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Sent: Thursday, March 01, 2018 4:43 PM
To: Heron, Tim; Ballew, Cassie
Cc: Jake Walker (jwalker@leoncapitalgroup.com); Bryan Barry (bbarry@leoncapitalgroup.com)
Subject: RE: Applicant's detailed response to testimony and requested conditions second open record period LU 17-144195 DZ
Attachments: 96117432_1.docx

Attached is the applicant's final submission during this open record period. We will provide rebuttal testimony during the next period, which is available only to the applicant.

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LEON
Capital Group

March 1, 2018

VIA EMAIL

Portland Design Commission
1900 SW Fourth Avenue, Suite 5000
Portland, OR 98201

**Re: Applicant's Response to First Open Record Period
LU 17-144195 DZ -- 3415 SE 62nd Avenue
SE Powell Boulevard Self-Service Storage**

Dear Commissioners:

This testimony is intended to respond point by point to testimony received by February 15. We have also addressed the requested conditions of approval.

Responses to Testimony

H-32 -- Northwest Self Storage (testimony from Dunn Carney and Mackenzie)

Compatibility

Mr. Wyman is contending that to be compatible with surrounding development, we should have designed our building to mimic the features of the surrounding homes. Some of the features he points out on the surrounding homes include hip roofs, a low slope half-hip roof, craftsman style design with gables and deep overhangs. He also states in his subtext on page two that the design must be compatible with existing development, not the zoning of those sites. We contend that the design should not disregard the zoning of any site since the zoning code specifically describes the character desired by the city in those zones, which is specifically stated in the same code he references, PCC 33.284.050.A. We also contest his interpretation of compatibility and harmony. Compatibility is not simply matching features of the immediately adjacent homes, but matching features of the more similar uses in the surrounding development zone. Most of commercial buildings in the area have flat roofs with flat roof lines. Additionally, many of the same commercial buildings have flat building walls with little to no articulation. Even though the appellant and Mr. Wyman's client want to say that our building is not compatible because they don't like the project or use and want to delay our project, you cannot ignore the fact that this corridor of SE Powell was planned for commercial development and residential development to live in harmony together. This abutting condition exists constantly throughout the zone and the commercial buildings don't have hip roofs with craftsman style designs. Our pursuit of an approvable project led us to a design change where we deleted a step in the roof line at the direction of city staff to simplify the roof line and further adhere to the desired character of the zone. This is depicted in our presentation deck

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when comparing the building elevation iterations.

Two self storage facilities that were recently approved through design review provide examples of what the City has been considered compatible with surrounding development and nearby residential uses. Both facilities have flat roofs. Neither building has as much glazing and Leon's project, and neither includes brick.

NE 67th Ave and NE Halsey Street (LU 17-135754)

The **44 foot tall** four-story self-storage facility at NE 67th and NE Halsey recently approved through the Type II Design Review procedure, is flanked on both sides by residential buildings. These residential buildings have hip roof designs. The self-storage facility has maximized the site area with flat walls that follow the shape of the property. The building material is comprised of CMU block and metal panel. It does not offer the third, high-end material of brick like the facility proposed by the applicant. The portion of the East façade that is visible from the adjacent residential is comprised of CMU block on the ground level and metal panel on the upper levels. There are three tiny windows; one on each floor. These windows are dwarfed by the sea of metal panel that stares down the adjacent residential. The supermarket immediately adjacent has a flat roof design. This is further evidence that the two different roof lines, in the eyes of the city, are compatible. In that same light, the city has deemed a four-story building to be compatible with surrounding development, especially residential uses, despite a four-story building mass with similar adjacent setbacks as the applicant's proposed facility.

SE 82nd Ave and SE Brooklyn (LU 16-239933)

Similarly, the **45 foot tall** 3-story self-storage facility at SE 82nd and SE Brooklyn was also recently approved through a Type II Design Review procedure. It too, is immediately adjacent to a residential use with a sloped/hip roof design. This facility consists of CMU block and metal panel skin; however, metal panel is the dominant material on this building. It's important to note the similarity of this facility's automated metal grill roll up door that faces a residential use. This automated door is in closer proximity to the adjacent residential property than the applicant's facility by approximately 10 feet.

Precedent has been set by the approval of these two facilities. Flat roofs, building facades, and building massing of the proposed facility should be approved based on the same criteria that these two facilities were approved.

Security

Mr. Wyman's agreement with design commission's security concern is noted. With the additional security measures pointed out in our new evidence submission, we think design commissioners will all agree that the site is now secured.

