

DATE: February 7, 2019

TO: Planning and Sustainability Commission

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SUBJECT: 82nd Avenue Study - Staff report on near-term actions

In December 2018, the [82nd Avenue Study: Understanding Barriers to Development Draft Report](#) was published for the Planning and Sustainability Commission (PSC) consideration. Prior to the publication of the Draft Report, a joint Bureau of Planning and Sustainability (BPS) and Portland Bureau of Transportation (PBOT) briefing of the 82nd Avenue Study before the PSC was held on November 13, 2018. At the briefing, the PSC directed the two bureaus to:

BPS

- Propose a rezone of employment properties from EG2 to EG1 on the southern end of the corridor to address barriers to development and for more efficient urban development of employment land along the corridor.
- Review split-zoned properties and propose necessary adjustments to remove any barriers to development.
- Conduct a related economic, equity and impact analysis specific to commercial displacement.

PBOT

- Propose safety improvements and continue to develop additional safety and connectivity improvements in and around the corridor. Proposed improvements include locations for signal and civil improvements, protected left at existing signals, new enhanced crossings, and extended island and enhanced crossings. Propose changes to the City's right-of-way dedication requirements for new development by making the private property dedication for public ROW the same as the current 90-foot (measured 45-feet from centerline) Special Setback in the Zoning Code.
- City of Portland to carry out already funded transportation projects, including:
 - 82nd Ave Crossing Improvements Fixing Our Streets project (2019-20)
 - Division Multi-modal Safety Project (2019-20)
 - 70s Neighborhood Greenway Project (2020-21)

- Jade and Montavilla Connected Centers Project (2020-21)
- Brentwood-Darlington Safe Routes to School (2020-21)
- City and Oregon Department of Transportation (ODOT) will develop a broad and successful partnership to secure funding to repair 82nd and improve safety. This will support the future jurisdictional transfer of 82nd Avenue within the City of Portland limits and future planned improvements.
- City to seek increased design and engineering flexibility for improvements made under ODOT ownership.

A separate report will contain the near-term action proposals from PBOT.

Public and Stakeholder Involvement

Draft Report release (December 2018 - March 2019): Community members were invited to submit their written testimony to the PSC on the Draft Report beginning in mid-December 2018. A Measure 56 notice was mailed to all affected property owners with map changes to their properties. The PSC Legislative Notice for the Draft Report and related land use and transportation near-term actions was sent to all recognized organizations within 1,000 feet of the 82nd Avenue corridor. Additionally, a courtesy postcard was mailed to occupants of affected properties and occupants within 100 feet of proposed map changes.

The graphic below depicts where the 82nd Avenue Study is in the process:



The following government agencies and organizations were briefed jointly by both BPS and PBOT staff on the 82nd Avenue Study:

- Brentwood-Darlington Neighborhood Association (January 3, 2019)
- SE Uplift Land Use and Transportation Committee (January 8, 2019)
- Lents Neighborhood Association (January 22, 2019)
- 82nd Avenue Improvement Coalition (January 28, 2019) - Includes individuals and representatives from the following entities and organizations: 82nd Avenue of the Roses Business Association; East Portland Action Plan (EPAP); Central Northeast Neighbors (CNN) Neighborhood Coalition; Madison South and Montavilla neighborhood associations; Portland Community College Southeast Campus; University of Western States
- Portland Public Schools - Madison High School Modernization Project effort (January 31, 2019)

- Jade District Neighborhood Prosperity Initiative (NPI) / Asian Pacific American Network of Oregon (APANO) (February 1, 2019)
- Portland Brownfield Program (scheduled for February 12, 2019)
- Madison High School Modernization Project Open House (scheduled for February 19, 2019)

The public notices advertised the two following public engagement opportunities: 1) drop-in hours for Monday, February 25, 2019; and, 2) a community forum event for Wednesday, February 27, 2019.

The PSC will consider public testimony at the public hearing scheduled on March 12. The PSC will forward a recommendation to City Council for consideration and additional public review before City Council votes to adopt the 82nd Avenue Study in Spring 2019.

Staff Proposal

The 82nd Avenue Study recommends the following near-term actions in the way of proposed Comprehensive Plan Map and/or Zoning Map changes and related analysis from the Bureau of Planning and Sustainability:

- **Proposal to rezone a three- to four-block stretch of employment-zoned properties along SE 82nd Avenue from General Employment 2 (EG2) to General Employment 1 (EG1) from SE Bybee to SE Lambert.** The overall intent is to address barriers to development and for more efficient urban development of employment land along the corridor. It will also address multiple properties with nonconforming development within the front setback and remove future opportunities of exterior display, storage and work activities.

See Appendix A.

- **Proposal to correct the split-zoned nature of properties and propose necessary adjustments.** The intent is to to remove barriers to property uses, expansion of existing uses and/or redevelopment of the property. This staff report proposes the elimination of several split zoning situations when there is not a specific rationale for keeping the split-zoned nature of the property.

See Appendix B.

At the same time, conduct an economic, equity and impact analysis specific to commercial displacement.

Evaluation Methodology

An initial set of criteria was developed to evaluate these potential map changes. Evaluation criteria included, but was not limited to:

- **Consistency with 2035 Comprehensive Plan goals and policies:** The proposed changes support multiple goals and policies of the adopted 2035 Comprehensive Plan,

particularly those in Chapter 3, Urban Form; Chapter 4, Design and Development; Chapter 5 Housing; Chapter 6, Economic Development; and Chapter 10, Land Use Designations and Zoning.

- **Economic, equity and impact analysis:** Staff considered Bureau of Development Services (BDS) permits, City of Portland GIS data, Multnomah County assessor data, Census Tract information and Quarterly Census of Employment and Wages (QCEW) data.
- **Proximity to amenities and services:** Proximity to centers and corridors, transit and freight routes, or other services and amenities was considered. Increasing future development capacity within a quarter mile of commercial services or other community amenities was considered favorable.
- **Land use pattern:** The prevailing land use pattern of similar zoning adjacent to and/or across the street was considered.
- **Infrastructure availability:** Existing infrastructure as well as infrastructure projects identified in the Transportation System Plan (TSP) and the Citywide Systems Plan (CSP) and otherwise were reviewed.
- **Land use and building permit history:** The existing condition of the site, land use reviews and/or building permits were reviewed for each map change area or site.
- **Stakeholder responses:** During the early phases of the 82nd Avenue Study, staff considered many factors raised by public feedback while continuing to evaluate proposed map change areas or sites for suitability and readiness for map changes.

Relationship to the 2035 Comprehensive Plan

Guiding Principles of the Comprehensive Plan

The Comprehensive Plan sets five Guiding Principles, which encourage balanced, integrated multi-disciplinary approaches in plans and investments that must comply with the Plan. The 82nd Avenue Study is consistent with the Guiding Principles because it promotes supportive benefits toward equity and prosperity, supportive benefits toward human health and resilience; and a balanced approach that integrates environmental health.

1. Equity

Promote equity and environmental justice by reducing disparities, minimizing burdens, extending community benefits, increasing the amount of affordable housing, affirmatively furthering fair housing, proactivity fighting displacement, and improving socio-economic opportunities for under-served and under-represented populations in decisions that affect them. Specifically recognize, address, and prevent repetition of the injustices suffered by communities of color throughout Portland's history.

The proposal furthers this principle by increasing the housing, commercial and employment capacity along the 82nd Avenue corridor, a well-served location in the city. Increased opportunities minimizing burdens. Intentional outreach was conducted to engage with historically under-represented populations.

2. Economic Prosperity

Support a low-carbon economy and foster employment growth, quality education and training, competitiveness, and equitably-distributed household prosperity.

This principle is furthered by providing for population growth and added housing choice along the 82nd Avenue corridor, a well-served located in the city. The proposal implements map changes, on a very small-scale, that both slightly expand employment land supply to meet forecast job growth and increase the efficiency of redevelopment on existing employment land. Doing so supports equitably-distributed household prosperity by creating more opportunity for middle-wage jobs in employment areas.

3. Human Health

Avoid or minimize negative health impacts and improve opportunities for Portlanders to lead healthy, active lives.

The proposal furthers this principle in several ways. Related to the map changes, income level is a primary socioeconomic determinant of positive health outcomes. The project supports healthy outcomes by slightly expanding self-sufficient wage opportunities for low- and middle-income households. Public health risks are minimized by a prohibition of exterior display, exterior storage and exterior work activities in the proposed EG1 zone change. It also increased the potential for active mobility through reduced automobile use by increasing the capacity of jobs and housing along the 82nd Avenue corridor with active transportation and transit options.

The PBOT proposals of safety improvements and changes to property dedications during redevelopment to provide wider sidewalks along 82nd Ave provide major benefit to human health in they directly respond to safety and encourage more walking along the 82ndcorridor.

4. Environmental Health

Weave nature into the city and foster a healthy environment that sustains people, neighborhoods and wildlife. Recognize the intrinsic value of nature and sustain the ecosystem services of Portland's air, water and land.

The proposal emphasizes compact development along the 82nd Avenue corridor and frequent transit, services and other amenities, which promotes lower carbon emissions through reduced driving demand, improving air and water quality.

5. Resilience

Reduce risk and improve the ability of individuals, communities, economic systems, and the natural and built environments to withstand, recover from, and adapt to changes from natural and human-made disasters, climate change, and economic shifts.

This principle is furthered by providing additional opportunities for compact commercial, employment and housing development along the 82nd Avenue corridor with frequent transit, services and amenities. Areas prone to flooding, landslides, wildfires or inadequate utility infrastructure are not included in the map change proposal. The proposal supports resilience to economic shifts by accommodating continued growth in the dispersed employment area between SE Bybee and SE Lambert as a diverse economy.

Goals and Policies Specifically Implemented by this Proposal

The proposal is implementing the following specific policies.

