the Guild's Lake Plan. I think we want to do Code Change 3, and possible Map Option 2.

Commissioners confirmed staff should look at moving forward with Code Option 1 and Map Option 2.

*Commissioner Schultz* moved to accept and recommend to Council all proposals about the Employment Zones Project as accepted in today's meeting except the Parks and Open Areas prohibition "allow larger local-serving parks as a conditional use with the inclusion of balancing industrial land with the need for parks", which staff will bring back to the PSC. *Commissioner Shapiro* seconded.

(Y9 – Baugh, Houck, Oxman, Rudd, Schultz, Shapiro, Smith, St Martin, Tallmadge)

Staff will return with the updated language to address the conditional use issue in the *Parks and Open Areas prohibitions* policy change.

Staff will bring the rest of the mapping discussion back on December 8.

## Adjourn

*Chair Baugh* adjourned the meeting at 3:01 p.m.

Submitted by Julie Ocken, PSC Coordinator



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**Portland Planning and Sustainability Commission**  
October 27, 2015  
5:00 – 7:15 p.m.  
1900 SW 4<sup>th</sup> Ave, Suite 2500A  
Portland, OR 97201

**AGENDA**

- 5:00 PM Call to Order**  
**Items of Interest from Commissioners**  
**Director's Report**
- 5:05 PM Consent Agenda**
- Consideration of Minutes from October 13, 2015 PSC meeting
- 5:10 PM Task 5 – Employment Zoning Project \*\***  
**Hearing**
- 7:15 PM Adjourn**

\*\*Public testimony will be taken for this agenda item. Testimony is limited to 2 minutes per person maximum and may be changed at the Chair's discretion based on number of testifiers. Testimony sign-up will be available beginning at 4:30 p.m.

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**Ord. 188177, Vol. 2.4, page 11541**

## Portland Planning and Sustainability Commission Meeting

Tuesday, October 27, 2015

5:00 p.m.

### Meeting Minutes

**Commissioners Present:** Jeff Bachrach, Mike Houck, Michelle Rudd, Katherine Schultz, Howard Shapiro, Chris Smith, Teresa St Martin

**Commissioners Absent:** André Baugh, Gary Oxman, Maggie Tallmadge, [1 open position]

**City Staff Presenting:** Susan Anderson, Tom Armstrong, Steve Kountz

*Vice Chair Schultz* called the meeting to order at 5:02 p.m. and gave an overview of the agenda.

### Items of Interest from Commissioners

- *Vice Chair Schultz:* Happy birthday to Julie O. Thank you for your work.
- *Commissioner Shapiro:* I've been a member and Chair of the Community Involvement Committee since its inception and am ready to pass the baton to another PSC member. Does the Chair have to be a member of the PSC? What is the mandate for this group going forward? Staff will look into this and provide an update for PSC members.

### Director's Report

Susan Anderson

- Commissioners have received two documents that outline the eight Task 5 (early implementation) Comp Plan projects. These will go for a vote at Council later in 2016.
- Many of you were involved working on what became the Fossil Fuel export policy. The Mayor will be taking this to Council next week on Wednesday, November 4.
- Update on the Comp Plan work sessions at Council: PSC members have attended different work sessions. This Thursday we have the Economic/Environmental discussion followed by the Transportation and Map discussions in November. Julie will send a list of the work sessions and the dates for Council hearings as well. These sessions have been very productive and informative thus far.
- Portland was recently recognized by the C40 organization for our work on climate change. We are honorary members of the group. Three cities have the best CAPs in the world: Vancouver BC, Seoul and Portland. Portland was chosen particularly our focus on equity and our quality technical work.

### Consent Agenda

- Consideration of Minutes from the October 13, 2015 PSC meeting.

*Commissioner Smith* moved to approve the Consent Agenda. *Commissioner Houck* seconded.

The Consent Agenda was approved with an aye vote.

(Y7 – Bachrach, Houck, Rudd, Schultz, Shapiro, Smith, St Martin)

## Documents and Presentations for today's meeting

### **Task 5 – Employment Zoning Project**

Hearing: Tom Armstrong, Steve Kountz

Tom and Steve provided an overview of the project and a recap about testimony we've received thus far.