Table 130-3 – Landscape area requirement

The property area used in Mr. Wyman’s landscape area calculation is that of the existing property. The correct calculation, as shown on the applicant’s landscape plan, uses the property area after right-of-way dedications are made. The project complies with the 15% landscaping standard.

Suzanne Stanley – MacKenzie

Ms. Stanley’s comments are vaguely trying to raise a contesting argument that is similar to Mr. Wyman’s above. Therefore, the responses offered above are more than adequate to use as a response to Ms. Stanley’s.

Brent Ahrend – MacKenzie

1. As stated in the attached exhibit from Lancaster Engineering, the intersection sight distance is actually 390 feet for a posted 35 mph speed limit. Mr. Ahrend’s statement of 500 ft is incorrect. Furthermore, when you properly measure the distance according to ODOT standards, you see that the building referenced by Mr. Ahrend is NOT interfering with the required 390 ft sight distance. Additionally, when you look at the historical data for this intersection, there is no evidence by industry standards that points to unsafe conditions. The self-storage use will reduce the vehicle trips produced by this property by approximately two-thirds, thus improving traffic conditions as a whole.
2. The EA notes do not say that a queuing analysis is required as a blanket statement. It says that the analysis would be required for determining the appropriate location of a gate. This will be done if necessary at the time of building permit review **as it is not a part of the land use approval criteria**. The applicant is not proposing a gate and up until recently was not proposing a garage door near the ROW. The applicant has written communication with city staff that the garage door entrance will be allowed in the proposed location if left open during business hours. Our proposal is to leave the garage door open during business hours, so there are no queuing issues.
3. The applicant recognizes that the vague and unjustified statements of Mr. Ahrend are a mere attempt at delaying the applicant’s project. He and Mr. Wyman were hired by the applicant’s competitor who is building a facility down the street. To address each of Mr. Ahrend’s “concerns” the applicant respectfully responds with referring to PBOT’s statement at the hearing that no traffic concerns exist, and no code or design standards are violated.
4. The internal circulation was designed to accommodate the vehicles necessary for the success of a business model that applicant has extensive experience with as company. Mr. Ahrend may not have experience with storage facilities to know that most people prefer to back into loading

spaces, which is why the exhibit shows the turning movement as such. Furthermore, if a vehicle desired to pull in head first, that same vehicle would have the opportunity to back up in a fashion that would allow exiting the way it entered.

5. Vehicle circulation on 62nd will not change due to the proposed development. Mr. Ahrend is speculating to gain a competitive edge for his client.

H-31 -- South Tabor Neighborhood Association

Security and Access

Our revisions submitted on 2/15/18 completely address the concerns of security stated at the appeal hearing. The fence has been revised to close off all areas of the property where transients could breach. Decorative metal is being proposed to secure the opening into the parking area above the four-foot-tall brick planter. We now propose for a roll up door to be closed during hours the facility is not in operation. This door will be left open during operational hours. Should a tenant unintentionally not make it out of the facility before the door closing at the end of operational hours, the tenant will have a code or access mechanism to open the door for exit. Additionally, an emergency egress plan will be implemented for the facility. The appellant is concerned with vagrants or transients or animals getting into the facility during the hours that a manager is not on site and “camping out”. While a manager may not be present after hours, the security of the facility will monitor all areas and will be equipped with motion sensors that if tripped will notify the authorities and manager of the facility. Access to facilities after hours of the manager being physically present on site is an industry standard and someone with the management company is available at all times.

Truck turning and off-site impacts

A 26' truck or SU-30 is estimated to hold a 3 to 5-bedroom home. This is stated in the applicant's presentation and supported by the U-Haul truck website screenshot in the appellant's exhibit C. It says that the truck is used for a 3+ Bedroom home. The storage unit that is shown in Exhibit C says a 10X15 will fit 3 rooms. The volume of three rooms is less than a 3+ Bedroom Home. In Exhibit C, the label for a 10X20' unit says, “full house”, which aligns with the applicant's presentation statement that a 10X20' unit will hold 3-5 rooms. The applicant has 18 units of 10X20'.

The appellant's argument is that the truck turnaround area does not meet a standard. The applicant's statement of infrequent use is true and relevant in quenching the concerns of the neighbors, however, there is no standard that prohibits this element of the project. As stated previously, the internal circulation will be able to accommodate all vehicles and the exterior turn-around area will be used in extenuating circumstances.