Overall study direction - One of the 82nd Avenue Study goals was to update an understanding of 82nd Avenue as a “Civic Corridor.” A *corridor* is defined in Portland’s new 2035 Comprehensive Plan as: An area that may be a single major street or a broad mobility corridor, which provides connections for a range of transportation modes (transit, pedestrians, cyclists, freight, motor vehicles, etc.), not necessarily on the same street. A *Civic Corridor* is a prioritized subset of the city’s most prominent transit and transportation streets. They connect centers, provide regional connections, and include segments where commercial development and housing are focused. *Civic Corridors* are intended to continue their important transportation functions while providing livable environments for people and evolving into distinctive places that are models of ecological design.

All proposed map changes that increase commercial or employment designations are intended to address the following goals and policies:

***Policy 6.28. East Portland job growth.** Improve opportunities for East Portland to grow as a business destination and source of living wage jobs.*

***Policy 6.27. Income self-sufficiency.** Expand access to self-sufficient wage levels and career ladders for low-income people by maintaining an adequate and viable supply of employment land and public facilities to support and expand opportunities in Portland for middle- and high-wage jobs that do not require a 4-year college degree.*

***6.27.a.** Support the role of industrial districts as a leading source of middle-wage jobs that do not require a 4-year college degree and as a major source of wage-disparity reduction for under-served and under-represented communities.*

***6.27.b.** Evaluate and limit negative impacts of plans and investments on middle and high wage job creation and retention.*

***6.30. Disparity reduction.** Encourage investment in, and alignment of, public efforts to reduce racial, ethnic, and disability-related disparities in income and employment opportunity.*

In addition to the policies already provided, the specific proposal, an **employment rezone of properties from General Employment 2 (EG2) to General Employment 1 (EG1)** on the southern end of the corridor to address barriers to development and for more efficient urban development of employment land along the corridor, addresses the following policies:

***Policy 4.31. Land use transitions.** Improve the interface between non-residential uses and residential uses in areas where commercial or employment uses are adjacent to residentially-zoned land.*

***Policy 6.43. Dispersed employment areas.** Provide small, dispersed employment areas for a flexible and affordable mix of office, creative services, small-scale manufacturing,*

traded sector and distribution, and other small-format light industrial and commercial uses with access to nearby freeways or truck streets.

This proposed map change from EG1 to EG1 will improve the development capacity of this dispersed employment area on 82nd Avenue between SE Bybee and SE Lambert by proposing the EG1 to replace the existing EG2 zone.

The EG1 zone has a front setback of 10-feet which differs than the EG2 zones front setback of 25-feet. Currently, there are 18 buildings with nonconforming development within the 25-foot front setback as required by the EG2 zone. This zone change to EG1 will either bring the buildings into conformance or closer to conformance with the required 10-foot front setback.

Regarding the other grouping of proposed map changes, review **split-zoned properties and propose necessary adjustments** to remove any barriers to development, the following goals and policies are applicable in general:

Goal 10A: Land use designations and zoning. Effectivity and efficiently carry out the goals and policies of the Comprehensive Plan through land use designations, Zoning Map, and the Zoning Code.

These proposed map changes that rectify split-designated and -zoned properties are in support of this policy direction adopted in the 2035 Comprehensive Plan, in that the removal of split-zoned situations allows for a more effective and efficient use of land, unless there are specific infrastructure and/or natural resource conditions that warrant a split-zoned site.

Many of the split-zoned sites are commercial and residentially-zoned, or, employment and residentially-zoned. Reviewing the land use history, it is unclear why the properties, specifically when it is the tax lot that has two zones, are split zoned.

For the two split-zoned sites that are faith-based properties, First Orthodox Presbyterian Church (8245 NE Fremont St) and Calvary Lutheran Church (8040 SE Woodstock Blvd), that are proposed to expand the multi-dwelling zoned area, there are many policies within Chapter 5: Housing that are applicable, including but not limited to:

Goal 5.A Housing diversity, Goal 5.B Equitable access t housing, Goal 5.C Healthy connected city, Goal 5.D Affordable housing and Goal 5.E High-performance housing

And, the following Chapter 5: Housing policy groupings:

- Diverse and expanding housing supply (Policies 5.1-5.9)
- Housing access (Policies 5.10-5.19)
- Housing location (Policies 5.20-5.24)
- Housing affordability (Policies 5.25-5.26)
- Homelessness (Policy 5.46)
- Health, safety, and well-being (Policy 5.47-5.54)

For the split-zoned sites that are proposed to expand the employment zoned area, Sites #13, #14 and #15, the following policy is applicable:

Policy 6.13. Land supply. *Provide supplies of employment land that are sufficient to meet the long-term and short-term employment growth forecasts, adequate in terms of amounts and types of sites, available and practical for development and intended uses. Types of sites are distinguished primarily by employment geographies identified in the Economic Opportunities Analysis, although capacity needs for building types with similar site characteristics can be met in other employment geographies.*

Employment Zones (EG1, EG2) and Compatibility in Residential Settings

Regarding the employment map changes from EG2 to EG1 along 82nd Avenue between SE Bybee and SE Lambert, the policy direction to be implemented is:

Policy 4.31. Land use transitions. *Improve the interface between non-residential uses and residential uses in areas where commercial or employment uses are adjacent to residentially-zoned land.*

In the 2035 Comprehensive Plan, residential compatibility of dispersed employment areas was raised. Neighborhood compatibility impacts of employment zoning in residential settings are primarily limited through mapping, in that these areas typically buffer more intensive uses (such as freeways and industrial districts) and/or are relatively small areas (typically less than 20 acres). Landscape buffers and building height setbacks are also currently required in EG zones abutting R zones.

Impacts from outdoor activities - The proposed map change from EG2 to EG1 will apply more stringent regulation of exterior activities in the EG1 zone to match the requirements in the Commercial Employment zone. This map change would no longer allow exterior display activities in industrial categories, but commercial exterior activities that are typical of the CE-zoned areas in a residential setting would continue to be allowed. This map change would also limit exterior storage to 20% of the lot area.

Incompatible uses in the EG2 zone - The proposed map change from EG2 to EG1 would require industrial activities to occur indoors in the EG1 zone. As a result, new industrial service uses with extensive outdoor activity, such as auto wrecking yards and heavy equipment rental, would be effectively precluded in the proposed EG1 zone change area. These changes are expected to make the character of 82nd Avenue between SE Bybee and SE Lambert more compatible in a residential setting and more attractive for office development and higher employment density.

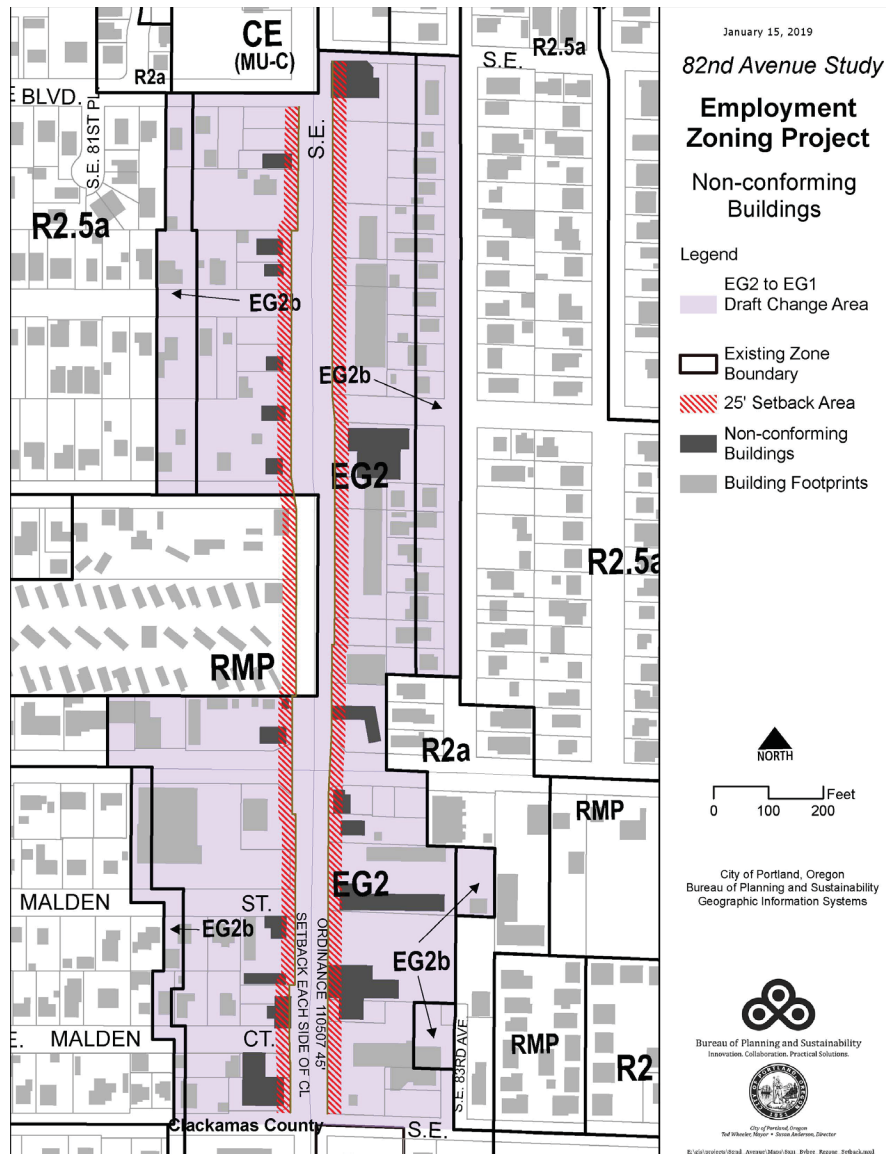
Economic Analysis

See Appendix C.