#### **Testimony**

1. Raihana Ansary, PBA: We believe this proposal is a step in the right direction for meeting the needs of the city. The project is critical to not losing prime industrial land that provides middle-income jobs. We have regained jobs in low- and high-income levels but not the middle-income jobs lost in the recession. Communities of color and East Portlanders rely on these jobs more extensively than others, so it is an equity issue too. The amendments need to be made as staff has proposed. *(see written testimony)*
2. Joe Rossi: Owns Rossi Farm in Outer East Portland. All zoning around the property is low-density R7. We don't want a designation that makes an employment zone use; we'd rather see future flexibility when the farmland becomes developed. Light industrial would mean lots of people and traffic, but we'd rather see walking commercial neighborhood to better enhance the community. Also have schools within walking distance, so we'd again like to see more walkability and safety for those reasons too. *(see written testimony; map image)*
3. David Rossman, Claverack LLC: 135<sup>th</sup> and Whitaker Way. Please don't add "I" overlay to this property. There is nothing in the notice that said why these changes were proposed aside from needing to update the Comp Plan. So why is this change important for Portlanders? It will result in diminished property value, and we don't support this overlay proposal. *(see written testimony)*
4. Laurie Wall for Kevin Flanigan: We strongly object to the proposed rezoning of our property at 3255 N Hayden Island Dr (Schnooner Creek Boatworks) because it will limit our plans, for which we already have detailed drawings and support. Hayden Island has limited development opportunities. We support the industrial land sanctuary, but not on this specific site. This is one of the best beaches in Portland. It's the only property that can access water out of the current, directly across from Vancouver Waterfront. We want to allow more outdoor recreation and increase access to launching and boating opportunities. *(see written testimony)*
5. Christe White, ESCO: We support the project in and rezoning NW Portland to Mixed Employment. This strengthens industrial and synergistic uses. NWDA challenges ESCO's inclusion in this zone, which we understand will be part of the CC2035 Plan to be resolved at Council. We want this change because our corporate headquarters are there with the foundry. In the short-term, the foundry will likely go away, which will make the HQ building non-conforming.

*Commissioner Smith:* Weren't transportation impacts reviewed in the LUBA remand of the NWDA project? If your clients are going to have increased density, shouldn't they be paying into that fund?

We should be able to review the 2003 report, get updated information, and then compare our proposal versus the current zoning, understand traffic impacts, and impose equitable changes. The objection is that the study isn't done.

Staff can bring further explanation prior to the November 10 work session.

6. Darith Lim: 12150 NE Airport Way. This property is EG2 currently, and we've owned it since 2006. It's too small to rezone to IG2 and not economically profitable to do so. We have small restaurants, Kaiser to the east and small medical buildings in proximity. We don't believe our property is in industrial area, so rezoning is in contradiction and we want to remain in EG2. *(see written testimony)*
7. Jampa Lathsang: Property at 3804 NE 148<sup>th</sup>. This is a 3.5 acre parcel, but it is unique because it's divided into 2 different parcels on one lot. One part is currently EG2 and the other is Mixed Use Dispersed. Would like to have Mixed Use Dispersed for both parcels. That was how it showed in an earlier draft, but now it's showing EG1, which is not what we want.
8. Marc Fazio, Bill Naito Co: We do not approved of changes from EX to EG at the Montgomery Park site. Please leave the EX zone in tact so we can supplement the 3000 jobs there and the land there can become a mixed-use development and have the flexibility to do so. *(see written testimony)*
9. Laura Hall, CMI: CMI moved to SE Portland when eastside was in a downward spiral. We leased offices and warehouses originally. We have helped to revitalize the neighborhood. If we can't grow our office space, we will be forced to leave the city after many thousands of dollars invested. *(see written testimony)*
10. John Olivier, SKB: Property SE 17<sup>th</sup> south of Holgate down to McLaughlin, which is currently vacant land. We would like to retain flexibility to help create middle-income jobs so would like to be removed from prime industrial overlay because people seeking property in this area are more nimble, maker-users as opposed to standard industrial. This is not an idea location for traditional heavy manufacturing.

*Commissioner Smith:* Regarding the maker jobs, what is the income range and job density for these?

There is a company, Connective DX, that does design and industrial office-like category. They were looking to buy one of the properties but couldn't get the flexibility for 60 jobs in the \$40-80k range they had proposed.

11. Jim Morton, Edy, Morton & Edy: Properties at 1305-1307 MLK, which is 36,000 square feet and on the national historic registry. IG1 to EX is a fine proposal. I had started this process half-way in 2003 but would have required removing 200 foot loading dock on SE 3<sup>rd</sup>, rendering it non-usable by current tenants for industrial purposes. We would like assurances that a zoning change won't require us to remove the loading dock so the building remains usable to current and future tenants.
12. Eric Bergstrom: 2.5 acres and NE 202<sup>nd</sup> and Sandy Blvd. There is a moratorium on public storage spaces, which is what we want to develop this land to be. Other close-by storage areas are least 95 percent occupied. Please don't include this in the industrial overlay to allow for flexibility in our development.
13. Miles von Bergen: As technology and transportation have improved in the Central Eastside, big warehouse buildings have become functionally inefficient for traditional industrial. It would be better to divide up a building, but there are limitations on what types of employment can be there if it's not traditional industrial. *(see written testimony)*
14. Sally Beck: Owns 9009 NE Levy Rd., a horse property. The Industrial Sanctuary overlay proposed here, but in 2011 we had an environmental overlay imposed. Now we have this additional overlay, so I'm concerned with buffer zone and conditional use permit granted over 30 years

ago. The overlays seem incongruous.

