

# Portland Planning and Sustainability Commission

November 19, 2019

5 p.m.

Meeting Minutes

**Commissioners Present:** Jeff Bachrach, Ben Bortolazzo, Mike Houck, Katie Larsell, Oriana Magnera (left at 6:30 p.m.), Steph Routh, Katherine Schultz, Chris Smith, Eli Spevak

**Commissioners Absent:** Akasha Lawrence Spence, Daisy Quiñonez

**City Staff Presenting:** Sandra Wood, Lora Lillard, Phil Nameny; Eric Hesse, Courtney Duke, Bob Kellett (PBOT)

*Chair Schultz* called the meeting to order at 5:02 p.m. and gave an overview of the agenda.

Documents and Presentations for today's meeting

## Items of Interest from Commissioners

- *Commissioner Smith:* Two people died in traffic violence last night and a third in Fairview. I presented Bike Parking last week, and Council is largely on track with our recommendations. They did carve out 18 affordable housing projects that are in the development pipeline. I appreciate they don't want to disrupt the pipeline of development, but I regret the tenants of those new units don't get quality bike parking. Details of the bike racks should come at a later phase, not in land use review, but BDS was in opposition to that. For the Tree Code, the PSC recommended a 2-year extension to the protections for larger trees. Commissioner Eudaly moved to extend that to 2050. We also recommended extending protections to commercial and industrial zones, which will be heard on December 5, where *Commissioner Spevak* will attend on behalf of the PSC. Several Council members expressed enthusiasm for our recommendation on that portion.

## Director's Report

Andrea Durbin

- Remanded Fossil Fuel zoning is at Council tomorrow with a vote on December 18. Better Housing by Design is on Thursday and a vote on December 5. Residential Infill Project work session is December 11 with hearings in January.
- There is still one opening for a PSC member on our BAC – thank you to Oriana and Katie who have offered to join us. The first meeting is December 4.
- We have an opportunity for a PSC mini-retreat the first week of January (Mon, Tues, or Wed in the afternoon). Julie will send out an email request tomorrow.
- Also, if you have not yet confirmed your email records retention, please be sure to fill in the form and submit it to Julie. Please review her emails about this. Staff is happy to help PSC members get their City email accounts (re)activated if necessary.

## Design Overlay Zone Amendments

Work Session: Sandra Wood, Lora Lillard, Phil Nameny

### Presentation

*Chair Schultz:* I'd like to welcome a Chandra Robinson from the Design Commission (DC) to today's work session. Chandra is here to present the Design Commission's testimony on the parts of DOZA that are within the PSC's purview. The first DC work session was November 7.

### **Disclosures**

At the last meeting Commissioners shared their potential conflicts of interest. While it's not clear whether the proposed changes create a potential conflict of interest for PSC members because the changes affect such a broad class of property owners, in the interest of transparency, we have the following declarations:

- *Commissioner Smith* owns property in the design overlay zone.
- Commissioners Schultz, Spevak, Bortolazzo, and Lawrence Spence work for architectural or development firms who conduct work in Portland.

Sandra introduced today's DOZA agenda (slide 2). We are referencing Volume 2 during today's session and will discuss Purpose, the Map, and Thresholds.

Chandra shared the Design Commission's testimony to the PSC. Design review is to create a Portland where people feel safe, now and in the future. The Purpose Statement as written is strong, clear, and accessible. They are built on the three tenets, which are what we focus on. It upholds Comp Plan goals, and the only thing that could make it stronger is using the three tenets of design. For the map, we'd like the work to do the low-rise commercial storefront study to be prioritized because these neighborhoods are growing and changing quickly. On the thresholds, we are considering the blanket exemption for a storefront of 200 square feet or less to be too generous; it should be for non-publicly facing only. The 55 feet is not a change. In general the strong standards are the backbone to the 'd' overlay. We need to make sure we're calibrating the right number of points to each standard to support the public realm and clarify what's most important in each area. DOZA has strengthened the design process, and staff have been outstanding and valuable.

*Chair Schultz:* About thresholds and the statement about large buildings, if the standards better aligned with the guidelines, would you feel more comfortable with the thresholds remaining? They should be in lock-step and feel confident that I'll have a successful design review hearing.