Equity and Impact Analysis

See Appendix D.

- **Consistency with Comprehensive Plan goals and policies:** This proposed map change supports multiple goals and policies including Policy 4.31. Land use transitions, Policy 6.27 Income self-sufficiency, Policy 6.28 East Portland job growth, Policy 6.30 Disparity reduction and Policy 6.43 Dispersed employment areas.
- **Proximity to amenities and services:** This area is located along SE 82nd Avenue, between SE Bybee and SE Lambert streets, with many services available within a quarter mile. The area has frequent transit service on Bus Line-72 Killingsworth/82nd.
- **Infrastructure availability:** There are no sewer, water or stormwater improvement constraints. The 82nd Avenue roadway is scheduled for the following ODOT Projects:
 - **82nd Avenue Signal Upgrades Project:** Signal upgrades at Foster, Woodstock and Flavel. Note that the Flavel intersection falls within the zoning change area. Completed in 2018.
 - **82nd Ave from SE Foster Rd to SE Lindy St:** Repave/rehab roadway, upgrade ADA ramps, and address drainage as needed. Goes to bid in 2020.
- **Land use pattern:** On either side of the existing employment zoned area, the surrounding land use pattern is single-dwelling, multi-dwelling and manufactured home park zoning and is developed with mainly single-dwelling, multi-family dwelling and manufactured home parks.



- Land use and building permit history:** The area is developed with single-level commercial, employment and industrial service uses with a few single-family dwellings intermixed. Currently, there are 18 buildings with nonconforming development within the 25-foot front setback as required by the EG2 zone and as illustrated by the Non-Conforming Buildings Map above. This zone change to EG1 will either bring these buildings into conformance or closer to conformance with the required 10-foot front setback.
- Recent development activity in the area:** In the immediate area, there has been minimal development activity.
- Stakeholder responses during the 2035 Comprehensive Plan process and/or the 82nd Avenue Study:** Public comment focused on the concern of residents in an adjacent manufactured home park to an auto repair shop about noxious fumes from both interior and exterior work activities.

Appendix B.

Split Zone Site #1 - 3828 NE 82nd Ave

Existing Comprehensive Plan Designation: Mixed Use - Corridor (MU-C) and Residential 2,500
Existing Zoning: CEh and R2.5h

Staff proposed Comprehensive Plan Designation: Mixed Use - Corridor (MU-C)
Staff proposed Zoning: CEh

Split Zone Site #2 - 8130 NE Milton St

Existing Comprehensive Plan Designation: Residential 1,000
Existing Zoning: R2h and R5h

Staff proposed Comprehensive Plan Designation: Residential 5,000
Staff proposed Zoning: R5h

Split Zone Site #3a - 8245 NE Fremont St

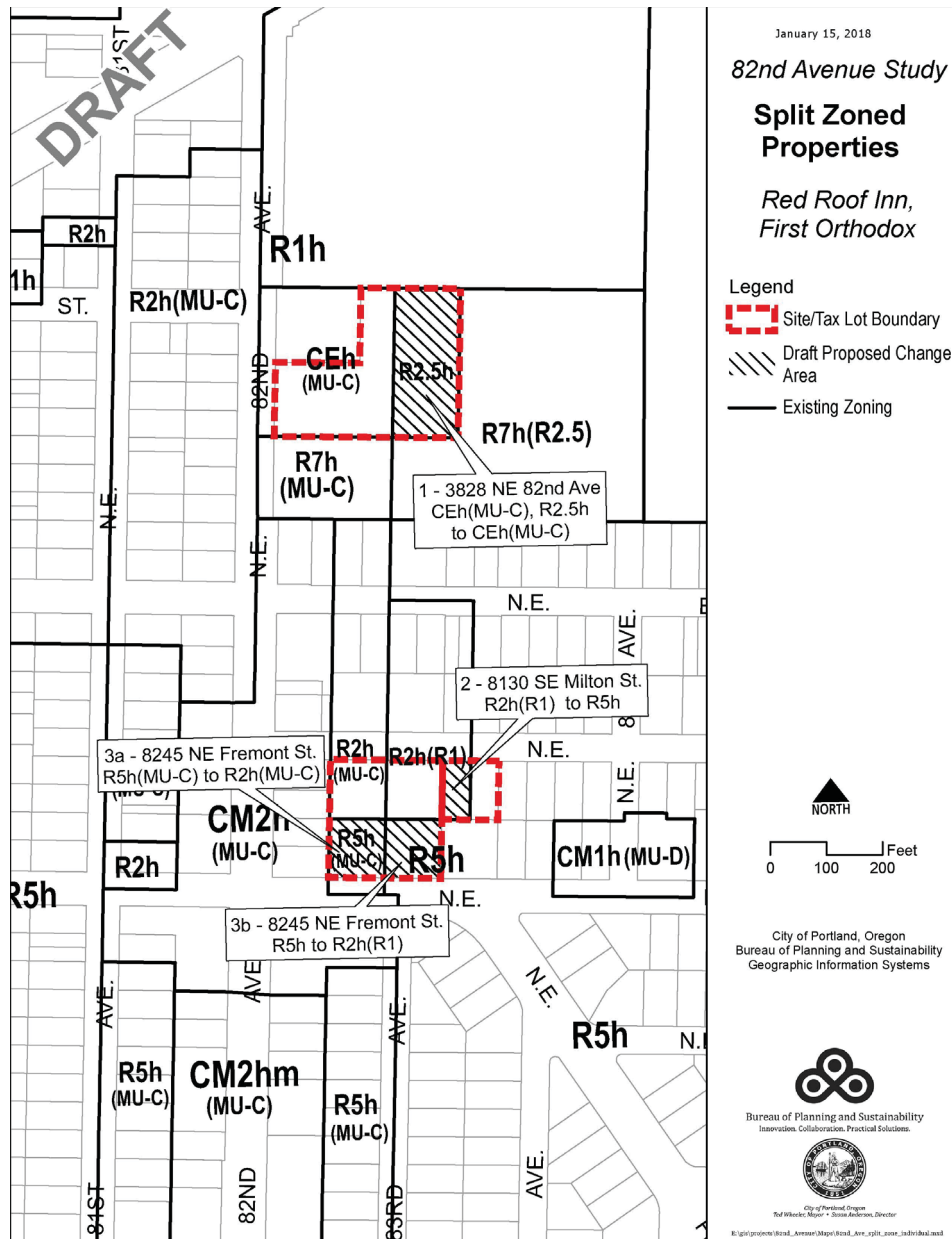
Existing Comprehensive Plan Designation: Mixed Use - Corridor (MU-C)
Existing Zoning: R5h

Staff proposed Comprehensive Plan Designation: No change
Staff proposed Zoning: R2h

Split Zone Site #3b - 8245 NE Fremont St

Existing Comprehensive Plan Designation: Residential 5,000
Existing Zoning: R5h

Staff proposed Comprehensive Plan Designation: Residential 1,000
Staff proposed Zoning: R2h