15. Ronald Beck: The issue with our property at 9009 NE Levy Rd. was resolved on January 21, 2011 in the Gunderson vs Portland LUBA decision. It is not compatible to be both environmental and industrial overlay.
16. Jeff Valdes: Capacity Commercial Group has been given the leasing assignment for The Iron Fireman, the former PECO manufacturing facility. The 200,000+ square foot building is not technically on the market yet, but we are taking it in front of people to see where the market stands. We have forwarded information to every major commercial real estate firm. Tenant profiles include light assembly, food manufacturing, distilleries, etc with lots of interest. Tenants want buildings of character. The MAX Orange Line is now right in front of the building, connecting it to all parts of the city. *(see written testimony)*
17. Bob Sallinger, Audubon: Supports a much more rigorous conversion of land to industrial. We need to be careful and make sure zoning is not too restrictive to best serve the needs of our city. We should update environmental and industrial land zoning simultaneously. If not, we should exempt natural resource lands until this is done. Allow upland parks and natural areas over 2 acres in size. We don't support conversion of golf courses to industrial land. This project seems to be driven by the fact that we're trapped in Goal 9 mandate that was put in place almost 50 years ago that doesn't make sense any more. Ask the state for an exception to make sure we're using the land in the best way for our community. *(see written testimony)*
18. Rose Fredrickson: residential farm property that's unique in North Portland. Opposed proposed "I" overlay. *(see written testimony)*
19. Scott Krieger, Broadmoor Golf Course: Golf courses along the Columbia Corridor are different, going from NE 140<sup>th</sup> and Glisan out to West Delta Park. We intend to operate as a golf course, but we know it won't be economically viable for all the courses to be this in the future, so we are looking at flexibility for the future. We support IG2 now for the proposed portion. We would like to have standards such as landscaping included for golf courses that convert to industrial. *(see written testimony)*
20. Jeanne Harrison, NWDA transportation committee and planning committee: We have major transportation concerns for upping to a 3:1 FAR, which potentially triples development from the current 1:1 FAR. Our past compromise was to make the designation with provisions that don't allow more than 1:1 FAR with a .8 bonus with a payment into the transportation fund. If the employment zone change on page 91 goes forward (ESCO property), mitigations would go away. Don't change what we have today, which was a hard-fought process. *(see written testimony)*
21. Greg Theisen, NWDA planning committee: We have concerns for further erosion of prime industrial land, which we know is already inadequate to meet future expected demands. In addition to the ESCO properties on Vaughn, we understand there are others proposed to EG zoning if this project is adopted. *(see written testimony)*

*Commissioner Smith:* With this project, the 3:1 FAR potential and ESCO's request to move land behind to EG as well are the two concerns. We didn't see the ESCO request during our Comp Plan discussions. Do we know what is the impact on the intersection at NW Vaughn is and what it means for the neighborhood?

A large part is owned by Conway. Their Master Plan allows for adding residential and retail uses. We need improvements at NW 23<sup>rd</sup> and Vaughn to allow freeway-leaving traffic to better access. This wasn't consulted when the ESCO planning process started and wasn't anticipated in the transportation analysis, so we don't know the effects of what congestion will look like

with these potential developments. We need additional analysis, more specific than what is being done in the Comp Plan process.

22. Mary Peveto, Neighbors for Clean Air: I'm here to flag a missing element, which is health and livability concerns for communities that abut industrial zones. No environmental overlay addresses hyper-local impacts for communities along the industrial zones. We've heard about air quality problems, but there is no mechanism to address air quality concerns in zoning. But DEQ often says these are zoning issues. We are disheartened to see that zoning won't address air quality issues.
23. Kym Harris: 135<sup>th</sup> and Whitaker Way. My primary concerns is prohibition for self-service storage. I've talked with staff about proposed changes and talked about hypothetical tenants, but the responses didn't alleviate my concerns. (*see written testimony*)
24. Mo Tran Dinh: I own a 100 year old house, currently R1 and proposed to EG, which is a concern. If we take non-conforming position, how does this affect home insurance? We don't want to sell the home, and we have no plans to build. But if the house burns down, under the new proposal, it sounds like we wouldn't be able to rebuild as-is.

The proposal doesn't affect the property unless you are going to change the structure.

25. Cindy Rinella: 231 SE Alder, a produce distribution company. We originally had ample parking and little foot traffic, but this area is becoming more difficult for semis to dock and unload. It's become very unsafe. I like the mix of shops now, but I don't know why we're considering going back to industrial. We are considering moving our operation to Milwaukie or somewhere where there is better space for trucks and warehousing. I like the variety in the changes, but it's becoming more difficult to operate our business in the Central Eastside.
26. Tom Lindley: NE 63<sup>rd</sup> and Columbia, which is a property surrounded by industrial, but a nice neighborhood community with wildlife all around. It needs to stay this way and not change. We don't want the livability issues we've seen at 47<sup>th</sup> and Buffalo. Don't change to IG2 here.
27. Peter Stachelrodt: 63<sup>rd</sup> and Bryant. Zoning change sounds harmless, but IG2 is the only zone change that can be requested in this area. We'll get another 47<sup>th</sup> street if the zoning changes are implemented, which is not a good neighborhood change. This is a special place along the slough with farmers who want to keep it this way.
28. Westin Glass: 3147 NE Holland Ct. is a quiet little neighborhood near the Buffalo Slough. No good can come from rezoning this as prime industrial. This would ruin quality of life and property values of what is currently single-family homes that we don't want lost. Rezoning of golf course could destroy wildlife habitat, so we need golf course criteria needs to include buffer zones and environmental consideration. Take us out of the industrial overlay proposal.
29. Pat Wagner: Linnton resident. Most people don't know about this project. Housing is currently allowed as conditional use in EG zones as long as it doesn't impact nearby industries. But changing to employment zoning bans housing, and it borders on being immoral. Lower housing rents can be found in industrial areas and above shops, which is allowed today. I also question BPS' work with the regional employment shed number, which is off by over 2000 people.
30. Tom Bouillion, Port of Portland: Support prime industrial overlay proposed to maintain middle-income employment needs. Include buffer zones particularly at residential and rail track crossings. The proposed golf course changes seem off, but consider reducing Open Space zoning here and require landscaping to be consistent with other properties. Regarding the Metro testimony around Rivergate, we can't support removal of prime industrial here in part because

we haven't had time to review their comments. (*see written testimony*)

