IMPACT STATEMENT

Legislation title: Vacate portions of NE Weidler St and NE Halsey St subject to certain conditions and reservations (Hearing; Ordinance; VAC-10118)

Contact name: Sarah Johnston
Contact phone: 503-823-5067
Presenter name: Sarah Johnston

Purpose of proposed legislation and background information:

The City of Portland (the "City") has initiated the street vacation of portions of NE Weidler Street and NE Halsey Street east of NE 32nd Avenue (the "Street Area") on behalf of GPV II, LLC ("GPV" or the "Petitioner") the owner of the abutting property surrounding the proposed street vacation areas. GPV is being represented by Capstone Partners LLC, ("Capstone").

Upon City's review of the proposed design review No. LU 12-186554 DZM AD, the City determined there is no public need for the stub of NE Weidler Street and that only a Trail Access Easement is needed for the stub of NE Halsey Street for the future access to the future Sullivan's Gulch Trail.

At the Bureau of Transportation's ("PBOT") request, GPV pursued vacating the Street Area for approximately 1.5 years as part of its adjacent development. Capstone was unable to obtain the support and signature of the abutting property owner, Benderson Development ("Benderson"). Although the Lessee, Kroger, Inc. was in support of the vacation and subsequent development, Benderson in good conscience, would not support the vacation due to the development of a competing business.

Due to the full support of the vacation and development by Kroger Inc.; City staff's desire to vacate the Street Area; and the length of time GPV's development was delayed, the City felt it was reasonable to initiate the vacation request which enabled the development to move forward.

The Petitioner entered into a lease agreement with City dated July 1st 2014 for ingress/egress over NE Weidler Street during development and construction, which will be used as permanent access to the retail store once construction is completed. The lease will terminate upon recording of the street vacation ordinance.

The vacation is in conformance with the City of Portland's Comprehensive Plan and is consistent with recommendations made by the Director of the Bureau of Transportation and Planning and Sustainability Commission, as provided in the Bureau Director's Report, dated May 23, 2017 and on file with the Office of the City Auditor (the "Auditor") and PBOT.

The ordinance complies with state law under ORS 271 and City Code, Chapter 17.84.

Financial and budgetary impacts:

The process for vacating streets is a cost recovery program, typically paid for by the Petitioner, and does not have a net impact on PBOT's budget. Expenses for processing a street vacation request typically range between \$8,000 and \$20,000, depending on the complexity. This street vacation falls below the middle of the range and is estimated (with moderate confidence) to be approximately \$12,000.

Revenue paid by the Petitioner for this street vacation will cover the actual expenditures incurred by City staff for the processing of this request. The SAP Cost Object is 9TR000002219. The revenue and expenses are occurring in FY 2015-16, FY 2016-17 and 2017-18

This legislation does not affect staffing levels nor result in a new or modified financial obligation or benefit now or in the future.

If City Council does not approve the ordinance, the Street Area will remain as public rightof-way making it more difficult to acquire the east/west pedestrian connection to the Sullivan's Gulch Trail.

Community impacts and community involvement:

The City Auditor published notice of the public hearing in the Daily Journal of Commerce and has posted the notice near the Street Area.

Comments were solicited from City Bureaus, government agencies, public utilities and affected neighborhood and business associations in Northeast Portland. Although no substantive objections were received. Development Services has required the Petitioner to do a lot consolidation to eliminate underlying historic plated lot lines.

The PSC advertised and then held a public hearing on September 13, 2016. No one from the public came forward to testify in support or opposition of the vacation, and the PSC ultimately approved the vacation request.

There do not appear to be any other impacts to the community from vacating this right-ofway. There is no future public involvement anticipated since the ordinance will conclude the street vacation process.