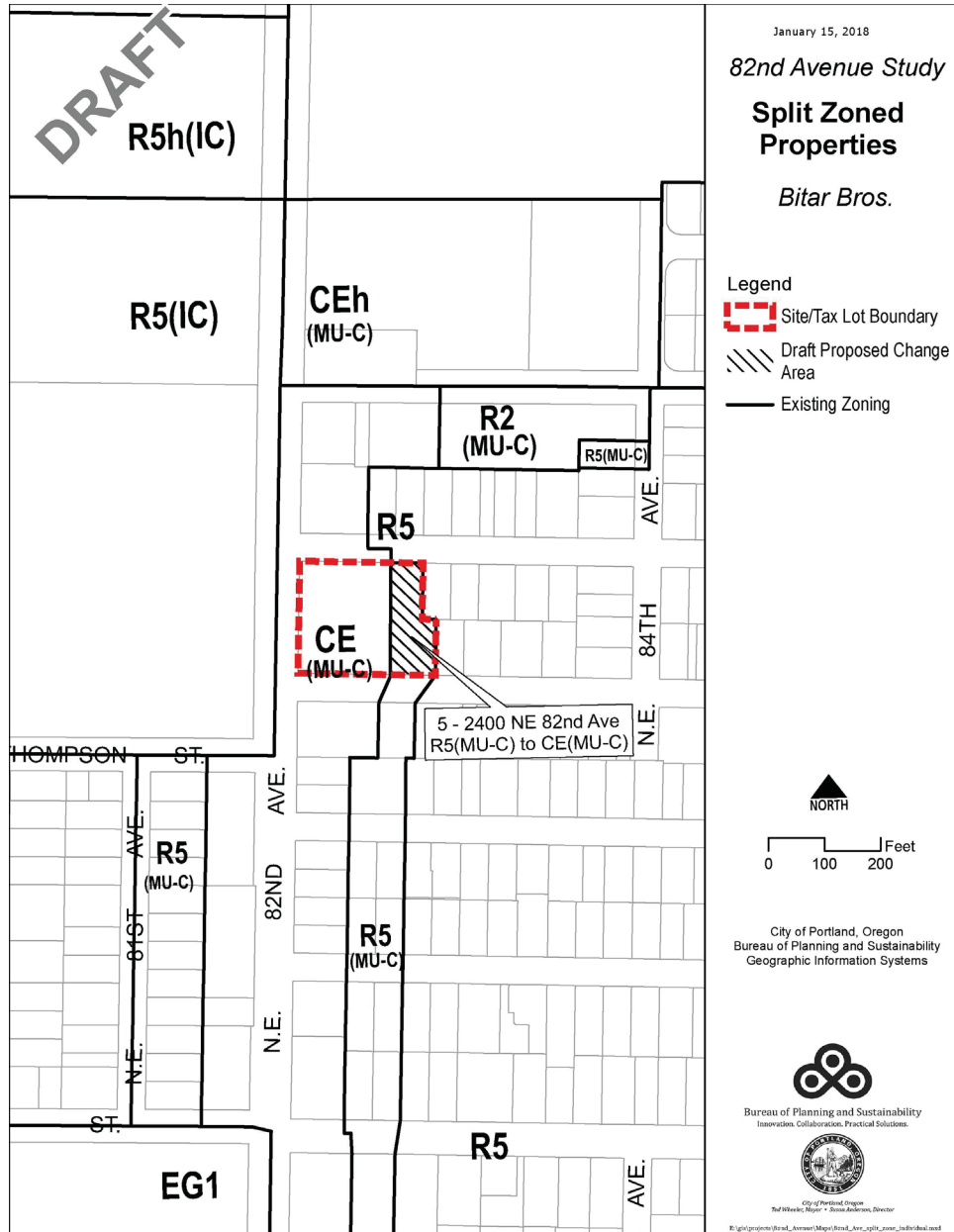


- **Consistency with Comprehensive Plan goals and policies:** This proposed map change supports multiple goals and policies within Chapter 5: Housing specific to Site #3a and 3b, as well as Goal 10A: Land use designations and zoning.
- **Proximity to amenities and services:** These split-zoned sites are located along NE 82nd Avenue, between NE Sandy Blvd and NE Fremont Street, with many services available within a quarter mile. The area has frequent transit service on Bus Line-72 Killingsworth/82nd.
- **Infrastructure availability:** There are no sewer, water or stormwater improvement constraints.

- **Land use pattern:** The area along NE 82nd Avenue in this area is developed with single-level commercial uses with a few single-family dwellings intermixed. To the east is developed with mainly single-dwelling development.
- **Land use and building permit history:** Site #1 (Red Roof Inn) is developed with a 52-room hotel. Site #2 is developed with a single-family dwelling. Site #3 is (First Orthodox Presbyterian Church) is developed with a church facility fronting NE Fremont with associated parking to the north.
- **Recent development activity in the area:** In the immediate area, there has been minimal development activity.
- **Additional factors considered.** For Split-Zoned Site #3a and #3b (First Orthodox Presbyterian Church), BPS has convened a project (funded by a grant from Metro) to help faith communities begin the process of developing affordable housing on their properties.
- **Stakeholder responses during the 2035 Comprehensive Plan process and/or the 82nd Avenue Study:** There was no public comment nor testimony received during this or previous planning projects.

Split Zone Site #5 - 2400 NE 82nd Ave (note there is no Split Zone Site #4)

- Existing Comprehensive Plan Designation: Mixed Use - Corridor (MU-C)
Existing Zoning: CE and R5
- Staff proposed Comprehensive Plan Designation: No change
Staff proposed Zoning: CE



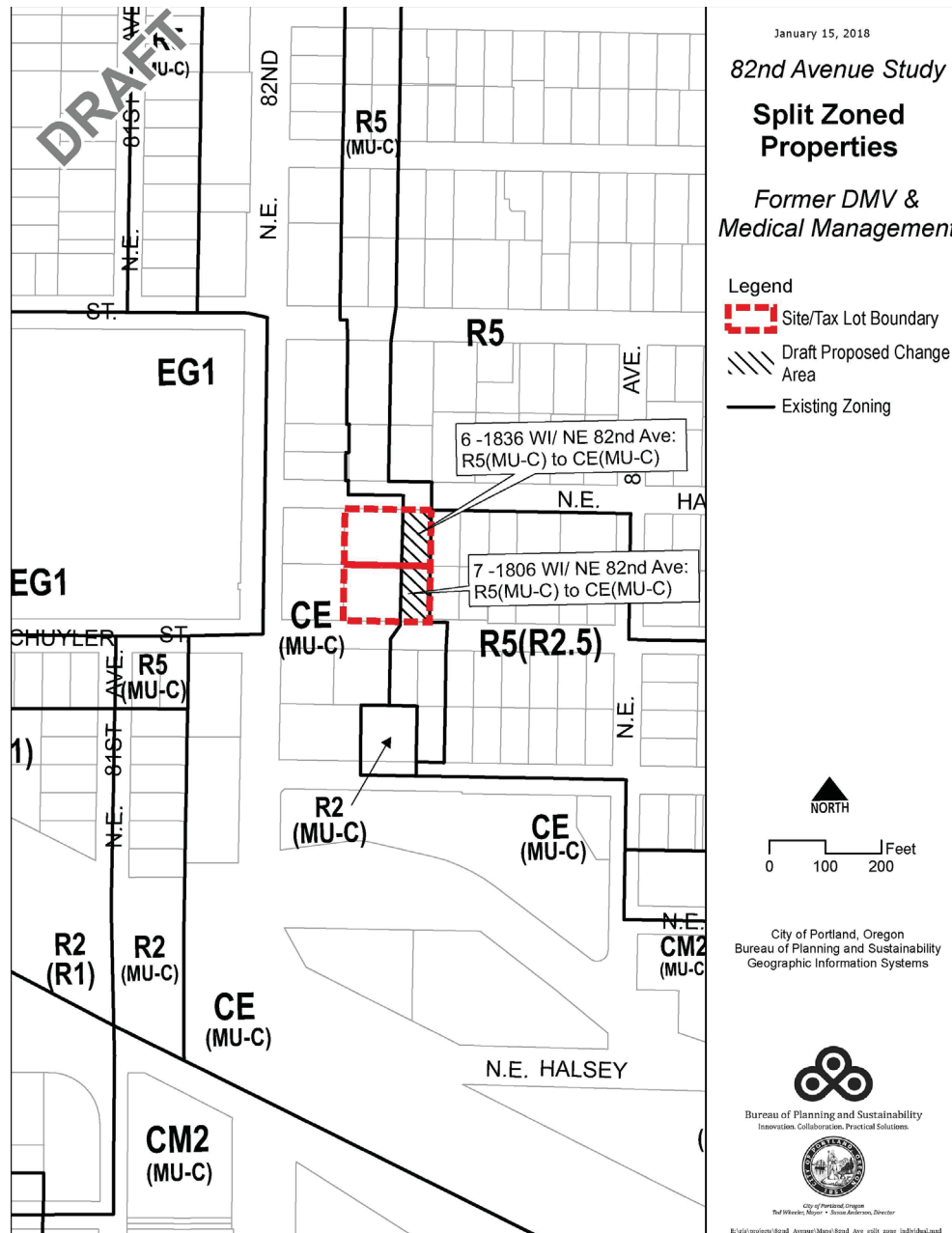
- **Consistency with Comprehensive Plan goals and policies:** This proposed map change supports multiple goals and policies including Goal 10A: Land use designations and zoning.
- **Proximity to amenities and services:** This split-zoned site is located along NE 82nd Avenue, between NE Brazee and NE Sacramento streets, across the street from Madison High School and with many services available within a quarter mile. The area has frequent transit service on Bus Line-72 Killingsworth/82nd.
- **Infrastructure availability:** There are no sewer, water or stormwater improvement constraints. The 82nd Avenue roadway is scheduled for the following ODOT Projects:
 - **82nd Avenue at Madison High School:** Replace signal, rebuild and restripe existing crosswalk, add crosswalks and close a driveway. Goes to bid 2021 if not sooner in the Madison High School Modernization Project.
- **Land use pattern:** This area along NE 82nd Avenue is developed with Madison High School campus to the west and otherwise mainly single-level commercial uses with a few single-family dwellings intermixed. To the east of this split-zoned site is mainly developed with single-family development.
- **Land use and building permit history:** The site is developed with a single-level commercial building with an auto sales use that includes exterior display of vehicles. There is no recent land use history.
- **Recent development activity in the area:** In the immediate area, there has been minimal development activity, although the Madison High School Modernization Project begins construction in summer 2019.
- **Additional factors considered.** No additional factors were considered at the time of this staff report.
- **Stakeholder responses during the 2035 Comprehensive Plan process and/or the 82nd Avenue Study:** There was no public comment nor testimony received during this or previous planning projects.

Split Zone Site #6 - 1836 WI/ NE 82nd Ave

- **Existing Comprehensive Plan Designation: Mixed Use - Corridor (MU-C)**
Existing Zoning: CE and R5
- **Staff proposed Comprehensive Plan Designation: No change**
Staff proposed Zoning: CE

Split Zone Site #7 - 1806 WI/ NE 82nd Ave

- **Existing Comprehensive Plan Designation: Mixed Use - Corridor (MU-C)**
Existing Zoning: CE and R5
- **Staff proposed Comprehensive Plan Designation: No change**
Staff proposed Zoning: CE



- **Consistency with Comprehensive Plan goals and policies:** These proposed map changes supports multiple goals and policies including Goal 10A: Land use designations and zoning.
- **Proximity to amenities and services:** These split-zoned sites are located along NE 82nd Avenue, between NE Hancock and NE Schuyler streets, across the street from the newly relocated University of Western States campus and with many services available within a quarter mile. The area has frequent transit service on Bus Line-72 Killingsworth/82nd.
- **Infrastructure availability:** There are no sewer, water or stormwater improvement constraints.