- Chandra: It's a bit scary to think of a building that is that tall or big without further review. If design standards and guidelines are well connected, something good could be produced, but it depends on the DC's review of the standards that we want to look at together again.

*Chair Schultz:* About FAR, height, and set-backs, the DC is there to help get a building to respond to context better. I am curious that if an applicant has the right to get a height, DC can push back a certain percentage, and the same thing with set-backs, would that concept work?

- Chandra: We are trying to make sure buildings are performing well for the public realm and responding to context. The nuance we're working with is within the three tenets. If we add more layers, there would be more time needed in the process. We can do what you're thinking about without being so prescriptive in naming the thresholds.

Phil summarized the testimony received on the DOZA project. We received 165 pieces of distinct testimony. The majority of comments were about thresholds, guidelines, and standards.

### *Purpose*

Lora shared a recap of the project so far to revise the Purpose statement. It is succinct and clear, addresses a what-why-how, aligns with City codes, and promotes the three tenets. The 'd' overlay doesn't do everything everywhere. It doesn't have to restate all the goals and policies of the Comp Plan, but it does reflect the goals and policies 3 and 4.

Last week the PSC asked where the three tenets are important and how this informs the map. There is an inherent tension in design overlay and the production of housing. We talked that state law does this by the 2-track system. Calling out housing may be too limiting; it's housing today, but the needs (e.g. industrial land) may change in the future. Equity and design and not creating an undo balance of benefits of burdens is especially important as is a focus on people *and* the surrounding environment. There was support for the three tenets in concept, but this is time for a brief discussion today.

PSC members are comfortable with the Purpose Statement as written in the Proposed Draft.

### *Map*

Phil shared the map of the 'd' overlay and highlighted the proposal to remove the overlay zone from single-dwelling-zoned properties outside of the Terwilliger Design District (as proposed). We did not make any more significant changes, but as shown in Section 5 of volume 1, we have some things we'd like to address in the future.

*Commissioner Smith* supports the removal from single-dwelling zones. What's the driving principle for where we're applying this zone?

- Phil: Areas of anticipated growth and centers. In the past it was a bit more about some control for design (e.g. for row houses).

*Commissioner Spevak*: How do you decide what's in the 'd' overlay? Of special concern as stated today, which I think is shaky.

- Phil: This is the current code, but it's what we're changing with this proposal.

*Chair Schultz*: On page 50, it talks about where the 'd' overlay is used. How do we determine which areas have "distinct features with important development context"?

- Lora: This is a bit of a hybrid. We left that in knowing that primarily it is a tool for growth and noted in the purpose statement. It is just Terwilliger and Marquam Hill, both of which are anomalies that have their own design districts and a history with design overlay.

*Chair Schultz*: I get it. The commentary helps, but it doesn't explain everything to reference, so it would be great to understand the historical context for future reference.

Lora: This next part is not part of the current proposal, but it was brought up quite a bit in the Discussion Draft of the expansion of the 'd' overlay to all centers in the city (slide 7). We decided to wait until we have the new tools in place and come back to this after we see how things pan out with the new proposal once adopted and being used.

*Commissioner Spevak:* I thought Volume 1 Section 5 was quite intriguing. I understand that a more substantive mapping project goes beyond the scope of this project. But I'm intrigued by how testimony sometimes conflated the 'm' and 'd' overlays, even though the 'm' overlay is technically outside of this project. In different ways, each of these overlays represents a 'stretch code' that goes beyond what's allowed in the base zone. Appreciation to Lora for sharing a map showing how they largely overlap. I hope we end up with standards that are good enough so we can ultimately merge the 'd' and 'm' overlays – which would be focused on centers and corridors.

Sandra and Phil: The 'm' overlay has two features that are not about design: Commercial ground-floor requirement and prohibited uses and development, so development and certain building types. There is overlap (e.g. 82<sup>nd</sup> Ave, Interstate Ave). The 'm' overlay was just introduced in the Mixed-Use Zones project adopted in 2018.

*Commissioner Bachrach:* Cully is a pretty sophisticated neighborhood association, and they did not want the 'd' overlay. I'm wondering if they thought costs would be prohibitive. Are there obstacles we're creating by using the 'd' overlay that are inequitable? If Cully doesn't want it, are there other neighborhoods that don't understand.