Information regarding the advertising details can be provided by Toni Anderson, City Auditor's Office, 503-823-4022, or toni.anderson@portlandoregon.gov

188892

Budgetary Impact Worksheet

Does this action change appropriations?								
☐ YES : Please complete the information below.								
⋈ NO: Skip this section								

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount
***************************************			×				



1120 SW Fifth Avenue, Suite 800 Portland, OR 97204 503.823.5185
Fax 503.823.7576 TTY 503.823.6868 www.portlandoregon.gov/transportation

Steve Novick Commissioner Leah Treat Director

CITY OF PORTLAND PLANNING AND SUSTAINABILITY COMMISSION REPORT AND RECOMMENDATION TO THE PORTLAND CITY COUNCIL

CONSENT AGENDA ITEM HEARD ON SEPTEMBER 8, 2015

FILE NUMBER: R/W #7920

I. GENERAL INFORMATION

Street Vacation Request:

R/W #7920, NE Weidler St and NE Halsey St

east of NE 32nd Ave

Petitioner:

Capstone Partners LLC, represented by Lauren

Golden Jones. The representative's contact information is 1015 NW 11th Ave, suite 243, Portland, OR, 97209 (503-226-1972 x114)

Purpose:

The purpose of the proposed vacation is to

consolidate property to support the ongoing

redevelopment of the adjacent site.

Neighborhood:

Sullivan's Gulch; contact is Carol Gossett, Land

Use and Transportation Chair (503-449-1253)

Quarter Sections:

2833

Designation/Zone:

RX (Central Residential)



II. EXECUTIVE SUMMARY AND RECOMMENDATION

The purpose of this action is to vacate rights-of way to consolidate property to support the ongoing redevelopment of the adjacent site. The Planning and Sustainability Commission recommends **APPROVAL** of the request, with conditions.

III. FACTS

A. History and Background

The Petitioner submitted a design review (No. 12-139528) to the City in 2012 for a three to four story, mixed-use development. Upon review, the City recommended that the Petitioner vacate the stubs of NE Weidler and NE Halsey Streets east of NE 32nd Avenue that abuts their property as part of their development as the City determined there is not a public need for these portions of right-of-way. The City recognizes the benefit to vacating these street areas as they only serve the adjacent property and do not benefit the larger transportation network.

The Petitioner pursued vacating the stubs of NE Weidler and NE Halsey for a year and a half, but was unsuccessful due to lack of support from a neighboring property owner that was needed to finalize the petition in obtaining 2/3 of the required signatures (within the "affected area" per ORS 471.080).

After several attempts by the Petitioner to obtain the necessary signatures, Capstone Partners LLC, the Petitioners consultant, approached the City requesting that the City initiate the vacation on their behalf in order to continue development which was acceptable to the City.

The Petitioner entered into a lease agreement for ingress/egress with the City for use of the right-of-way on NE Weidler Street east of NE 32nd Avenue during development and construction, which will be used as permanent access to the retail store once construction is completed. The lease will terminate upon recording of the street vacation ordinance.

At the request of the Planning and Sustainability Commission, PBOT Right-Of-Way Acquisition contacted the property owner via overnight mail, email and telephone to invite them to testify at the September 8 PSC hearing. There has been no response. The PSC was comfortable moving forward and therefore recommended approval of the street vacation.

B. Concurrent Land Use Actions

There is a proposed multi-family residential development in the vicinity of the proposed vacation (Phase 2 of an ongoing development project). This project is in the permitting process, but there are no land use actions that are concurrent with this street vacation request.

C. The Transportation Element

Both of the streets under the proposed vacation are classified as Local Service for all modes in the transportation element of the Comprehensive Plan.

D. Neighborhood Plan

The Sullivan's Gulch Trail Concept Plan (adopted by City Council on July 25, 2012 by Resolution #36947) notes that, in the location of the proposed vacation, "a short trail connection across the property to the Halsey Street right-of-way is also desired to provide a connection to (the) on-street bike network." An access easement will be retained to make this connection in the future, per the condition of approval required by Portland Parks and Recreation (PP&R) detailed in Section III.F below.

IV. FINDINGS

A. Comprehensive Plan Goals and Policies Consideration

The relevant policies of the Comprehensive Plan are:

Policy 6.20 Connectivity states:

Support development of an interconnected, multimodal transportation system to serve mixed-use areas, residential neighborhoods, and other activity centers.

Comment: The site surrounding the proposed vacation is a former industrial area that has been re-zoned for high density residential development. Phase 1 of the development, Grant Park Village, contains an apartment building, a grocery store, and several smaller retail spaces. Phase 2 will include additional residential development. The proposed vacation will support the overall site and development plan, which will provide connections to the established street network via NE Broadway.