31. Shannon Benson: 6000 NE Bryant St. purchased in 1974. I love this property. It's a hidden paradise in the city. Protect wildlife habitat, which is habitat we're losing. Industry that has moved in has surrounded us. I'm against the industrial zoning change.
32. Aleeya Kim: A small business owner on NW St Helens Rd. Housing elimination from prime industrial overlay just makes the housing crisis worse, so I don't support the prime industrial overlay zone here.
33. Edward Jones, Linnton NA Land Use Chair: We have gotten 3 parcels in Linnton excluded from the industrial overlay. But less alert or less knowledgeable property owners in the city may not have had this opportunity to work with staff to do the same. I endorse Bob Sallinger's comments about smart zoning decisions, not being heavy-handed to just make a number of acres. Think about the best use for each property, and don't just make up numbers to reach a potentially irrational goal.
34. Heidi Stachelrudt: 63<sup>rd</sup> and Columbia. This is proposed for the prime industrial overlay, but this is currently farm land. There is a more urgent need to sustain small inner-city farm areas. Striving to model a community that thrives with industrial neighbors while actively farming.
35. Stephanie & Ken Park, Parkland Properties LLC: SE 92<sup>nd</sup> and Powell Blvd. We obtained these properties about 18 years ago and we were told these were able to have unlimited height on our properties, and we thought that would remain. We recently found out that it is currently CG with a limited height. We had been saving these properties to build a multi-functional high-rise building with a medical research center here, but now we've found out we can't. Please review current/previous zoning. We request CM3.

Staff will follow up with what is proposed for these sites.

36. Chris Wall, Moody Holdings: 54<sup>th</sup> and Columbia Blvd. is surrounded by junk yards, drug houses and a school. Potential tenants wouldn't move into a newly build facility that we proposed building because it wasn't worth headaches with the City. We're working to put in a storage facility to improve the area, but our only tenant currently is a haunted house. It's a benefit but would be prohibited with the new overlay. Own the portion of Whittaker Pond. Please rethink things that tie our hands as developers and land owners.

*Vice Chair Schultz* closed the hearing for the code amendments relating to the Employment Zones project. Written testimony will remain open until Friday, November 6 at 5 p.m.

### **Written Testimony Received**

#### **Discussion**

*Commissioner Rudd:* Can staff pull the discussion in the EIS for the Orange Line about anticipated impacts on uses in an industrial area? It's noted that language about stormwater facilities are defined by BES, but we have a definition in Title 33. Which definition are we using?

*Commissioner Shapiro:* I need more clarity on the ESCO versus Conway conflict to understand how these tenants and NWDA are working (or not) together. Regarding the conflicting overlays, can we understand how to mitigate this and make these two overlays work together? Linnton has persevered over the years, and I wonder about the excluded pockets and if others have had a fair chance to express their concerns.

*Commissioner Bachrach:* I understand the Prime Industrial Overlay is based on the Comp Plan Policy 6.39. What's the PSC's role when property owners say their properties don't fit this definition? How do we begin to parse the issue?

- During the Comp Plan hearings, we did look at different areas and considered if they should be different types of zones as part of the Comp Plan map. Based on the PSC recommended map, we are trying to implement that map by protecting industrial sanctuaries close to rail and Port. We've looked at the pockets and said they may be industrial, but they shouldn't be prime industrial for a variety of reason (keeping them industrial though). If it's a question about some of the residential areas versus industrial, that is a question for City Council in considering the Comp Plan map.

*Commissioner Smith:* How will we see the property requests to review when making our recommendation?

- Staff will send a "what we heard with more details" memo prior to the November 10 PSC work session on the project.

We have conflicting public policy regarding freight access and investment in the Orange Line with employment-oriented development where the maker-type jobs might be more appropriate. Also, for disclosure, I was the NWDA Chair that brought the intersection issue to LUBA.

*Commissioner St Martin:* We heard lots about people who want to have storage facilities on their land. What is the rationale for this not being included in the prime industrial overlay?

*Commissioner Rudd:* Could we consider accessory housing uses on employment lands such as for workforce housing? I'm all for preserving industrial land, but this might be a consideration.

- From a zoning capacity, we have lots of housing capacity in other zones; we're tight on jobs capacity. The goal is to preserve and protect capacity that we have, and we have almost twice the residential capacity in mixed-use and other zones. It's also a question of being on the edge of residential/commercial/industrial and issues that we see. If we site workforce housing here, we might see the same conflicts in the middle of employment areas.