- *Commissioner Spevak:* We talked about costs and bringing a lens to a project about cost in addition to equity. These could come up in standards outside of the design review process. I would be interested in getting a cost analysis. Design review may have more review and project costs, but standards might not cost as much.
- *Commissioner Magnera:* Eron Riddle submitted testimony about this. Cost is a concern, particularly in a neighborhood that needs affordable housing. The other issue is the Cully lacks lots of basic infrastructure (e.g. sidewalks) but this may come up in other areas as well. If you're trying to fill storefronts with culturally-specific businesses, would design review have an undo burden or cost?
- *Chair Schultz:* Design review is an extremely stressful process. It's hard to understand because it's discretionary. It's a complicated process regardless of how collaborative the Design Commission is.

Phil: I noticed when talking with people at the counter is that it adds extra work that people may not know they have to do. So there are standards, but the pushback we sometimes get is that they are added items to check off.

*Chair Schultz:* Regarding the cost-benefit analysis, we have much bigger cost items we've put through in recent code changes.

*Commissioner Bortolazzo:* From a design team standpoint, you allocate in the time and fee for design review. Overall there is a fairly significant impact. The end result may not be completely different, but you have to go through a very set process. A standards process with less discretionary determinations would be very beneficial.

*Chair Schultz:* We often have a team doing design review and another team doing the actual work to think about building. So they are doing the same project in parallel, but when changes arise, the team working on the project has to react and change. I believe the time spent with DC is valuable, but I'd be curious to almost see a before and after – some projects have huge changes, but I'm not sure what percentage of the projects have this huge swing. With the upgrade in standards, perhaps it gets us to the point to work on thresholds.

*Commissioner Bortolazzo:* In affordable housing, funding it typically put together from a number of sources, so the uncertainty and timing can be a big concern.

*Commissioner Magnera:* The City of Denver only applies design review for the first 45 feet of building. How would this affect the process if it was only about the public realm? Would it potentially reduce some of the scrambling?

- *Chair Schultz:* It would reduce stress, but I'm not sure it gets at everything design review can do today. It's an excellent question.
- *Sandra:* The assessment report has a huge appendix – our consultants looked at a variety of projects. Outside Central City it's a mixed-bag when they don't go through standards for review. There is lots of conversation about this in the assessment. We did look at Denver, but for a variety of reason we decided that wouldn't work well here. We can share examples of costs at our next work session if that's helpful for this conversation. When you are considering what the thresholds are, our thought is that the new design standards and a Type II and a Type III would all equally result in high-quality building. Type II and III afford public conversation, but the standards track doesn't offer this.

### *Thresholds*

Phil noted the goals for thresholds from the assessment phase (slide 8). We are talking about three steps for thresholds outside the Central City (slide 9). He walked through the background an examples of buildings and thresholds (slides 10-16).

*Commissioner Routh:* Does this relate to Statewide Goal 10?

- *Phil:* This is a statewide goal for housing. So as we go through this work, we will have to show findings against all 19 statewide goals, Metro goals, as well as our Comp Plan goals.

*Commissioner Spevak:* I'm glad that's been highlighted because Oregon is the only state that requires cities to inventory housing needs *and then zone for housing to meet those needs*. And you can *only* count housing towards meeting this need if it can be created through clear and objective standards – because Oregon recognizes that housing requiring that can only be created through a discretionary process might never be created at all. I have some anxiety about allowing a cap on height, above which we mandate discretionary design review. Although perhaps this complies with certain exceptions in state statute, it doesn't align with its intent. As proposed now, you can go up to a certain height, and then you lose the clear and objective option.

*Chair Schultz:* The first example is bothersome that a commercial building looks like a residential building and still has to go through design review. It seems like we don't have things quite aligned correctly. So maybe in that case the commercial doesn't have to go through design review.

*Commissioner Spevak:* Affordable development earning an additional floor of height or developments using ground floor bonus height options in a CM2 has to balance if they take the affordable bonus or go through design review. I hope someone doesn't just build less housing to get under the standard. Balancing the 'd' overlay with community concerns, FAR, etc is really a balancing piece. As we're expanding density, there are more opportunities for input

- *Commissioner Houck:* I had this same gut reaction as Kat.
- *Phil:* We have to clarify the first floor higher height and be clear that if you're at 55 feet but add a railing to 58 feet, you don't trigger design review.