Policy 6.21 Right-of-Way Opportunities states:

Preserve existing rights-of-way unless there is no existing or future need for them, established street patterns will not be significantly interrupted, and the functional purposes of nearby streets will be maintained.

Comment: The subject rights-of way are unimproved and do not currently provide a transportation function. There is no foreseeable need for these rights-of-way in the future. The proposed vacation therefore will have no impact on the function of nearby streets or the overall transportation system. An access easement will be retained on NE Halsey St to connect to the future Sullivan's Gulch Trail per the condition of approval required by Portland Parks and Recreation (PP&R) detailed in subsection F below.

Policy 8.14 Natural Resources, Objective I. States:

Consideration of Scenic Resources in Street Vacations. Require the preservation and maintenance of existing and potential view corridors and view points when approving street vacations. Require view easements within or near street vacations where access to viewpoints or view corridors is desired.

Comment: No existing or potential view corridors have been identified in the review of the street vacation request.

Policy 11.11 Street Plans, Objectives D, E and N state:

- D. Provide full street connections with spacing of no more than 530 feet between connections, except where prevented by barriers such as topography, railroads, freeways, or environmental constraints.
- E. Provide bike and pedestrian connections at approximately 330-foot intervals on public easements or rights-of-way when full street connections are not possible, except where prevented by barriers such as topography, railroads, freeways, or environmental constraints.
- N. Preserve street connectivity in areas of the City that meet the standards of this policy and its objective as shown on Maps 11.11.9 through 11.11.16.

Comment: Per Objectives D and E, the presence of Interstate 84, the MAX light rail tracks, and the Union Pacific Railroad Graham Line prevent future connections to the street network east and south of the proposed vacation. The future Sullivan's Gulch Trail, the alignment of which is generally adjacent to the two railways, will be connected to the street network per the condition of approval required by PP&R detailed in subsection F below.

Per Objective N, the area of the proposed vacation is shown on Northeast District Map 11.11.11 as not meeting the street spacing standard. However, as noted above, street connections to the east and south are not feasible. In addition, the proposed development on the property will include an interior circulation road to provide service, delivery and emergency access.

Policy 12.4 Provide for Pedestrians, Objective G. states:

Retain rights for pedestrian access and circulation when considering requests for street vacations. Preserve existing pedestrian routes and protect routes needed by pedestrians in the future. Ensure that street vacations do not reduce access to light and air or the intimate scale that is so much a part of Portland's character.

Comment: The condition of approval required by PP&R in subsection F below will retain pedestrian access on the Halsey St right-of-way to the future Sullivan's Gulch Trail. The Weidler St right-of-way is not a current nor anticipated to be a future pedestrian accessway.

B. Neighborhood Plan Considerations

Comment: Future implementation of the Sullivan's Gulch Trail will not be impacted by the proposed vacation based on the easement required by PP&R in subsection F below.

C. Other Relevant Comprehensive Plan Policies (and/or Plans)

Comment: There are no other Comprehensive Plan policies or policies from other adopted plans that are relevant to this request.

D. Zoning Code Considerations

Other zoning code designations that could apply and that should be considered during review of a street vacation request include environmental zoning or designation as a recreational greenway trail.

Comment: There are no zoning code considerations.

E. Subdivision Code Considerations

Notice of this street vacation request was provided to the Bureau of Development Services (BDS) to determine if there are any relevant impacts to consider related to future subdivision of property in the area. BDS responded that lot consolidations will be required to eliminate underlying historic platted lot lines.

F. Improvement and Utility Considerations

The street vacation request was reviewed by Portland Bureau of Transportation (PBOT) for conformance with standards for street improvements. No objections to the proposed vacation were raised; however, PBOT Development Review and PBOT Policy, Planning and Projects concur with the access easement required by PP&R below.

Other public agencies, public and private utilities were notified of this street vacation request.

