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Portland City Council 1221 SW Fourth Avenue Portland, Oregon 97204

Re: Design Overlay Zone Amendments (DOZA) Recommended Draft

Dear Mayor and Commissioners:

Oregon Smart Growth appreciates the opportunity to comment on the Design Overlay Zone Amendments (DOZA) Recommended Draft. Oregon Smart Growth (OSG) supports policies that encourage walkable, feasible compact development that is economically, environmentally, and socially sustainable.

OSG has shared feedback throughout the DOZA project, including support for the alignment of both the standards and guidelines around the tenets of the new design overlay purpose statement: context, public realm and quality. We also appreciate that some of our concerns have been addressed, including removing the d-overlay from single-dwelling-zoned properties, dropping the creation of "character building" designations, and exempting façade and rooftop alterations of particular types.

We also strongly opposed a proposal to grant the Design Commission the right to reduce proposed floor area ratio (FAR) or height. In particular, we stressed that FAR that was transferred to a site under the transfer sector FAR rules adopted by City Council in 2018 should not be reduced by decision-makers during the design review process. We appreciate the newer clarification that design review process cannot require a reduction in FAR or height of the project, if they are allowed within the zone.

We also appreciate and support the Planning and Sustainability Commission's change to allow buildings up to 75 feet in height to utilize the design standards objective track.

However, there are two several significant issues that need to be addressed in the Recommended Draft prior to adoption:

- Design Advice Request: We agree that DAR should remain voluntary, but
 applicants should be allowed to utilize more than one at their discretion and cost.
 The Recommended Draft limits the number of DARs to one per review unless there
 are multiple buildings on the site. Projects can make more efficient use of the
 Design Review stage by utilizing a second DAR when needed.
- **Design standards menu:** OSG appreciates the intended flexibility of the design standards menu approach, but the <u>point system is still too directive</u>, <u>with arbitrary point values</u>. There should be a menu of items of equal weight than can meet standards (e.g., choose 3 of 5 on menu), driven by site and design considerations. Also, modifications should be allowed if they better meet the standard.

Design Advice Request

The DOZA Proposed Draft outlines numerous improvements to the Design Advice Request (DAR) process and will make the purpose of the DAR stage clearer to all parties. Alignment with the recently adopted Neighborhood Contact requirements also ensures that members of the public have the opportunity to attend the DAR and provide comment early in the project design.

These changes have further enhanced the utility of a DAR and make it clearer to all parties how a DAR fits into the larger Design Review process—which meaningfully addresses the concerns staff heard regarding confusion about when public input is most impactful.

What is less clear is the rationale for limiting the optional DAR to one per review in the Proposed Draft. Projects can make more efficient use of the Design Review stage by utilizing a second DAR when needed, and OSG strongly recommends a change to the Recommended Draft that would allow applicants to utilize more than one DAR at their discretion and at their cost.

In the new proposed alignment, the optional DAR is encouraged during concept design, and the formal Design Review stage theoretically bridges the schematic design and design development stages; on paper, this appears streamlined. However, the proposed restriction to one DAR is likely to result in a longer Design Review process. Some projects would benefit from a second DAR during schematic design phase, before applying for Design Review, and the Recommended Draft should allow for that flexibility—particularly given that the DAR costs are born by the developer.

Design Standards Menu

OSG appreciates the intended flexibility of the design standards menu approach, but the point system is too directive, and the assigned point values are arbitrary.

In the public realm section, for example, a project can earn 2 points for either providing "at least 1,500 square feet of floor area on the ground floor" for active use such as retail, office, or daycare (PR3) or "1,500 square feet of floor area on the ground floor" for a commercial use that meets the affordable commercial space program administrative requirements of the Portland Development Commission, including a covenant with the City of Portland. While providing affordable commercial space is a laudable city goal, there is an additional cost impact to the project—a cost that is not reflected in the point system. Further, the affordable commercial space program is just that—a program, *not* a design element that is relevant to design review.

Instead of assigning point values to menu items, OSG urges Council to consider a menu of items of equal weight, organized in a way that developers are asked to choose a specified number of options (for example, 3 of 5 options in a category), driven by site and design considerations. This clearer menu will provide important flexibility that can keep approval processes moving more efficiently while meeting the goals of the purpose statement. Also, one or two modifications to the standards per project should be allowed if they better meet the tenets.

At a minimum, the City should track which point options are used and which are not, to better understand how feasible and appropriately weighted the options are—and recalibrate down the road to ensure options are valued appropriately and fairly.

Oregon Smart Growth urges this feedback be incorporated into the Recommended Draft to better meet the overall goals, and we look forward to our continued work together with the Bureaus, both Commissions, and Council on policies to achieve a wide range of smart, sustainable, walkable, affordable, and feasible development policies and their effective implementation.

Sincerely,

Page Phillips Strickler Executive Director

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Oregon Smart Growth