*Commissioner Smith:* How do we bring environmental and employment zoning in a more coherent process?

*Vice Chair Schultz:* I'm also struggling with the delay of environmental zoning. What about air quality issues? Where we're changing EX to EG, are you concerned about changes in property values and/or density? I just need some more background about this.

### **Next Steps**

Staff will provide updates and responses to the PSC. Then we have the work session and recommendation for the Employment Zones Project at the next PSC meeting on November 10. This work session is a little about the map, but it's mostly about the code provisions.

Comments about the Comp Plan Map should be directed to City Council for their hearings. The PSC hearing for the proposed Zoning Map amendments is continued to February 23, 2016, the tentative hearing date for the all the Zoning Map amendments.

### **Adjourn**

*Vice Chair Schultz* adjourned the meeting at 7:15 p.m.



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**Portland Planning and Sustainability Commission**  
October 13, 2015  
12:30 – 2:15 p.m.  
1900 SW 4<sup>th</sup> Ave, Suite 2500A  
Portland, OR 97201

**AGENDA**

- 12:30 PM      **Call to Order**  
**Items of Interest from Commissioners**  
**Director's Report**
- 12:40 PM      **Consent Agenda**
- Consideration of Minutes from September 22, 2015 PSC meeting
  - R/W #7961 – NE Sandy Blvd between NE 12<sup>th</sup> Ave and NE 14<sup>th</sup> Ave
- 12:45 PM      **Task 5 – Employment Zoning Project**  
Briefing
- 2:15 PM      **Adjourn**

For background information, call 503-823-7700, or email [psc@portlandoregon.gov](mailto:psc@portlandoregon.gov).

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Tuesday, October 13, 2015  
12:30 p.m.  
Meeting Minutes

**Commissioners Present:** Jeff Bachrach, André Baugh, Mike Houck, Gary Oxman (arrived 12:48 p.m.), Michelle Rudd, Katherine Schultz (arrived 12:38 p.m.), Howard Shapiro, Chris Smith, Teresa St Martin, Maggie Tallmadge

**Commissioners Absent:** [1 open position]

**City Staff Presenting:** Joe Zehnder, Tom Armstrong, Steve Kountz; Mike Abbaté, Brett Horner (PP&R); Mike Jordan, Marie Walkiewicz (BES)

*Chair Baugh* called the meeting to order at 12:32 p.m. and gave an overview of the agenda.

### Items of Interest from Commissioners

- *Commissioner St Martin:* We had the second meeting of the Residential Infill Project SAC last week. We are continuing to work on the group's charter and goals.
- *Chair Baugh:* *Commissioner Schultz* is unable to sit on the Airport Futures Committee, so we still need a PSC member to join that committee.  
Joe: This is a standing committee that formed after the airport zoning project. One of the things that came out of the process was to continue working with the community and keeping a flow of information.  
  
*Commissioner Houck* and *Commissioner St Martin* may be interested. Staff will send information to them.

### Consent Agenda

- Consideration of Minutes from the September 22, 2015 PSC meeting.
- R/W #7961 – NE Sandy Blvd between NE 12<sup>th</sup> Ave and NE 14<sup>th</sup> Ave

*Commissioner Smith* moved to approve the Consent Agenda. *Commissioner Houck* seconded.

The Consent Agenda was approved with an aye vote.  
(Y8 – Bachrach, Baugh, Houck, Rudd, Shapiro, Smith, St Martin, Tallmadge)

### Documents and Presentations for today's meeting

#### Task 5 – Employment Zoning Project

Briefing: Tom Armstrong, Steve Kountz; Brett Horner (PP&R); Marie Walkiewicz (BES)

#### Presentation

Tom introduced this as the first Task 5 project of the Comprehensive Plan package. Each of the 7 projects is on a staggered timeline and will come to the PSC in the next 9 months. The PSC will make its recommendation on each of the Task 5 projects, but they will go to Council early next summer as a full package.

The employment zones project looks to protect the capacity we have for industrial and middle-wage jobs in the City. We are proposing some zoning map changes in employment and industrial areas. Mixed (dispersed) employment areas are also included in the proposal as well as Central City industrial areas.

The Comp Plan addresses the growth capacity for expected new jobs in these areas. We are expecting 42,000 jobs out of 142,000 citywide in these geographies over the next 20 year. 1800 acres of land supply are needed for the employment zoned jobs, and we have about 1300 right now. The proposed Comprehensive Plan policies and map changes add up to about a 600 acre gain in capacity.

Portland's economy has been losing middle-wage jobs since about 2000, which means less upward mobility for low-income workers and a middle class that is shrinking as a portion of job distribution. Industrial jobs also have a role of reducing disparities in the city.

The Comp Plan industrial land strategy includes increases in industrial development capacity through brownfield redevelopment and more freight investments. This early implementation project will implement industrial land retention and protection of prime industrial land as well as map changes. Other items will be done throughout the course of the next 20 years of the plan.

In this project, code changes include:

- Prime industrial land retention and protection (fulfills State Goal 9 and Metro Title 4 requirements)
- Land efficiency of EG zones
- Neighborhood compatibility of EG zones
- Golf course rezoning standards
- Industrial office uses in Central Eastside

#### **Prime Industrial Land Overlay Zone**

We are looking to prohibit quasi-judicial Comp Plan conversions.