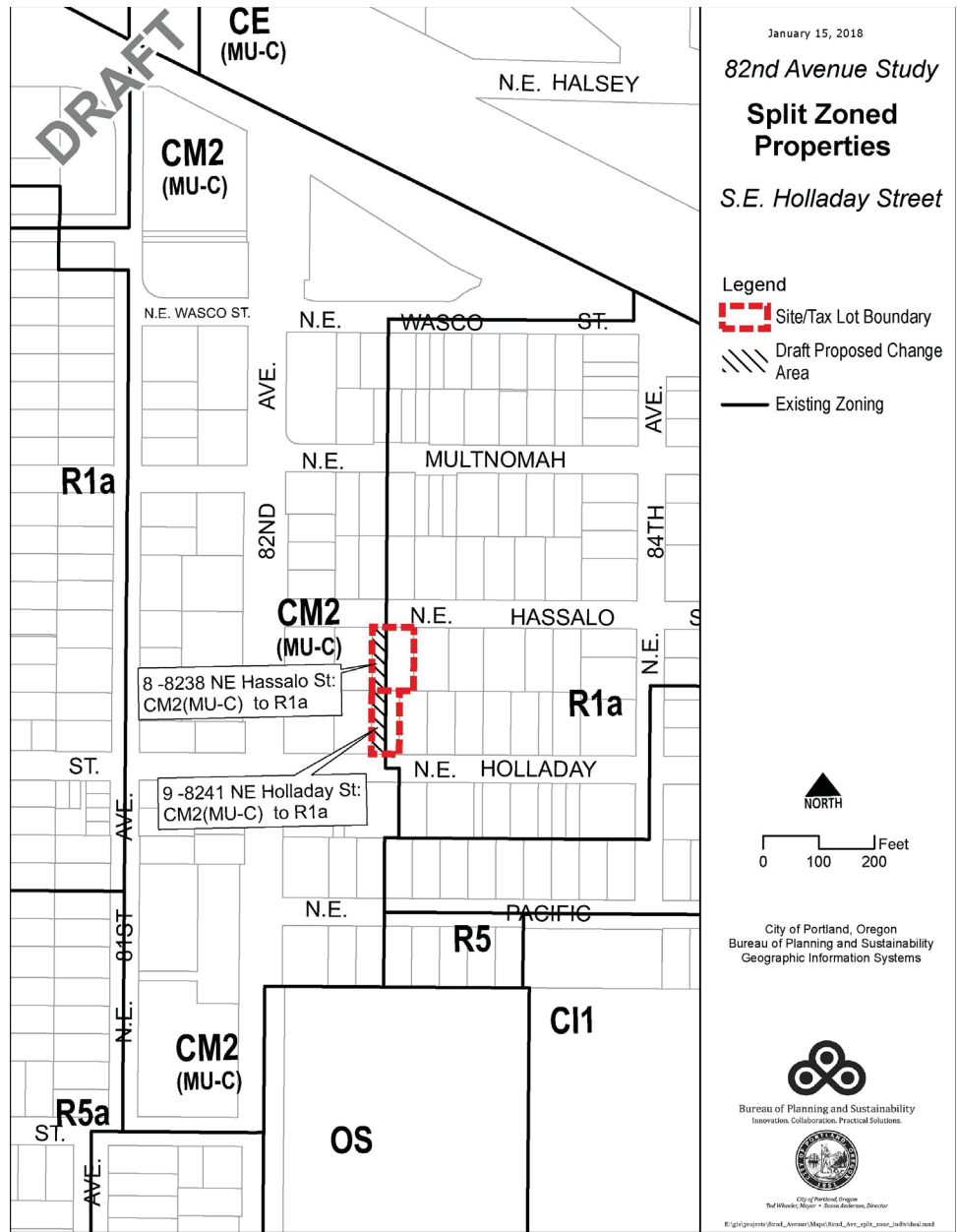
- **Land use pattern:** This area along NE 82nd Avenue is developed with University of Western States campus (formerly the Banfield Hospital site) to the west and otherwise mainly single-level commercial uses with a few single-family dwellings intermixed. To the east of these split-zoned sites are mainly developed with single-family development.
- **Land use and building permit history:** The sites are developed with single-level commercial buildings, the former DMV office, which is now vacant, and a medical management office use. There is no recent land use history.
- **Recent development activity in the area:** In the immediate area, there has been minimal development activity, although the Madison High School Modernization Project begins construction in summer 2019.
- **Additional factors considered.** No additional factors were considered at the time of this staff report.
- **Stakeholder responses during the 2035 Comprehensive Plan process and/or the 82nd Avenue Study:** There was no public comment nor testimony received during this or previous planning projects.

Split Zone Site #8 - 8238 NE Hassalo St

- **Existing Comprehensive Plan Designation:** Mixed Use - Corridor (MU-C) and Residential 1,000
Existing Zoning: CM2 and R1a
- **Staff proposed Comprehensive Plan Designation:** Residential 1,000
Staff proposed Zoning: R1a

Split Zone Site #9 - 8241 NE Holladay St

- **Existing Comprehensive Plan Designation:** Mixed Use - Corridor (MU-C) and Residential 1,000
Existing Zoning: CM2 and R1a
- **Staff proposed Comprehensive Plan Designation:** Residential 1,000
Staff proposed Zoning: R1a



- **Consistency with Comprehensive Plan goals and policies:** These proposed map changes supports multiple goals and policies including Goal 10A: Land use designations and zoning.
- **Proximity to amenities and services:** These split-zoned sites are located on NE Hassalo St and NE Schuyler St. The area has frequent transit service on Bus Line-72 Killingsworth/82nd.
- **Infrastructure availability:** There are no sewer, water or stormwater improvement constraints.
- **Land use pattern:** This area along NE 82nd Avenue is developed with multi-family dwellings and single-level commercial uses with a few single-family dwellings

intermixed. To the east of these split-zoned sites are mainly developed with single-family development.

- **Land use and building permit history:** The sites are each developed with single-family dwellings. There is no recent land use history.
- **Recent development activity in the area:** In the immediate area, there has been some residential infill over the last 15-years.
- **Additional factors considered.** No additional factors were considered at the time of this staff report.
- **Stakeholder responses during the 2035 Comprehensive Plan process and/or the 82nd Avenue Study:** There was no public comment nor testimony received during this or previous planning projects.

Split Zone Site #10 - 8040 SE Woodstock Blvd

- **Existing Comprehensive Plan Designation:** Mixed Use - Corridor (MU-C), Residential 1,000 and Residential 2,000
Existing Zoning: CE, R1a and R2a
- **Staff proposed Comprehensive Plan Designation:** Mixed Use - Corridor (MU-C) and Residential 1,000
Staff proposed Zoning: CE and R1a

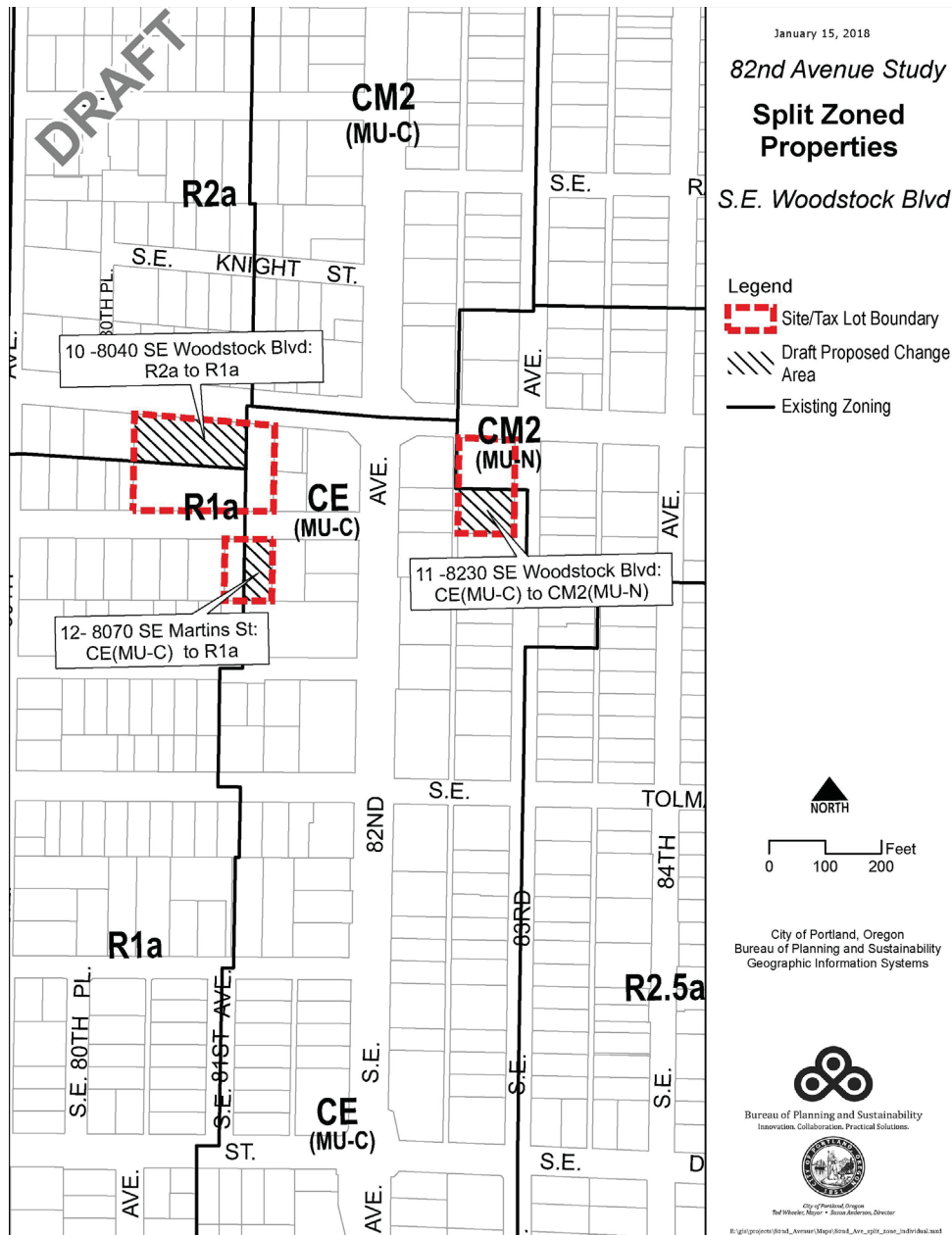
Split Zone Site #11 - 8230 SE Woodstock Blvd

- **Existing Comprehensive Plan Designation:** Mixed Use - Corridor (MU-C) and Mixed Use - Neighborhood (MU-N)
- **Existing Zoning:** CE and CM2
- **Staff proposed Comprehensive Plan Designation:** ~~Mixed Use - Neighborhood (MU-N)~~
Mixed Use - Corridor (MU-C)
Staff proposed Zoning: ~~CM2~~ CE

Staff Note: The proposal is in error, due to a longstanding auto repair and service business and should be corrected as stated above.