- The Bureau of Environmental Services (BES) requires a sewer easement over the entirety of the NE Halsey St right-of-way. BES will quitclaim ownership of the BES sewer facilities in the NE Weidler right-of-way.
- The Portland Water Bureau responded with no objection.
- Portland Fire and Rescue responded with no objection.
- · Urban Forestry responded with no objection.
- Portland Parks and Recreation requires a permanent, 30-foot wide public access easement along the NE Halsey right-of-way to connect to the future Sullivan's Gulch Trail. The easement shall be able to be accessed by pedestrians, bicycles, emergency response vehicles, and PP&R maintenance vehicles.
- ODOT and TriMet were notified of the proposal but did not respond.
- The Port of Portland responded with no objection to the proposal.
- PGE responded that they have no facilities in the area.
- Pacific Power has facilities in the area and requires an access easement.
- CenturyLink has facilities in the area and requires an access easement.
- Northwest Natural responded that they have no facilities in the street area.
- Comcast was notified of the proposed vacation but did not respond.

G. Neighborhood Issues

Notice of this street vacation request was provided to the Sullivan's Gulch Neighborhood Association. The Neighborhood Association responded with a letter in support of the proposed vacation (Exhibit 2).

V. CONCLUSIONS

Based on the above analysis, Portland Bureau of Transportation states that the right-of-way is not needed to provide future facilities. Additionally, approval of

the street vacation will not affect the functional performance of the street system in the area.

VI. PLANNING AND SUSTAINABILITY COMMISSION RECOMMENDATION

As a consent agenda item on September 8, 2015, the Planning and Sustainability Commission recommended **APPROVAL** of the vacation as shown on Exhibit 1, *with conditions*:

1. Prior to recording the street vacation ordinance, the Petitioner shall comply with all conditions set forth in Sections III.E and III.F above.

VII. EXHIBITS

- 1. Area proposed for vacation
- 2. Letter of support from Sullivan's Gulch Neighborhood Association.

Bureau of Transportation Staff Planner Grant Morehead, AICP 503/823-9707 Grant.Morehead@portlandoregon.gov

cc:

Sarah Johnston, Right-of-Way Case Manager Case File



NE Weidler Street and NE Halsey Street east of NE 32nd Avenue

Petitioner: Capstone Partners LLC/City of Portland

Area proposed for vacation

State ID: 1N1E25CD 1/4 Section: 2833



1 inch = 100 feet



Sullivan's Gulch Neighborhood Association, c/o Holladay Park Plaza, 1300 NE 16th Ave., Portland, Oregon 97232

<u>www.sullivansgulch.net</u>

Brittain Brewer, Chairperson

Carol Gossett, Chairperson; Land Use & Transportation Committee

February 06, 2014

Dee A. Walker Portland Bureau of Transportation Right-of-Way Acquisition Lead Worker 1120 SW 5th Ave, Room 800 Portland, OR 97204

Re: In Support of the Vacation of Weidler and Halsey East of NE 32nd Avenue

To the Portland Bureau of Transportation:

The Sullivan's Gulch Neighborhood Association (SGNA) supports the vacation of Weidler and Halsey Streets both located east of NE 32nd Avenue in Sullivan's Gulch. Both existing alignments are owned by the Portland Bureau of Transportation (PBOT) and are located adjacent to private property owned in fee by Capstone Partners and KAI. LLC as joint petitioners and serve no apparent public purpose at this time.

SGNA has reviewed the location and configuration of the subject alignments and understand that due to existing conditions, including the ODOT bridge and on-ramp structure at NE 33rd Avenue (the eastern boundary of the developer property), the Union Pacific Railroad located adjacent to 1-84, and Tri-Met facilities adjacent to the highway and the railroad (along the southern boundary of the developer property), the Weidler and Halsey (PBOT) alignments within developer property will not be extended for any purpose and no longer serve the public street network.

SGNA also understands that a loop road will be constructed on site that will intersect with the two subject PBOT alignments as part of a service road, interior circulation road to be used on developer property for fire truck/emergency vehicle access and for truck and delivery access purposes. Therefore although the subject alignments will continue to service as part of the site infrastructure, these alignments will be located on private property and will be maintained by the developer.

The developer has informed SGNA from time to time regarding their contact with neighbors in the proximity of the subject Weidler and Halsey Street alignments and their proposed vacation and we are satisfied that the developer has made every effort to inform their neighbors of the developer's interest in vacating the subject alignments and that the process has been documented. SGNA has not received any complaints or concerns regarding the process or the vacation of the subject alignments.

Please let me know if you have any questions regarding our support of the vacation of the subject alignments.

