



MEMORANDUM

DATE: November 29, 2021

TO: Planning and Sustainability Commission

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CC: Andrea Durbin, BPS, Director
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Design Commission

SUBJECT: Response to additional PSC Questions on the Proposed Draft of the West Portland Town Center Plan

The Planning and Sustainability Commission (PSC) will hold a work session on the Proposed Draft of the West Portland Town Center (WPTC) Plan on November 30. This follows a work session on November 9 and panel discussions on October 26.

This memo provides staff responses to additional questions from the Commission during the past two PSC meetings. It supplements information provided by staff in response to earlier PSC questions and topics of interest that were provided in an [October 15, 2021 staff memo](#).

In addition to this memo, staff has also prepared a table (under separate cover) with the initial amendment topics requested by Commissioners.

The agenda for the November 30 work session includes discussion of information covered in the above referenced materials.

Schedule recap

The PSC received oral testimony about the West Portland Town Center Plan at public hearings on September 14 and 28, 2021. The testimony period closed on Friday October 29. A summary



of testimony received dated November 1, 2021 [is available here](#). All verbal and written testimony/comments received can be viewed through the [online testimony reader](#).

The PSC will have an additional WPTC Plan work session on January 11, with potential for an additional work session in early February.

Background

The WPTC Plan is a long-range land use and equitable community development plan that outlines a vision for a healthy, connected, and resilient town center and proposes actions and tools to prepare and respond to future growth and change and the diverse needs of current and future residents and businesses. The WPTC Plan includes shared community development actions, Comprehensive Plan and Zoning Map changes, a new West Portland Multi-cultural Plan District in the Zoning Code, a Coordinated Growth Strategy, an urban design framework and recommended priorities for infrastructure investment.

The WPTC Plan also builds on the important work of the [SW Equitable Development Strategy](#) (Metro, 2019) and [SW Corridor Equitable Housing Strategy](#) (BPS, 2018). Though these efforts encompassed the whole of the SW Corridor, they shed light on additional work and collaboration as well as actions and direction that further supports the communities most in need in the WPTC area.

Staff responses to further PSC questions

The following section includes *staff responses* to additional PSC questions, asked during the October 26 and November 9 WPTC Plan meetings, and in a few cases sent via email to staff. Questions are grouped under the topics of housing, economic development and growth, development standards, and ongoing work and coordination.

Housing

- 1. What are the options and what other tools outside zoning code provisions are available to protect NOAH? Are tax credit opportunities or other creative ideas to tackle this? Does the city ever offer tax incentives to NOAH units in exchange for becoming regulated? What would it take to make that happen?**

The City currently has no tax exemption programs designed for the conversion of NOAH properties to regulated affordable housing. In PHB's experience, a property tax exemption is generally not sufficient to incentivize most for-profit housing providers to convert properties to regulated affordable housing. That said, if a non-profit were to acquire and convert a NOAH property to regulated affordable housing, they would be eligible for the non-profit limited tax exemption program (<https://www.portland.gov/phb/nplte>).



2. Can you shed some light on why BDS is not an active participant in the affordable housing conversations (like last week's panel) when review times are a major consideration? What has been the recent discussion about expediting review for housing projects?

The current BDS practice does put affordable housing at the front of the line for permitting processes. BDS was not asked to be part of the 10/26 agency panel because we had not received any PSC questions about their role.

3. Please provide data on the NOAH units, how many currently meet the 100% at 60% MHI required for the transfer?

The current inventory of low-cost apartments included in Subdistrict D totals 762 units on 26 sites. Rental rates collected by staff were compared to the 2020 80% Area Median Income (AMI) figures provided by the Portland Housing Bureau based on yearly updates by the Department of Housing and Urban Development (HUD). Due to the varied nature of rental rates, even within an existing complex, there may be a few sites where some or all the units currently meet the 60% AMI levels, but generally the majority are meeting the 80% AMI level.

4. Can you provide any details about the affordability and displacement metrics that will be tracked in years to come?

BPS and the PHB track a variety of citywide metrics:

- *BPS tracks neighborhood improvements with our "complete neighborhoods" index (<https://www.portlandoregon.gov/cbo/article/486451>). We also track demographic change over time, and we are tracking if and how the demographics of "complete" neighborhoods are diverging from citywide demographics. In 2020, 26% of people in neighborhoods with a high completeness score report as something other than "White alone, not Hispanic or Latino" in census forms. The citywide number in 2020 was 30%. If infrastructure improvements and growth lead to continued displacement, that 26% number will drop. If our anti-displacement efforts succeed, that number will stabilize or rise. Our goal is that the demographics of complete neighborhoods match or exceed the diversity of the city as a whole.*
- *PHB publishes the annual state of Housing Report, which tracks affordability, and how it impacts different demographic groups and different neighborhoods. <https://www.portland.gov/phb/state-of-housing-report>.*



- We continue to track affordable housing targets set with the SW Equitable Housing Strategy. <https://www.portland.gov/bps/sw-equitable-housing>.