Split Zone Site #12 - 8070 SE Martins St

- **Existing Comprehensive Plan Designation:** Mixed Use - Corridor (MU-C) and Residential 1,000
Existing Zoning: CE and R1a
- **Staff proposed Comprehensive Plan Designation:** Residential 1,000
Staff proposed Zoning: R1a



- **Consistency with Comprehensive Plan goals and policies:** This proposed map change supports multiple goals and policies within Chapter 5: Housing specific to Site #10, as well as including Goal 10A: Land use designations and zoning.
- **Proximity to amenities and services:** These split-zoned sites are off SE 82nd Avenue, between SE Woodstock Blvd and SE Martins Street, with many services available within a quarter mile. The area has frequent transit service on Bus Line-72 Killingsworth/82nd.
- **Infrastructure availability:** There are no sewer, water or stormwater improvement constraints.

- **Land use pattern:** The area along SE 82nd Avenue and SE Woodstock Blvd is developed with single-level commercial uses with a few single-family dwellings intermixed. To the east and west is developed with mainly single-dwelling development.
- **Land use and building permit history:** Site #10 (Calvary Lutheran Church) is developed with a church facility and associated parking to the east. Site #11 is occupied by an auto repair and service business as documented in Public Registry 00-196343 PR (NC_00178). Site #12 (Martins Condominium) is developed with a seven-unit multi-family dwelling.
- **Recent development activity in the area:** In the immediate area, there has been minimal development activity.
- **Additional factors considered.** For Split-Zoned Site #10 (Calvary Lutheran Church), BPS has convened a project (funded by a grant from Metro) to help faith communities begin the process of developing affordable housing on their properties.
- **Stakeholder responses during the 2035 Comprehensive Plan process and/or the 82nd Avenue Study:** There was no public comment nor testimony received during this or previous planning projects.

Split Zone Site #13 - Knepper Site

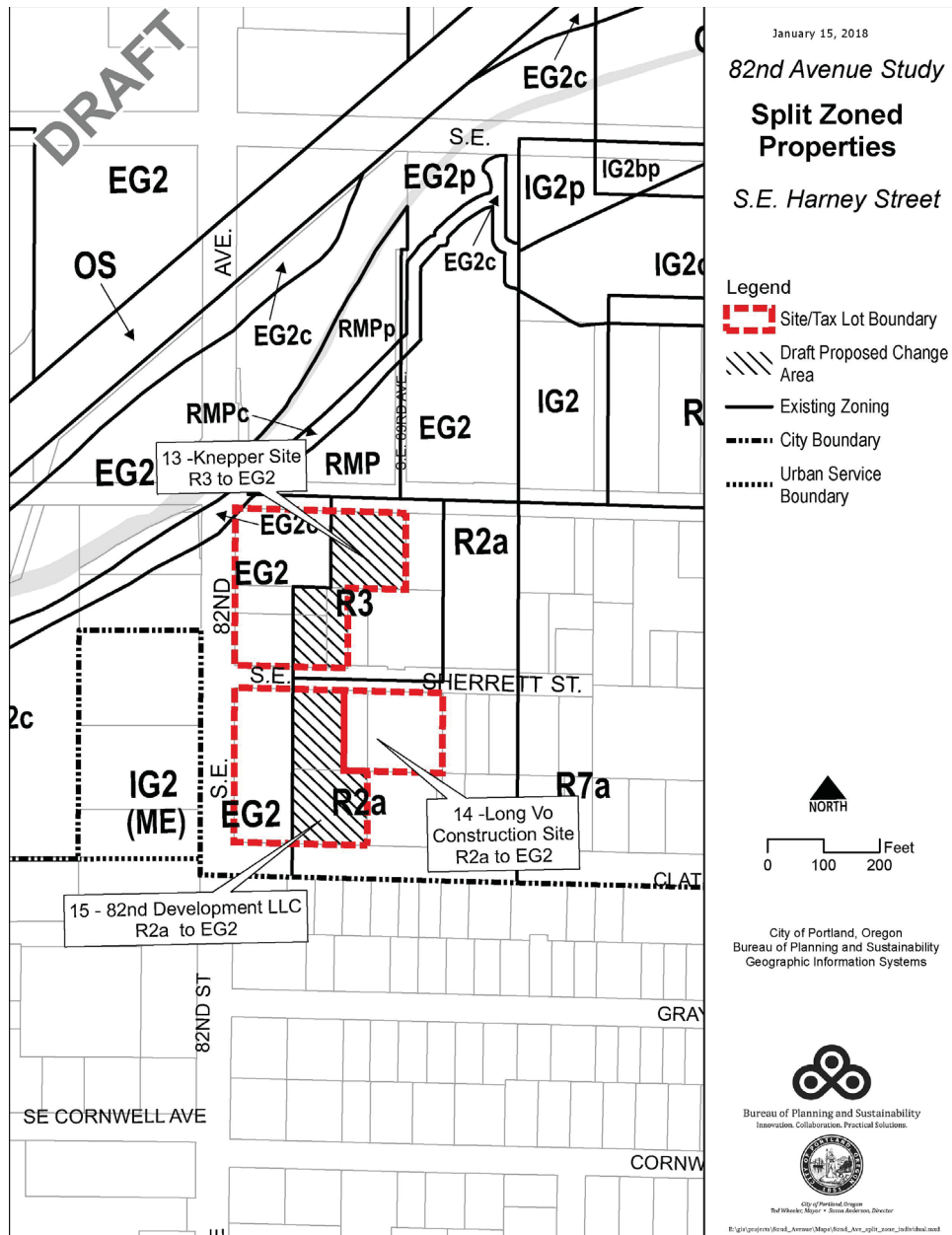
- **Existing Comprehensive Plan Designation:** Mixed Employment (ME) and Residential 3,000
Existing Zoning: EG2 and R3
- **Staff proposed Comprehensive Plan Designation:** Mixed Employment (ME)
Staff proposed Zoning: EG2

Split Zone Site #14 - Long Vo Construction Site

- **Existing Comprehensive Plan Designation:** Mixed Employment (ME) and Residential 2,000
Existing Zoning: EG2 and R2a
- **Staff proposed Comprehensive Plan Designation:** Mixed Employment (ME)
Staff proposed Zoning: EG2

Split Zone Site #15 - 82ndDevelopment LLC

- **Existing Comprehensive Plan Designation:** Mixed Employment (ME) and Residential 2,000
Existing Zoning: EG2 and R2a
- **Staff proposed Comprehensive Plan Designation:** Mixed Employment (ME)
Staff proposed Zoning: EG2



- **Consistency with Comprehensive Plan goals and policies:** This proposed map change supports multiple goals and policies including Policy 6.13. Land supply and Goal 10A: Land use designations and zoning.
- **Proximity to amenities and services:** These split-zoned sites are along SE 82nd Avenue, between SE Harney and SE Clatsop streets, with many services available within a quarter mile. The area has frequent transit service on Bus Line-72 Killingsworth/82nd.
- **Infrastructure availability:** There are no sewer, water or stormwater improvement constraints.

- **Land use pattern:** The area along SE 82nd Avenue is developed with single- and two-level commercial and industrial service uses with a few single-family dwellings intermixed. To the east is developed with mainly single-dwelling development.
- **Land use and building permit history:** Site #13 is occupied by Mt. Scott Motors and Repairs, an auto repair, service and sales use. Site #14 is owned by a general contracting company. Site #15 is occupied by auto, truck and RV sales, as well as tire sales.
- **Recent development activity in the area:** In the immediate area, there has been minimal development activity.
- **Additional factors considered.** No additional factors were considered at the time of this staff report.
- **Stakeholder responses during the 2035 Comprehensive Plan process and/or the 82nd Avenue Study:** There was no public comment nor testimony received during this or previous planning projects.

Appendix C. Economic Analysis

Development and job growth trends in EG zone geographies

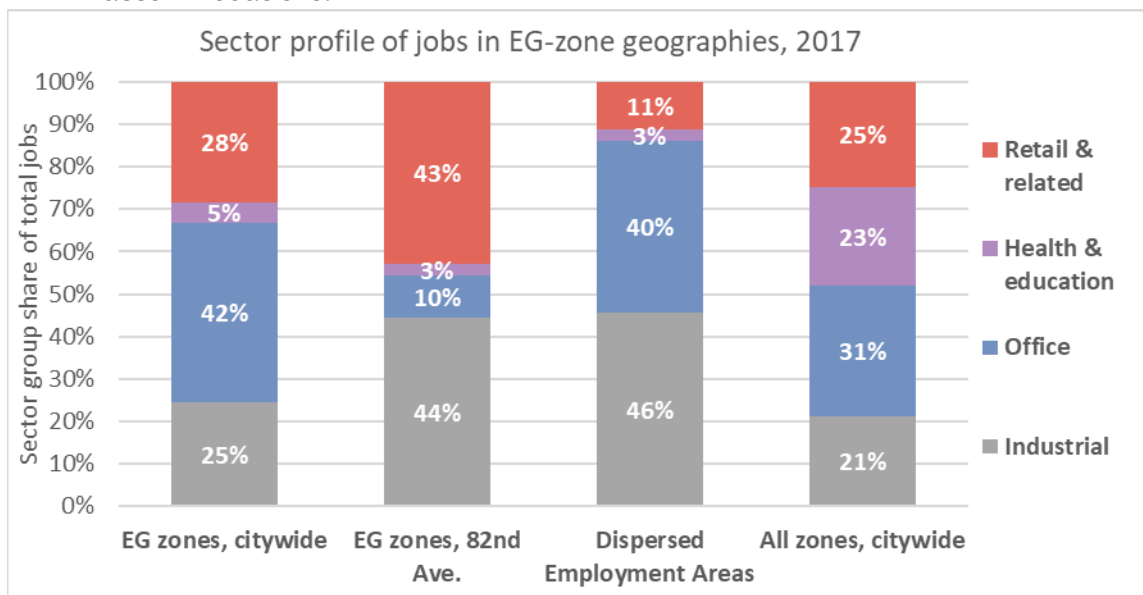
About 14 blocks of EG General Employment zoning was added in the 2035 Comprehensive Plan on 82nd Ave. These map changes were supported by new policies to increase East Portland job growth (6.28), increase income self-sufficiency (6.27), reduce racial income disparities (6.30), and provide adequate land supply to meet forecast demand in Dispersed Employment Areas (6.13). The Dispersed Employment Areas are primarily small areas with EG or IG Industrial zoning near freeway interchanges and parallel streets. Substantial development and job growth has occurred in these EG-zone geographies in the last decade.