Sincerely,

Sullivan's Gulch Neighborhood Association

Board, Member: Chairperson. Land Use Transportation Committee

Carol Gossett

(503) 449-1253: gossett.earol a gmail.com

ec: file; B. Brewer, Chairperson,; Lauren Golden Jones, Capstone Partners, LLC



1120 SW Fifth Avenue, Suite 800 Portland, OR 97204 503.823.5185

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Dan Saltzman Commissioner Leah Treat Director

Date: May 23, 2017

FINDINGS & RECOMENDATION'S REPORT FROM THE BUREAU DIRECTOR TO CITY COUNCIL ON THE PROPOSED VACATION OF NE WEIDLER ST & NE HALSEY ST EAST OF NE 32ND AVENUE (R/W #7920)

Background

- 1. Proposed Street Vacation Areas. NE Weidler Street east of NE 32nd Avenue, said area being approximately 150 feet long by 50 feet wide, and NE Halsey Street east of NE 32nd Avenue, said area being approximately 150 feet long by 30 feet wide, altogether containing approximately 12,000 square feet. The areas are currently unimproved and are depicted on Exhibit 1 attached hereto.
- 2. Petitioner. The City of Portland has initiated the street vacation on behalf of GPV II, LLC the owner of the abutting property surrounding the proposed street vacation areas, GPV II, LLC is being represented by Capstone Partners LLC, Lauren Golden Jones is the contact.
- **3. Purpose**. Upon City's review of the proposed design review No. LU 12-186554 DZM AD, the City determined there is no public need for the stub of NE Weidler Street and that only a Trail Access Easement is needed for the stub of NE Halsey Street for the future access to the future Sullivan's Gulch Trail, and therefore the City recommended that the street stubs be vacated as part of GPV II, LLC's development, with the street stubs being used for ingress / egress to the development. GPV II, LLC is currently under construction of phase II of a three phase development plan.
- **4. Compliance with Minimum Requirements**. Vacation proceedings have been City initiated without a petition or consent of property owners in accordance with ORS 271.130 (Vacation on council's own motion) and notice shall be given as provided by ORS 271.110 (Notice of hearing).
- **5. Due Diligence Review**. Comments were solicited from City Bureaus, government agencies, public utilities and affected neighborhood associations. A summary of this due diligence effort is attached as Exhibit 2 hereto. Of particular significance were comments by The Parks Bureau which requested that an easement for a pedestrian connection to the future Sullivan's Gulch Trail be granted to the City prior to the street being vacated.



- **6. Planning and Sustainability Commission Review**. The Planning and Sustainability Commission reviewed and approved the proposed street vacation on September 8, 2015, with its Report and Recommendation attached as Exhibit 3 hereto.
- 7. Costs. Capstone Partners LLC, has paid \$7,500 to date to reimburse the City for staff costs incurred processing the street vacation request. Based on a review of the case file, processing costs to date and estimated cost forward to bring the project through City Council, total \$10,000. The property owner representative will be expected to submit sufficient funds to complete the vacation process as stated in the attached letter.

Bureau of Transportation Recommendation

The Bureau of Transportation hereby finds the proposed street vacation application to be acceptable, and in the event that no substantive objections are made known to City Council at the upcoming public hearing, recommends approval of the street vacation, subject to the conditions and reservations specified below. The area to be vacated is described as follows:

As described on Exhibit 4 and depicted on Exhibit 5 attached hereto. Contains 12,000 square feet, more or less.

Conditions, Reservations and Releases

- 1. Conditions. The following conditions must be satisfied by the property owner or owner's representative prior to the street vacation ordinance being recorded by the City and thereby considered effective:
 - **A.** Bureau of Transportation, Permit Engineering. NE Weidler will become a private drive where it intersects with NE 32nd Ave, GPV II, LLC will pay all costs for constructing curbs, sidewalks and driveway, in accordance with any requirements of the City Engineer.
 - i) The property owner agrees to obtain the necessary permits to complete the required improvements.
 - ii) The property owner agrees to authorize the City to complete the required street improvements at the Petitioner's cost, in the event that the City Engineer, at his sole discretion, determines that the improvements are not being made as required in a reasonable time.
 - iii) The property owner agrees to obtain the necessary permits to complete the required improvements.