5. Can you clarify if/how housing projects could qualify for SDC credits?

The City, under Code Section 30.01.095 offers full or partial exemptions to SDCs for qualified affordable housing projects. The Portland Housing Bureau has information about this on a program website: <https://www.portland.gov/phb/sdc-exemption>. In addition, development can in some cases get SDC refunds or discounts if they build SDC-eligible public improvements as part of the development. This applies to development on major streets where the City has planned street improvements that will be funded by SDCs.

Economic Development and Growth

6. When will Prosper be providing additional detail to the affordable commercial tenant requirements? Note that 33.595.240 refers to them as Portland Development Commission.

The detailed administrative rules for this program are being sent to the PSC. the Portland Development Commission does business as "Prosper Portland", but the legal name is "Portland Development Commission". Codes generally refer to the legal name.

7. How is Prosper measuring economic development?

Prosper Portland's recent strategic plan report is a good place to start on this topic. It frames success around creating healthy, complete neighborhoods throughout Portland, improving access to high quality employment, fostering wealth creation within communities of color and low-income neighborhoods, strengthening civic networks and partnerships, and maintaining innovation and financial stability as an agency. Response to the global pandemic and subsequent economic recession has been a focus in 2020/21.

<http://prosperportland.us/wp-content/uploads/2021/08/Strategic-Plan-Final-Report.pdf>.

8. Is it an equitable use of City resources to put growth here versus less expensive areas of the city where it's easier to manage stormwater and build new streets?

This question was raised during the development of the 2035 Comprehensive Plan, and at that time the City Council chose to retain the Town Center designation in West Portland, for several reasons:



- *There was community support for the town center designation;*
- *There was concern about distributing the burdens and benefits of growth more equitably across the different quadrants of Portland. At the time there was concern that too much growth was being allocated to East and Northeast Portland, and the Council wanted a greater balance (despite acknowledging the greater development costs in SW); and*
- *The jobs-housing balance is a consideration. Regionally there are more high-wage jobs in Washington County than there are in East Multnomah County. Putting more growth west of the Willamette River helps with the jobs housing balance regionally, and reduces commute distances (recognizing that many people commute long distances to jobs in the western suburbs).*

Development Standards

9. **How have sustainable materials and heat island mitigation informed development standards? What opportunities are there to reevaluate the materials listed in Table 420-3? Also, given the extreme summer temperatures we are now faced with, what attention is being given to roofing material?**

The factor of heat island mitigation played a role in the development of the Urban Green Features development standards. These standards work toward preserving existing green infrastructure, including trees, encouraging the addition of green and heat resilient spaces, including ecoroofs.

The factor of sustainable materials was considered in the development of the Design Standards for the RM1 and RM2 zones. Standard, 33.595.275.G promotes durable buildings and supports sustainable use of materials. This standard is the same as Design standard QR15 in Table 420-2, 33.420.050.C.

Since that materials list was just recently adopted with the DOZA Project and was effective in August 2021, there may not be an opportunity to re-evaluate in the near term. However, staff is keeping track of comments and issues for future changes and amendments.

There are optional standards within the 33.420 Citywide Design Standards which begin to address the issue of roofing materials to decrease urban heat island impacts. Most notably, an EcoRoof (QR21) standard, and a Reflective Roof Surface (QR23) standard to help combat the issue of heat island impact.



10. How were some of the thresholds and bonuses determined:

- 10 years before CM3 plan map amendments?
- 2,000 sf trade for a certain tree size?
- 1 FAR for many of the bonuses?

The ten-year period was selected to match the timeline for the first section of infrastructure investments. Capital plans (like the TSP) usually identify projects in 5-, 10- and 20-year groupings.

The proposed transfer of floor area for tree preservation provision is based on the existing standards in the multi dwelling base zone, 33.120.210 and table 120-4. Specifically, the amount of transferable floor area is related to the size of the root protection zones required for different diameters of trees. The floor areas also vary by zone to reflect the allowed FAR of the site where the tree preservation is taking place and account for deferred development potential.

FAR bonuses are calibrated based on our understanding of project development feasibility, and community input. This is usually an iterative process where we identify a possible bonus, test it with an economic study, then refine further. In this case the economic feasibility study provided to the PSC was used to test if the bonus amount was enough to make it economically attractive to developers. We ran several iterative models with our consultant before deciding on the 1:1 bonus amount. There is also some community feedback involved to test the community's willingness to accept larger scale development. We explored several land use scenarios in community workshops in 2019. That feedback also informed the FARs we ultimately proposed.

Ongoing work and coordination

11. BPS is the lead agency on actions such as "Develop and adopt a plan to re-align SW Collins Street..." (page 54) and "explore development of a coordinated street tree plan for the area in conjunction with high capacity transit improvements" (page 82). Has BPS built in staff time for these and the 10 years of staff level coordination related to the coordinated growth strategy (page 95)?

BPS is working with partner agencies to propose an infrastructure coordination position that would focus on this kind of post-plan-adoption coordination. The proposal is to fund the position in FY 22/23 through a multi-year inter-agency agreement. An early priority of this position would be implementation follow up for the WPTC. The BPS District Planning Team also serves to maintain ongoing relationships in the different geographic areas of the city and may also be able to play a role in ongoing coordination and monitoring. The bureau also has an ongoing Equitable Development Analyst position which will be involved in a variety of housing and community development implementation projects with PHB, Prosper, and TriMet (including the Barbur Transit Center next steps).