*Commissioner Rudd:* There has been lots of conversion. Haven't most been legislative?

- Yes.

What about limited quasi-judicial changes if, for example, someone found replacement land for what they are proposing?

- We did hear comments about finer-grain changes, but the proposal doesn't include this.

We adjusted the map of the prime industrial land overlay zone, particularly in Linnton. The neighborhood wanted continued flexibility for looking at a mix of uses in the future, particularly along NW Front Ave - these area will continue to have an Industrial Sanctuary designation and Industrial zoning, just not included in the Prime Industrial overlay zone. The plywood site is still included in prime industrial aside from a small parcel at the entrance where the community center is now. Staff will show a detailed map at the next PSC meeting to highlight these areas.

Park and Open Area limitations in Prime Industrial Areas. These provisions are to implement Metro Title 4 requirements that prohibits location of new parks that serve people who don't live/work in these areas. The Discussion Draft originally proposed a conditional use process for park and open space areas larger than 2 acres. We heard objections to this, and Metro said this wouldn't comply with Title 4. We also heard that there was ambiguity in this policy and code language, and that it would be difficult to implement. The Proposed Draft provides a simpler approach. Stormwater facilities are an allowed use as a public facility. If there is a need or opportunity for a large park in the prime industrial area, then a comprehensive plan amendment would be needed to change the designation to open space.

We are also proposing a BPS consultation process with BES, Parks, and Metro at time of land acquisition to provide information about the buildable lands inventory (BLI) and potential impacts on jobs and development capacity in these areas. In some cases, we might be able to sub-divide parcels to keep the developable portion as industrial land.

## **EG Zones land efficiency**

The proposal is to:

- Reclassify retail exceeding 20,000 sf as conditional use
- Prohibit new residential uses

*Commissioner Schultz: Does the City have a program to buy-up the houses in the industrial areas?*

We don't have a program to address houses that are currently in the EG Zones. There isn't a City program to buy the houses; we've left this to the private market. We have re-designated recent developments (about 400 units) on the Comp Plan map to the appropriate residential zone. But, there may be a zoning map "clean up" phase. We've already seen new conditional use applications in EG Zones, for example. When the new rules become effective, we'll have to do a legislative map change to recognize these recent developments and change the map to residential, rather than have them be non-conforming.

*Commissioner Houck: Was there explicit policy about acquisition of houses in the EG Zones?*

- We looked at the scattered nature of these houses, and we decided to focus on brownfield clean-up rather than chase small willing sellers (would only have been about 20-30 acres total).

## **Neighborhood compatibility in the EG1 Zone**

The proposal is to:

- Changes to outdoor storage and use allowances to make it similar to the current CG zones.
- EG1 zone is applied to smaller lot zone in a grid-block pattern, mostly in buffer zones.

There are already buffer zone standards in place, but these will help with some of the more stand-alone areas that are not in buffer zones.

For businesses on Columbia Blvd, have these businesses voice concerns about this regarding their equipment (cranes)?

- Along Columbia Blvd, this is an Industrial Zone, so the EG1 proposal doesn't apply here. We didn't find examples of this in EG1 zones.

## **Golf Course Rezoning Standards:**

We are not proposing new industrial zoning, but we are proposing ecological design standards that would apply if the areas ever redeveloped as industrial. We have heard objections about map changes from Audubon and other environmental groups. But on the other side, Cully residents (with the Colwood zone change) had local community benefits. This proposal is only looking at new design standards.

## **Expanding Industrial Office Uses in the Central Eastside:**

There are new allowances proposed as per the CC2035 SE Quadrant Plan to allow industrial office in all IG1 zones in the Central Eastside. This will extend allowances for retail and services and other traditional offices larger than 5000 square feet. Proportional percentage for sites larger than a block.

- These changes are being done early (before other Central City code update) as part of this Employment Zones project because we need to show the capacity gains as part of the Periodic Review task to show we are meeting the shortfall identified in the EOA, so that portion of the project is being taken forward here.
- Industrial Office and Traditional Office definitions are being cleaned up, and the CC2035 process will address these potential changes.

## **Zoning Map Changes**

The proposed Zoning Map changes are generally a handful of small sites. One decision to make is should they be EG1 (smaller grid-block sites) or EG2 (bigger sites)?

We sent about 6000 notices to property owners who may be affected by changes. Initial concerns about property values. Most people are relatively satisfied with the proposed map changes. Along 82<sup>nd</sup> and central Gateway have the most changes. Underutilized sites in these areas, so more development/redevelopment opportunity.

In Gateway, there was EG zoning until about 10 years ago, which was changed to EX, but the proposal moves it back to EG, which is proposed to encourage more middle-income job growth here. There is general support to increase job growth, but there are concerns about gentrification or reduction of land value. We are not seeing much effect on property values, but there will be some market changes. This area could be a receiver site for businesses that get priced out of the Central Eastside. It has good highway access and adequate land. We are trying to bring more Central Eastside-type employment (light industrial, heavy commercial) to this job market.