B. Costs. In accordance with Item 7 in the Background section above, the administrative cost for completing the street vacation process is estimated to be \$10,000, of which \$7,500 has been paid to date. Property owner or owner's representative will remit \$2,500 to the City prior to the scheduled City Council hearing. In the event that additional processing requirements exceed current projections, Capstone Partners LLC, may be required to pay additional processing costs to the City prior to the Street Vacation Ordinance being recorded.

2. Reservations and Release

- **A. Bureau of Transportation, Development Review.** A consolidation of historic plated lots underlying tax accounts adjacent to vacated right-of-way was required and has been completed. A trail easement to Portland Parks & Recreation will be required for a pedestrian connection to the future Sullivan's Gulch Trail for the street area of NE Halsey Street running in an east / west direction.
- **B. Bureau of Environmental Services.** The Bureau of Environmental Services owns and maintains certain improvements within the street areas to be vacated.
 - i) As a condition of street vacation approval, the property owner will agree to the reservation of a public sewer easement over the entirety of vacated NE Halsey Street.
 - ii) GPV I, LLC an adjacent property owner will take ownership of the existing sewer facilities within the vacated street area of NE Weidler Street.

This easement will be reserved to provide for the maintenance, operation, inspection, repair, reconstruction, replacement and enlargement of the existing public sewer facility and necessary appurtenances, and is reserved on the condition that no building construction, material storage, filling, grade change or tree planting will be permitted within said easement area without the prior written consent of the Director of the Bureau of Environmental Services, and further that the City or its contractors will not be responsible for damage to any improvements, including landscaping existing on the easement area, if such things are damaged or destroyed by the City or its contractors in the course of reconstruction or maintenance of the existing public sewer facility.

C. Utilities. In accordance with ORS 271.120 and City of Portland policy, the street vacation ordinance shall not cause or require the removal or abandonment of any sewer, water or gas main, conduit of any kind, wire, pole or thing used, or intended to be used, for any public service, including, but not limited to those identified by CenturyLink and Pacific Power. The ordinance will reserve an easement for the owner of any such utility or thing to maintain, continue, repair, reconstruct, renew, replace, rebuild, and/or enlarge any and all such thing;

that no building or structure of any kind shall be built or erected within a distance of ten (10) feet from the centerline of any such utility, except with the prior written consent of the City Engineer and the owner of the utility and that any and all contemplated building plans in said vacated area shall be submitted for approval to the City Engineer and to the Director of the Bureau of Development Services, to the end that such construction may be so adjusted with reference to all public utilities in said areas as to cause a minimum of danger or inconvenience to the public and to the owner of such utility and to protect and preserve the same as presently constructed or hereinafter reconstructed, renewed, replaced and/or enlarged. Removal or relocation of existing utilities and release of easements in the street vacation area will require the necessary conveyance documents and possible written agreements between the property owner and owner(s) of the utilities.

- **D.** City Release. Notwithstanding 2C and except for 2A and 2B, the Ordinance will serve as a full release of City interests in the street vacation areas and will provide City Bureaus with the authority necessary to take all other legal actions as may be reasonably necessary (including the issuance of quitclaim deeds acknowledging the release of any interests) to achieve this intent.
- **3. Repeal**. In the event the property owner fails to fully comply with the above conditions within one year of Council adopting the Ordinance, City Council may repeal the Ordinance at its sole discretion.
- **4. Effective Date**. The street vacation will not be effective until a certified copy of the vacating Ordinance has been recorded by the City in Multnomah County Deed Records. Prerequisites to recording the vacating Ordinance are that 30 days have passed after final Council passage of the Ordinance, that all conditions of the vacating Ordinance have been met, and that all vacation costs have been paid.

Bureau Director or designee			

TO THE COUNCIL:

The Commissioner-in-Charge concurs with the recommendation of the Bureau Director and the Planning and Sustainability Commission and;

RECOMMENDS:

That the City Council accepts the Bureau Director and Planning and Sustainability Commission Reports, which recommend that the proposed street area be vacated subject to conditions and reservations provided herein.

Respectfully submitted,

Commissioner Dan Saltzman

Attachments:

Exhibit 1, Proposed Map

Exhibit 2, Summary of Comments

Exhibit 3, Planning & Sustainability Commission Recommendation

Exhibit 4 & 5, Legal and Map of Street Vacation Area