*Commissioner Spevak:* Thinking through amendment ideas, if we increase the height threshold, I would be ok with an alternative threshold based on the length of the facade. I'm trying to think of a way to give options before you hit the compulsory threshold for design review.

*Commissioner Bortolazzo:* The review should be commensurate to the impact of the building, so I think this makes sense.

Sandra: We landed on the idea of a combination of square footage and height. We will put a placeholder for an amendment idea in this realm.

*Chair Schultz:* Where outside of the Central City would we see these types of buildings and triggers?

- Staff will look into it and provide a memo about this.

Phil: We don't have example pictures, but on pages 17-21 we have listed exemptions. It was a balancing act in trying to make them more holistic and recognize that some exemptions are for specific situations we may still want to cover. The idea that any development with up to 4 dwelling units on a site is exempt and an accessory building on a site with a triplex is included in exemptions. We are also proposing a specific list of facades that are exempt and another blanket list. This allows for flexibility for some of the smaller-scale storefronts.

*Commissioner Spevak:* I have some detailed comments on the standards I'll submit separately. But in the DC testimony, I think we have a trick for removing the opportunity for serial 200sf renovations stating that such renovations must be separated by a minimum number of years.

*Chair Schultz:* I also have minor suggestions that I'll send to staff. Do we really mean 200 square feet – or 200 lineal feet?

- Phil: Square feet is what we intended (200 lineal would be a full block front). It was intended to be just a ground floor / storefront change.

*Chair Schultz:* I may have some thoughts on a different way to think about this.

*Commissioner Bachrach:* This says it doesn't apply in the Central City. There was a letter that talked about more flexibility (e.g. storefront and TI improvements) where you're often stuck going through a Type III review. Can we broaden exemptions for that type of change? Should it also apply to Central City? Is there a category we could define to let people skip the regulatory process?

- Phil: It's something to consider. If you're outside Central City with the 200 square foot exemption, you can meet additional design standards, or if you go through discretionary review.
- Sandra: Page 19, Section M gets to this. We can discuss if this is liberal enough or not.
- *Chair Schultz:* There is certainly good reason for some limits when we're trying to focus on creating great public realms.

Sandra: There is a similar conversation about thresholds for inside the Central City. If you have comments about thresholds (either outside or inside the Central City), let staff know. We can address them at the December 17 work session. We want to start getting our list of potential amendments ready as well

*Chair Schultz:* We should try to have all our amendments to staff from today's topics prior to the next work session on December 17.

Sandra: Our plans is to have a list of ideas of amendments for the 3x3 check-in in early January of things that we're thinking of contemplating changing.

The last item is about the Standards Working Group. Do we have PSC members who are interested in participating amongst yourself with staff to wade through the standards? We'd like this group to meet before the December 17 work session.

- Commissioners Shultz, Bortolazzo, Routh, Houck, Spevak.

Staff will ask the full commission – we may have to split into two groups or pare down.

We will also discuss the amendments to Guideline 6 at the upcoming officer meeting to later discuss with the full PSC.

The DOZA Project is continued to the PSC meeting on December 17, 2019.

## **Transportation System Plan Update**

Hearing / Recommendation: Eric Hesse, Courtney Duke, Bob Kellett (PBOT)

### Presentation

#### **Disclosures**

*Chair Schultz:* Do any PSC members have potential conflicts of interest to disclose on the TSP Update?

- *Commissioner Routh:* I am contracting with PBOT on a matter not related to the TSP.

Eric introduced the project.

Bob provided a brief overview of the TSP Update including background, purpose, changes, and next steps. Changes include policies, classifications, major projects, and supporting chapters.

In public outreach, we've heard testimony around Sandy Blvd Bicycle Classification; Pedestrian Classifications: Districts, Implementation; and the Red Electric Trail, Green Loop, Southwest in Motion, Support for Enhanced Transit Corridors projects and the Rose Lane project.

*Commissioner Houck:* I was curious given the trail emphasis if the 40-mile loop folks submitted testimony.

- Bob: We didn't hear from them.

*Commissioner Routh:* Did the Green Loop projects get included?

- Bob: We have projects that are supportive of the Green Loop but no other changes with this proposal.