The following analysis reviews recent development and growth trends in three overlapping EG-zone geographies: EG zones citywide (1,444 acres, about 2% of the city), Dispersed Employment Areas (918 acres), and the EG zones along 82nd Ave. south of Columbia Blvd. (107 acres). These geographies are shown in the map below.

Sector profile of EG zone geographies

The building types in General Employment zones are typically small, ‘back office’ (low-density office), flex-space, and business park areas. The chart and table below compare the sector profiles of businesses in EG-zone geographies. Employment sectors are grouped by general land use categories:

- Office sectors - professional and business services, finance, information, and government;
- Industrial - manufacturing, transportation, wholesale, construction;
- Health care and education - hospitals and clinics, colleges and other schools;
- Retail and related - retail, food service, personal service, entertainment, accommodations.



The largest share of jobs in EG zones citywide are in the ‘office’ sectors, accounting for 42% of EG-zone jobs in 2017. Large shares of EG employment are also in the ‘retail and related’

and ‘industrial’ sectors (28% and 25% respectively in 2017), which resulted substantially from the placement of EG zoning on shopping centers (Cascade Station and Hayden Meadows) and recently developed industrial areas in the Columbia Corridor industrial district. The sector mix of EG zones on 82nd Ave. similarly reflect where they were placed on already developed industrial and retail sites. The Dispersed Employment areas have predominantly industrial (46%) and office (40%) jobs, representing their mix of IG and EG zones. Over time, intensification and redevelopment at relatively higher densities is expected to result in a growing share of office jobs in EG zones and Dispersed Employment Areas.

Sector profile of jobs in EG-zone geographies, 2017								
Sector groups	EG zones, Citywide		EG zones, 82nd Ave.		Dispersed Employment Areas		Citywide, all zones	
	Jobs	Share	Jobs	Share	Jobs	Share	Jobs	Share
Industrial	5,606	25%	319	44%	6,744	46%	93,877	21%
Office	9,622	42%	73	10%	5,931	40%	136,181	31%
Health & education	1,128	5%	18	3%	428	3%	102,777	23%
Retail & related	6,469	28%	309	43%	1,630	11%	109,829	25%
Total	22,826	100%	719	100%	14,733	100%	442,664	100%

Source: BPS from QCEW data

Development trends in EG zone geographies

Extensive development has occurred in the EG-zone geographies in the last decade, affecting 34% of EG zone acreage citywide. Most of that development was in new buildings, affecting 21% of citywide EG

New buildings, additional building square footage and other investments in existing buildings, 2007-2017			
	EG zones, citywide	Dispersed Employment Areas	EG zones, 82nd Ave.
New buildings, constructed in 2007 or after			
Number of taxlots	52	32	5
Total taxlot acres	306	175	20
% of geography acres	21%	19%	19%
Total bldg sqft	3,723,985	896,985	148,099
Avg building sqft	71,615	28,031	29,620
Median building sqft	34,000	10,281	20,900
Existing building expansion, 5% or more			
Number of taxlots	5	4	0
Total taxlot acres	28	11	0
% of geography acres	2%	1%	0%
Total bldg sqft	43,686	37,275	0
Avg building sqft	8,737	9,319	0
Median building sqft	10,867	10,500	0
Additional building investments, \$500,000 or more			
Number of taxlots	21	13	1
Total taxlot acres	156	51	5
% of geography acres	11%	6%	5%
Total investment \$	\$41,850,830	\$45,166,552	\$550,000
Avg. site investment	\$1,992,897	\$3,474,350	\$550,000
Median site investment	\$1,300,000	\$1,650,000	\$550,000

Source: Multnomah County assessor data and BDS permits.

acres, 20% in Dispersed Employment Areas, and 19% in EG zones on 82nd Ave. The table above also reviews development trends by building expansion and other investments in existing buildings. The location of these development sites are shown in the map below.

Job growth trends in EG zone geographies

Job growth trends are mixed across the EG zone geographies. Comparing job growth rates over the last business cycle from 2008 to 2017, average annual job growth was a very strong 5.1% in the EG zones on 82nd Ave., 0.7% in EG zones citywide, 1.1% in Dispersed Employment areas, and 1.3% in all zones citywide. That said, job growth trends in small geographies such as EG zones can fluctuate widely with changes by one or more large employers. For example, average annual job growth dropped in the Dispersed Employment Areas from 1.6% in the 2008-2016 period to 1.1% in the 2008-2017 period, due primarily to a loss of over 400 jobs in a particular office sector in 2017.

Office sectors generated nearly all of the net job growth in the Dispersed Employment Areas and the largest volume of job growth in EG zones citywide since 2008. The ‘retail and related’ sector (primarily retail) also generated strong job growth in the EG zones citywide, an example being development of the Cascade Station shopping area near PDX Airport. However, zoning code amendments in the 2035 Comprehensive Plan (effective in 2018) greatly reduced

retail use allowances in EG zones from 60,000 to 20,000 square feet per site, intending to shift at least half of the forecast retail development after 2018 to mixed-use centers and corridors. Industrial sector jobs have significantly declined in the EG zones citywide since 2008, but industrial sectors had strong job growth in the EG zones on 82nd Ave.

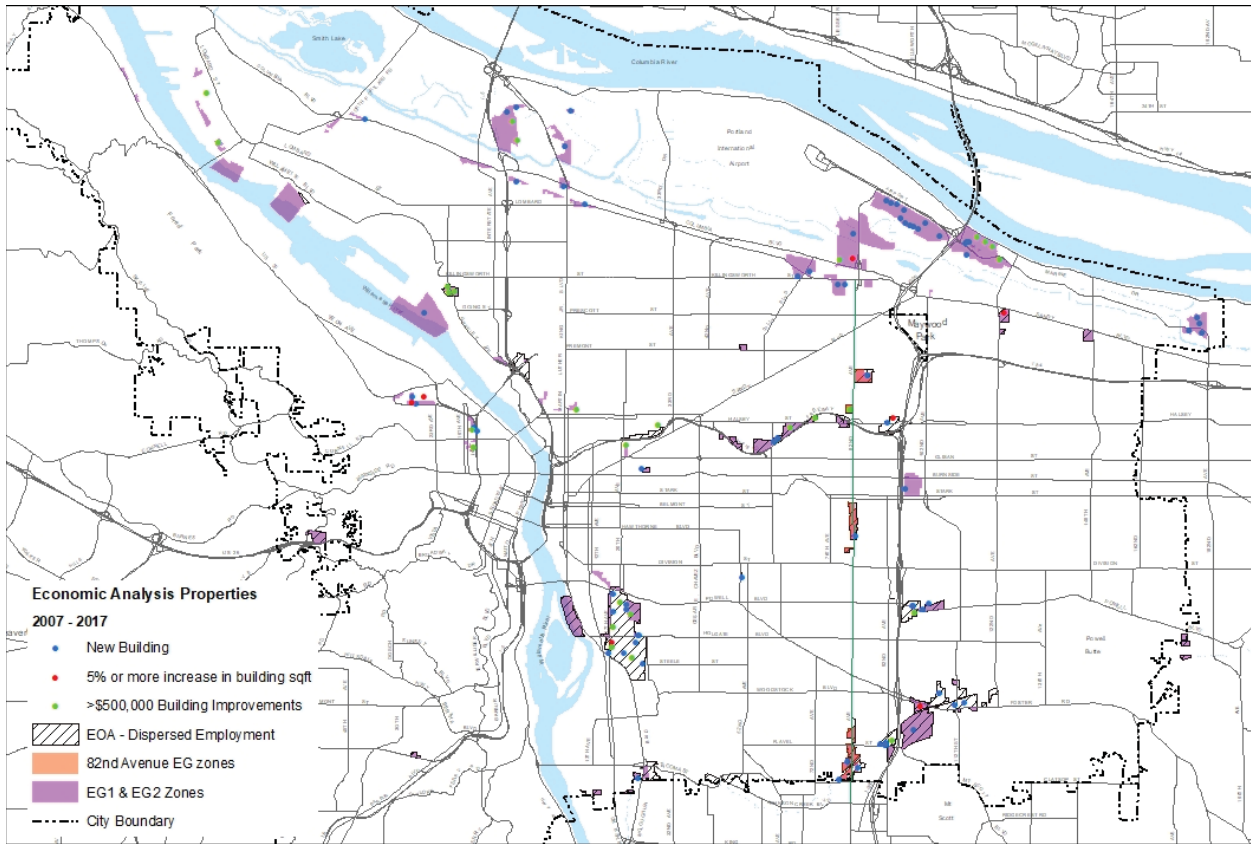
Job-growth trends in EG-zone geographies, 2008-2017									
Sector groups	EG zones, Citywide		EG zones, 82nd Ave.		Dispersed Employment Areas		Citywide, all zones		
	New jobs	AAGR	New jobs	AAGR	New jobs	AAGR	New jobs	AAGR	
Industrial	-1,672	-2.9%	201	12%	28	0.0%	-1,791	-0.2%	
Office	1,613	2.1%	12	2.1%	1,281	2.7%	16,146	1.4%	
Health & education	162	1.7%	-76	-17%	23	0.6%	18,040	2.2%	
Retail & related	1,308	2.5%	124	5.9%	-9	-0.1%	17,256	1.9%	
Total	1,412	0.7%	261	5.1%	1,323	1.1%	49,651	1.3%	
<i>Source: BPS from QCEW data</i>									

Looking forward, projected office development of 1.1 million square feet is estimated to account for about 75% of the forecast job growth in the Dispersed Employment Areas from 2010 to 2035 (Portland’s Economic Opportunities Analysis).