Off-site impact standards will not be exceeded with this turn-around area. Standard 33.262.070 says

that odors detected for less than 15 minutes per day are exempt. By the spirit of the code these odors are those coming from a facility or machinery associated with a certain use. The odor in question is that of a vehicle exhaust from a vehicle using this turnaround area. It is highly likely that this paved area will remain unused multiple days during the week and certainly not more than a few times a day. Based on historical data for similar facilities, less than 10% of vehicles accessing the property daily will be a large truck (SU-30 is the largest size). This equates to a maximum of 9 trucks accessing the facility on any given day. There are four loading spaces that the trucks will back into and when finished pull out toward the way they came in.

Plane break

Based on our analysis of the building plane break idea, the facility would not be able to achieve the targeted net rentable square feet, unit mix, and layout required for the success of the project. Even though the proposal does not change the gross square feet it would reduce the net rentable square feet of the project. This is because the area immediately around the section of the building that is changed is not the only portion of the building impacted. Any shift in the unit layout causes a chain reaction across the entire project. As stated in our narrative on 2/15, the building is designed on a specific structural grid. The reduction in net rentable square feet would have a significant impact on the project. Furthermore, our design has targeted a specific number of units for each unit size based on the expected demand for those unit sizes in the area. This is called the "unit mix." The proposal would result in a less desirable unit mix which would negatively impact the operations of the property.

H-30 -- Joan Frederiksen

Please see the section below to find responses to all of Ms. Frederiksen's requested conditions of approval. The responses sufficiently address all of her concerns.

H-29 -- Jeff and Mary D. Christensen

The applicant recognizes the concerns associated with this project are largely due to a handful of neighbors that do not like the proposed use all-together. However, we are committed to developing a facility that will be a compatible building that provides a valuable service to the patrons of this neighborhood. Mr. Christensen lists several proposed mitigation measures for the project. The applicant responses are in the section below.

H-28 -- Anne Storrs and Michael McCallister

The massing of the building has been addressed previously. One item to note is that 33.284.050A (as quoted by the author) says the purpose is to avoid the monotonous look of many industrial-style buildings.

"A. Purpose. Design review is required for new buildings in the C and EX zones to ensure that the development has a high design quality appropriate to the desired character of the zone and to avoid the monotonous look of many industrial-style buildings."

Nothing about our building resembles an industrial-style building, except the window style that was requested by the neighborhood. Industrial style buildings don't have vertical elements that break up the long monotonous building walls. Industrial style buildings don't have color changes and high-end metal paneling that accent the building as a design element. Industrial style-buildings don't include incubator office space nor nearly the number of building plane breaks that the proposed building offers. Industrial buildings aren't clad in high-quality brick and surrounded by generous landscaping.

Nearly all the comments in each of the "H" Exhibits dispute the applicant and city staff argument that our facility is compatible with the surrounding development. Please refer to the previously mentioned definition of surrounding development entered into the record on 9/28/17 and the testimony submitted by Stoel Rives LLP on 3/1/18.

Although, the comment is referring to the garage door and turn around area near the residential property to the north, the standard referenced (33.284.050 D) is referring to landscaping.

"D. Landscaping. The landscaping on the site provides appropriate transition from public to private spaces, separates and buffers the buildings from other uses especially abutting residential uses, and provides visual relief from stark, linear building walls. "

Except for the comments from the design commission about "beefing up" the landscaping on the northwest corner of the building, which we addressed with our revised landscape drawing submitted on 2/15/18. The project complies with this standard.

"F. Security. The perimeter of the site is designed to provide adequate security for both the site and abutting sites. Considerations include fence and wall materials and placement, type and placement of landscaping including thorny plant material and desired visibility or privacy."

Our revisions submitted on 2/15/18 completely address the concerns of security stated at the appeal hearing. The fence has been revised to close off all areas of the property where transients could breach. Decorative metal is being proposed to secure the opening into the parking area above the four-foot-tall brick planter. We now propose for a roll up door to be closed during hours the facility is not in operation. This door will be left open during operational hours.

H-27 -- Mary D. Christensen

The section below contains responses to Ms. Christensen's requested conditions and the responses will also address the concerns associated to them.