## Written Testimony

### Testimony

1. Brian Brady, SW Trails PDX: Suggested pedestrian changes regarding the Red Electric trail. Request projects changes to 379 segment 6 to connect with project 373. *see written testimony.*
2. Glenn Bridger, SW Trails: Council approved the Red Electric plan with three different alignments on the east end of the trail. only one is reflected in the TSP, but we'd request this other alignment for equity and access reasons. Now is the time to include this because there will be design and construction coming with the SW Corridor Project. *see written testimony.*
3. Richard Sheperd, Bike Loud: In light of recent growth in carbon emissions, traffic-related deaths, and drop in biking in Portland, we are concerned that the TSP does not address the crises in our city. We should replace level of service for reduction in VMT, which is more in line with statewide goals. Agree with adding Sandy Blvd as a Major City Bikeway.
4. Keith Jones, Friends of Green Loop: Language about the Cultural District and Green Loop should be updated to reflect what's been done to date. The 7<sup>th</sup> Ave corridor is needed from OMSI to lower central eastside. In Lloyd/Rose Quarter, need more outreach with Albina Vision. More outreach with homeless community and providers. Design work needs to be better fleshed out. *see written testimony.*

Chair Schultz closed testimony at 7:42 p.m.

### Discussion

*Commissioner Houck:* Regarding Red Electric, I've led hikes there and used to live on SW Slavin. My concern is that the access from SW Corbett and SW Iowa is an important link from the Willamette Greenway to George Himes Park and Terwilliger Parkway. I'd hate to see lost as part of a loop system.

- Bob, Eric, Courtney: We appreciate these comments about the alignment. There is an opportunity here with SW Corridor. But from the TSP project, we have Segment 6 – but the alternative hasn't been confirmed. We are not precluding the different suggested alignment in this project. We can continue to work with SW Trails, but the TSP is just one level of the project versus the actual design and alignment that hasn't been confirmed. Our coordination with PP&R is still involved.

*Commissioner Larsell:* I want to compliment you and the City on the fact that lots of the new projects are in East Portland and are based on this new way of looking at what we should do a project about and what we should be evaluating. How do projects go from the unconstrained to constrained list so they are sure to be done?

- Bob, Eric: Outside of the constrained list, we can grow/increase the possible funding, but it's a bit of a nuance between this and a capital list. There can be money from various sources, and we match up funding with the projects. Higher points indicate higher level of outcomes, but it doesn't necessarily rank the projects. Matching the projects with funding and benefits is how we go about it. From a TSP perspective, we can do a better job of telling the story and tying things to the capital plan.



*Commissioner Smith* confirmed the idea from Richard Sheperd of replacing level of service with reduction in VMT. I hope it happens before my term on the PSC ends, but I know PBOT is working on that.

*Commissioner Smith*: I tried to do this before, but I was told then that the better timing would be when we aligned the Metro RTP with the TSP, which is where we are now. Bike Loud gave good reasons why Sandy would be a good Citywide Bike Way. He cited the transportation hierarchy and Policy 9.6.

*Commissioner Smith* moved to designate Sandy Blvd from SE Washington St to 122<sup>nd</sup> Ave as a Major City Bikeway. *Commissioner Houck* seconded.

*Commissioner Routh*: What has happened with SE Foster is similar and such a huge game-changer. I am supportive.

(Y8 – Bachrach, Bortolazzo, Houck, Larsell, Routh, Schultz, Smith, Spevak)  
The motion passed.

*Commissioner Smith*: I'd like to add in our letter that SW in Motion will be adopted before this goes to Council. Assuming they adopt that, those projects should be amended when this goes to Council so they don't have to wait another 2 years to get into the TSP.

### **Motion**

*Commissioner Smith* moved to the Minor TSP Update as amended. *Commissioner Bortolazzo* seconded.

(Y8 – Bachrach, Bortolazzo, Houck, Larsell, Routh, Schultz, Smith, Spevak)  
The motion passed.

*Commissioner Routh*: I wonder how we can comment in the letter about the role of transportation and our climate goals. Decreasing VMT and contextualizing the TSP as a way to achieve climate goals as a city should be included in our recommendation letter.

### **Adjourn**

*Chair Schultz* adjourned the meeting at 8:05 p.m.

Submitted by Julie Ocken