*Commissioner Schultz:* Regarding notifications of zoning changes, property owners received something in the mail about applicable or possible Comp Plan map changes. Now in the zoning code process, have you sent something to those properties where we decided not to change zoning?

- We haven't sent out these notices to people had proposed changes that we then decided not to change.

*Commissioner Schultz:* Property has been changing hands, so how do we get the updates out to people about changes (and non-changes)?

- For the Comp Plan map changes, property owners are receiving notice for the City Council process. There is a small subset that won't have a corresponding zoning change, but they may have received other notices about code changes that would affect them. IG outside prime industrial overlay is probably not getting noticed, but we can look at identifying how many people this effects.
- Staff will look into this before the hearing.

*Commissioner Houck:* We had conversation regarding use of the term "gentrification". It is a two-sided coin. The real concern here is displacement – the negative consequences, not the increase in land and property value.

There will be a hearing at the PSC at the next meeting on October 27. The attached staff memo includes additional clean-up map changes, mostly for split zone properties and unincorporated Clackamas County pockets as well as two small marina sites north of the airport.

Through the early code concepts regarding the Metro Title 4 prohibition on parks, we had lots of conversations with PP&R and BES. There continues to be some concern, so bureau directors are here today to discuss.

Mike Abbate, PP&R: I appreciate BPS staff's work, and we've been working together for a number of months. Regarding the 600 acres of industrial land lost to parks – there is a recognition in code changes that certain parks will be recognized as parks. We have not converted 600 acres to parks.

PP&R does have 3 remaining concerns:

1. Parks and Open Space should remain a permitted use. Parks has long been permitted in every zone; one land use should not trump another. A 2 acre park is exempt but may not be adequate to serve the people around it. Lots of parcels are larger than this, and we don't typically want to divide sites.

I also want to address the discussion that there is open space and there are developed parks. We don't have a binary parks system here. Most parks have both developed portions and natural portions. So if we have an exemption to create a 2 acre developed park, what happens when we have a 10 acre parcel that we want to do a split?

Parks don't just serve residents; they serve employers too. Our SDC system recognizes this.

2. We need clarity that natural areas are exempt from these proposed changes. We will also ask Metro clarify the Title 4 language. BPS should make it clear in the overlay proposal as well.
3. We should encourage asking Metro to remove the 10 acre limit on park size.

*Commissioner Houck:* The CLF Equity Atlas maps show access to parks. East Portland is routinely described as being park-deficient. If there were ever an example of where an “equity lens” should be applied it should be in this area. We don’t want to preclude parks in these areas with these proposals.

- Cully is a good example of Thomas Cully park being developed.
- Lents/Foster has the same tension between industrial land and needs in local neighborhoods.

Mike Jordan, BES: Most issues from BES’ perspective have been alleviated, thanks to working closely with BPS staff.

1. One major thing is that we consider stormwater facilities are essential infrastructure and should be allowed everywhere in the city. This is good that those are recognized as allowed uses.
2. It is often difficult to know when we’re acquiring land for which specific use (or multiple uses) it will be for. We need to acknowledge this ambiguity.
3. We are often trying to balance two goods, not a good versus bad. This is difficult to manage the tension. But it’s been about 18 years since the conservation and environmental zones in central and western parts of the slough have been updated. It’s time to do that, which is part of rationally balancing the tension between environment and jobs. We encourage a re-examination of conservation and environmental zones get in front of Council soon as well.

*Commissioner Houck:* I could not be more strongly in support of Mr. Jordan’s comments. We have made significant mistakes, including zoning Columbia Corridor for industrial uses without doing environmental assessments prior. We have all paid the price for that mistake 25 years ago. In fact, a former president of the Portland Planning Commission testified before us during WHI hearings and remarked that we had made a mistake while she was on the Commission in relation to lack of environmental zoning in the Columbia Corridor. I’m really supportive to today’s proposal with the exception of coming back to try to address environmental issues later. We have the NRI and have the information; we have to make an integrated policy decision at this point.

*Commissioner Shapiro:* We have to work with both, not one or the other, to make the best use for the common good. I hope the PSC will often hear from department heads about working together so we’re not siloed and we can present to Council a more comprehensive view.

*Commissioner St Martin:* In terms of the balancing, has PP&R looked at other types of urban parks?

- As we become more dense, we do need to look at being more flexible. We’ve talked with developers about parks within their developments, on top of buildings, etc.
- The Portland Plan goal of people within a half mile of a park is already outdated. The number of people each park serves is important.
- As the population grows, intensity on natural areas continues to grow.

*Commissioner Bachrach:* What is the park acquisition goal over the next 20 years?

- In 2001, the City adopted the Parks 2020 Vision. In terms of acquisition of natural areas, we’ve met this goal. But the neighborhood parks standard and access to trails we have not met. The Metro Greenspaces measure and funding has allowed us to purchase land, but this funding sunsets in spring 2016. With the lack of available land, we had to change our SDC policy this year.
- A few years ago, figures showed we needed another 42 developed parks (about 2-3 acres each). This doesn’t include natural areas though. In this overlay zone, connectivity is very important; we can’t have it chopped up to serve the same functions. We are trying to connect the whole area along the slough with natural areas.
- *Commissioner Schultz:* Have you just taken this and overlaid it on what’s being suggested as industrial overlay?