H-25 -- Meredith Baker

Like other comments, Ms. Baker is contesting that our building is too large and isn't compatible with the surrounding development. It is important to remember that the applicant reduced the size of the building in an early design iteration to address the concerns of the neighbor immediately to the

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North. The zoning code dictates the size of the building in many ways and this proposed facility meets every aspect of these requirements. Many of the design standards are being misconstrued to mean that the massing of our building isn't meeting code. However, when you dive in further to look at what the code truly says, you will see this isn't true. You must first establish that our use is allowed. When 33.284.050A talks about the design being compatible, its intent is for the building look to be compatible with surrounding development. This is evident by the statement referring to the considerations of design elements.

“A. Building and roof design. The building and roof are designed to be compatible with surrounding development, especially nearby residential uses. Considerations include design elements that break up long, monotonous building or roof lines and elements that are compatible with the desired character of the zone.”

Our proposed building has design elements that break up the building walls on the entire four sides, and we added more with our proposed changes addressing the concerns stated by the appellant and design commission at the hearing.

The second comment is voicing a concern for traffic congestion on 62nd due to the entrance location. Our use generates fewer trips than the previous nursery use. PBOT made it clear that they have analyzed this and have no concerns with the current design. The design has been approved by PBOT and the approval criteria do not include traffic patterns or concerns voiced by the appellant.

H-24 -- Trisha Parks

As previously stated, this self-storage facility will have no negative impact to the surrounding development and neighborhood. The decibel level for the roll up door when in motion will be as quiet as normal conversation. The applicant has made every effort to source one of the quietest doors on the market.

PBOT made it clear that they have analyzed this and have no concerns with the current design. The design has been approved by PBOT and the approval criteria do not include traffic patterns or concerns voiced by the appellant.

Height of the building. Massing of the building is further discussed in comment H-25. However, a couple of points of interest come to mind here. Additionally, PCC 33.284.030 B requires the building to be over 30 feet tall because our site has a street frontage over 100 feet long.

“B. Maximum site frontage. In the C and EX zones, the maximum site frontage along a street is 100 feet. This limitation applies only to sites for the construction of new buildings that are 30 feet or less in height.”

Response to Suggested Conditions

We respond to each requested condition below. The only new condition that we support is the suggestion that the property be addressed as SE Powell rather than SE 62nd. We suggest the following:

The City shall assign the project SE Powell Boulevard address.

H-31

Condition 1 -- Incubator space to have its own restroom. Response: The incubator space will share a restroom with the storage facility in a convenient and communal manner. Access will be managed through tenant contracts and in a secure manner. The design criteria does not support this condition.

Condition 2 -- Shift driveway eight feet closer to Powell. Response: This requested change will negatively impact the prominent and activated street corner, and reduce the amount of glazing. The appellant continuously states that the location of the driveway into the parking and loading that is internal to the building does not comply with code. The code the appellant references is the design criteria for Self-Service Storage (33.284.050). Not one of the design approval criteria speaks to where driveways should be placed. The appellant is requesting that the driveway be moved eight feet closer to SE Powell. The applicant is unable to accommodate this due to the functionality of the facility. Internal parking near the office and the size of the office prohibits the shift of the driveway closer to the office. Additionally, the structural design of the building is set on a specific grid system that does not allow such a shift in structural elements of the building.

Condition 3 -- Repeat of #2.

Condition 4 -- Right turn only measures. Response: As stated by PBOT in the appeal hearing, there is no nexus for requiring right-turn only measures at this location. PBOT has supported the design as is and made a statement at the appeal hearing that they do not support this requirement.

Condition 5 -- Powell Address rather than 62nd Ave. Response: The applicant agrees to this condition of approval. We suggest the following:

The City shall assign the project SE Powell Boulevard address.

Condition 6 -- Condition hours of operation. Response: The applicant has already stated the intended business and operational hours for the facility (7am-10pm). The approval criteria in no way requires set hours to be conditioned or regulated. The tenants of the building will have direct access to management at all times.

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Condition 7-- Condition hours of operation to those where a manager is present on site.

Response: The applicant has already stated the intended business and operational hours for the facility (7am-10pm). The approval criteria in no way requires set hours to be conditioned or regulated. The facility will be monitored by a state of the art security system continuously.

H-30

Condition 1 Response: As previously stated, this self-storage facility will have no negative impact to the surrounding development and neighborhood. The decibel level for the roll up door when in motion will be as quiet as normal conversation. The applicant has made every effort to source one of the quietest doors on the market.

Condition 2 Response: The applicant is required to have a building height of at least 30 feet by standard PCC 33.284.030 B. We are significantly under the required max building height of 45 feet.