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82nd Avenue Study

December 31, 2018

Economic Zones Analysis

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Appendix D. Equity and Impact Analysis

Demographic characteristics of 82nd Avenue Study Area

The following table summarizes a subset of household and population demographic characteristics for areas around the 82nd Avenue Study Area and the 82nd and Bybee sub-area for a more detailed drilldown. These demographic characteristics can be compared to Portland as a whole for a more detailed understanding of the who lives in and around the 82nd Avenue Study Area.

The 82nd Avenue Study Area accounts for around 13 percent of the population in the City of Portland. Across the study area, the population is more diverse than Portland as a whole. In the 82nd Avenue Study Area around 36% of the population identifies as a person of color, compared to 29% of Portlanders across the City who identify as a person color.

Households in the 82nd Avenue Study Area have a higher share of owner households, 60 percent, compared to the City of Portland as a whole, 53 percent. Additionally, the average household size in the study area is slightly higher at 2.55 people per household compared to the City of Portland as a whole that has an average household size of 2.41 people per household. The 82nd Avenue Study Area also has a slightly higher share of low-income households, 49 percent, compared to the City of Portland as a whole, 44 percent.

	82nd Avenue Study Area	82nd& SE Bybee Employment Zoning Area	City of Portland
Population Total	81,702	10,171	630,331
People of Color	29,096	4,671	182,843
% People of Color	36%	46%	29%
Number of Households	31,960	3,650	260,949
Number of Owner HHs	19,130	2,285	139,477
Number of Renter HHs	12,830	1,365	121,472
Share of Owner HHs	60%	63%	53%
Share of Renter HHs	40%	37%	47%
Share less than 4-Year Degree	65%	79%	52%
Low income HHs	15,442	2,188	112,840
Share Low Income HHs	49%	64%	44%

Source: U.S. Census Bureau, 2013-2017 ACS 5-year Estimates. Prepared February 7, 2018 by Portland Bureau of Planning and Sustainability.

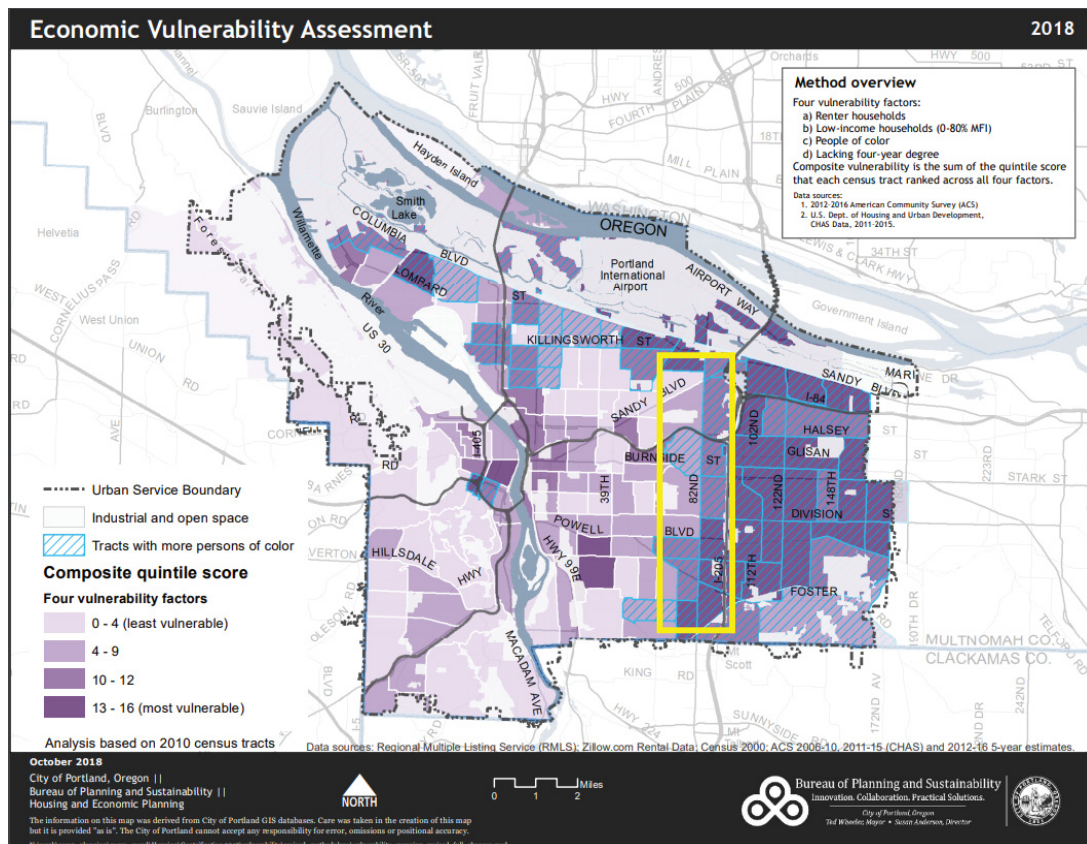


Economic Vulnerability

Economic vulnerability is measured across four socioeconomic variables that indicate a reduced ability to withstand housing price increases caused by gentrification. As outlined in the 2018 Gentrification and Displacement Neighborhood Typology Assessment,¹ areas of economic vulnerability are defined as those that have, when compared to the citywide average, the following characteristics:

- A larger share of households that are **renters**
- A larger share of the population that are **communities of color**
- A larger share of adults (25 or older) **without a four-year degree**
- A larger share of households that are **low-income** (below 80% median family income)

Neighborhoods in the 82nd Avenue Study Area are more likely to have a higher share of economically vulnerable households as identified in the map below. Within the study area, neighborhoods east of 82nd Avenue and south of Division Street have the highest share of vulnerable households. Additionally, households around the 82nd and SE Bybee Employment Zoning Area have higher shares of vulnerable households.



¹ <https://www.portlandoregon.gov/bps/article/700970>



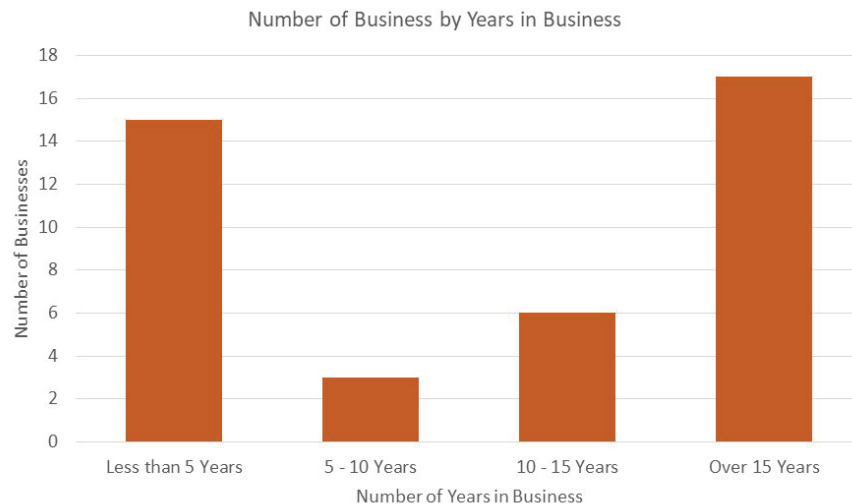
Business Impact Analysis

This section of the business impact analysis drills down specifically on the parcels where there are proposed rezones as part of this project. There are 28 businesses that currently are located on parcels that are proposed for zone changes in this project. Overall, there are more businesses located on these parcels in 2017 than in any year prior.



Source: State of Oregon Employment Department. Prepared February 7, 2019 by Portland Bureau of Planning and Sustainability.

This analysis also drills down on how long the business on these parcels have been in business in their current locations. 17 business, 42 percent of all business on zone change parcels, have been in business in these locations for over 15 years. The majority of the business that have been in these locations for longer than 15 years are located along 82nd Avenue near SE Flavel Street. Fifteen (15) business have been in business in these locations for five years or less. The sections of 82nd Avenue that have the highest shares of newer business, in these locations less than five years, are located north of NE Glisan Street and also around SE Flavel Street.



Source: State of Oregon Employment Department. Prepared February 7, 2019 by Portland Bureau of Planning and Sustainability.



This analysis also evaluated property ownership duration to identify how long current property owners have owned their property. A large share of parcels identified for potential rezone, 50 percent of all parcels, are owned by entities that have maintained ownership for 30 years or longer. The areas with the highest share of recent property acquisition and ownership are around 82nd Avenue and NE Glisan Street and 82nd Avenue and SE Flavel Street.



Source: Multnomah County Assessor. Prepared February 7, 2018 by Portland Bureau of Planning and Sustainability.