- We can provide where the gaps are, but we don't have specifics of identifying particular plots/acres.
- The BLI included future increases of environmental zones (acres) supply.
- One of the barriers we've had with e-zone changes in industrial zones is not having an updated EOA, which you've now confirmed and is part of the package at Council. Once we submit this to the state, it should be adequate.

*Chair Baugh:* Are park natural areas exempt from Metro Title 4?

- This is part of what we want Metro to clarify. Regarding employment, we are pushed and pulled (employment/middle-wage jobs and locating). We want to preserve land, but we have a parks issue here too. How do you propose we look at the employment land and parks/open space balance? We will continued to be pushed by this.
- Mike Jordan: This question will only get more difficult since we are land-locked. You have to make some decisions right now. Don't wait 30 more years. The big deal is course-correction and think about the evolving city. Incremental change is lots easier to work through.
- Mike Abbate: Park intensity and changes over time is a good question. This is a standard we're all grappling with. I think industrial developers have to wrestle with this too. We want jobs, and the more jobs per acre can help with the question of highest and best use, similar to intensifying park use.

*Commissioner Tallmadge:* We received an intensity analysis before. Can we review that again to see what this overlay looks like to help see this laid out? In terms of regulations, we keep talking that we have reached a number of goals with incentives. But what are regulations that should be put in place if incentives are going away?

*Commissioner Bachrach:* I assume the concern is about buying lots of industrial land for parks use. But on the other hand, perhaps a modest amount of outright permitted use could be allowed?

- Mike Abbate: We have thought about this... some sort of cap about how much industrial land we'd lose. PP&R could suggest this (not right today), but we could come up with something.
- Tom: What's been alluded to is that we run up against Metro Title 4. When we look at stormwater facilities and wet natural areas, we have allowed those as facilities. We are left with the middle ground of upland natural areas – how do we account for this? That is still a question. We need to have a serious discussion about balancing the values, which is what happens in a Comp Plan amendment, which is the reality of being a land-locked city.

Is allowing acquisition of 2-acre parks avoid the Title 4 problem?

- Tom: Our interpretation is that with the Goal 9 diminimus exception is consistent here, and that says 2 acres. When we get to bigger parks, we have a problem with writing this into code.

*Commissioner Rudd:* Regarding the 2 acres, you can come to the counter to get a permit. But there needs to be a broader discussion about the trade-off. I prefer having this as a base, then we get a larger policy question with larger parcels. If we have a big facility that drives lots of people to it, then there is a freight discussion as well.

*Commissioner Schultz:* If you put a trail through a natural area, is it now a developed park?

- There is an exception for trails, trailheads and boat-launch facilities, which we've put into code. Siting/location of these components is a question though.

Joe: The Comp Plan change reflects on what all the rest of our policies say about jobs. It's up to the jurisdiction about how we're going to create job growth. We believe middle-wage jobs are industrial. But if we find that we can't accommodate the expected growth in these areas, we have to decide where we expect the jobs to go. And then need to look at job-related things beyond the Comp Plan scope. By doing it how we're proposing, we're trying to be responsive to doing updates more frequently. We've built in a process to not close the door but to hold ourselves accountable to do changes transparently.

*Commissioner Schultz:* For properties that become legal non-conforming uses, how do property owners know this?

- We have already updated the map to address residential in EG zones. There is a series of steps for proving a non-conforming use status exists.

Are we thinking about smarter, easier ways for people to track and prove their uses were legal at one time or another? Can we tie it to Portland Maps?

- Non-conforming is not part of a title report; it is incumbent on a buyer to know what the property is zoned, uses, etc.

*Chair Baugh:* Regarding natural areas and Metro's Title 4, can we just write the definition in how we define it then if they don't like it, they will tell us?

- Metro says natural areas are not prohibited by Title 4. We have worked through a process where the staff proposal is to prohibit upland natural areas; this is the gray area. We are proposing this, which is more restrictive than Metro.
- If an uplands natural area is purchased for a stormwater or water quality facility, it is an allowed use. As BES is considering a purchase, they can consult with BPS about where the real value is and if there is a developable parcel we could preserve. This part isn't part of the code, but we are suggesting something like an IGA for this consultation and discussion process.

In calculating industrial capacity, we anticipated needing 150 new environmental acres. Existing parks wouldn't be counted, so they are taken out of the supply. We are not estimating new parks in this area, but we do find 25 additional natural resource mitigation acres in capacity along Portland Harbor. Staff will provide a document/chart about these figures.

Council will hear lots of testimony about the golf courses. This is 120 acres of capacity that we could be short if they take it off and put them back to open space.

If Council makes changes to the Recommended Comp Plan, we'll have to look at them and their decision. The PSC will still be talking about Task 5 projects when Council votes, so we could bring back a set of choices based on City Council decisions before the Task 5 package goes to Council. If they are minor, we can have an amendment package that Council can adopt together. So part of it is the timing and part of it is the magnitude of change.

## **Adjourn**

*Chair Baugh* adjourned the meeting at 2:50 p.m.

Submitted by Julie Ocken, PSC Coordinator