Condition 3 Response: The applicant believes that there will be zero impact to surrounding neighbors due to the driveway location. Additionally, it is functionally infeasible to move the driveway any closer to SE Powell BLVD as discussed earlier in this letter.

Condition 4 Response: The applicant's building design offers a wide variety of and numerous design elements that break up the building massing. The design is consistent with the guidelines, especially after the modifications made in Scheme A of the new evidence submission on 2/15/18. The design elements and materials exceed the quality of the recently approved self-storage facilities.

Condition 5 Response: This request has nothing to do with the approval criteria for self-storage PCC 33.284. The applicant will ensure that adequate utilities are provided to the building for a successful project.

Condition 6 Response: The applicant has already stated the intended business and operational hours for the facility (7am-10pm). The approval criteria in no way requires set hours to be conditioned. The tenants of the building will have direct access to management at all times.

Condition 7 Response: As stated by PBOT in the appeal hearing, there is no nexus for requiring right-turn only measures at this location.

Condition 8 Response: Promotional materials and website instructions should not be conditioned based on the approval criteria, however, it is not the intent of the applicant to direct tenant traffic through the neighborhood. SE Powell BLVD will be the preferred route of most people.

Condition 9 Response: The applicant agrees to this condition of approval. We suggest the following:

The City shall assign the project SE Powell Boulevard address.

Condition 10 Response: The proposed roll up door at the entrance to the facility will be left open during operational hours. It will be set on a timer to close at the end of those hours each day. Should a tenant unintentionally not make it out of the facility before the door closing at the end of operational hours, the tenant will have a code or access mechanism to open the door for exit. Additionally, an emergency egress plan will be implemented for the facility. The appellant is concerned with vagrants or transients or animals getting into the facility during the hours that a manager is not on site and “camping out”. While a manager may not be present after hours, the security of the facility will monitor all areas and will be equipped with motion sensors that if tripped will notify the authorities and manager of the facility. Access to facilities after hours of the manager being physically present on site is an industry standard and someone with the management company is available at all times.

Condition 11 Response: With our new evidence submission on 2/15/18 the applicant is proposing enhanced landscaping treatment. More than fifty percent of the trees will be evergreen. The approval criteria 33.284.050.D has been exceeded.

H-29

Condition 1 Response: Possible elimination of on-street parking to accommodate box trucks. RESPONSE: North of the proposed driveway of the storage facility on the East side of 62nd Ave is the only place where on-street parking is allowed according to the existing signage. It looks like this is about three, maybe four spaces total. The elimination of these spaces is not needed to accommodate any trucks that will access the applicant’s facility.

Condition 2 Response: Possible relocation of driveway. RESPONSE: The applicant and PBOT believe that there will be zero impact to surrounding neighbors due to the driveway location. Additionally, it is functionally infeasible to move the driveway any closer to SE Powell BLVD as discussed earlier in this letter.

Condition 3 Response: Possible sound-proofing of the roll up doors. RESPONSE: The applicant has chosen a door that, when in use, is as quiet as normal conversation when considering decibel level. We have compared the decibel levels to that of the off-site impact code requirements and have ensured that we are well below the maximum levels. This was stated in the applicant’s presentation at the hearing.

Condition 4 Response: Possible dedication of additional Right-of-Way. RESPONSE: The applicant is proposing to dedicate the required amount of ROW per PBOT requirements. The purpose of the dedication is to provide ROW improvements including a new curb and sidewalk.

Condition 5 Response: Mr. Christensen is requesting a traffic analysis be completed to address these transportation concerns. **RESPONSE:** The applicant recognizes concerns for increased traffic congestion and conflict. However, as PBOT stated in the hearing, the applicant is significantly improving these conditions just by developing this use. The number of vehicle trips are cut by two-thirds by redeveloping this property to self-storage. PBOT recognizes this and their positive responses have been attributed to this focal point. Further, there is no approval criterion that requires a traffic study.

H-28

No proposed Conditions.

H-27

Condition 1 Response: Right turn only measures. **Response:** As stated by PBOT in the appeal hearing, there is no nexus for requiring right-turn only measures at this location. Most of the tenants will want to access Powell as the preferred route of travel.

Condition 2 Response: Hours of operation. **Response:** The applicant has already stated the intended business and operational hours for the facility (7am-10pm). The approval criteria in no way requires set hours to be conditioned. The tenants of the building will have direct access to management at all times.

H-25

No proposed Conditions.

H-24

No proposed Conditions.