

# Portland Planning and Sustainability Commission

April 12, 2022

12:30 p.m.

Meeting Minutes

**PSC Commissioners Present:** Jeff Bachrach, Jessica Gittemeier (arrived at 12:40 p.m.; left at 3:01 p.m.), Katie Larsell, Oriana Magnera (arrived at 12:38 p.m.), Valeria McWilliams, Steph Routh (left at 3:15 p.m.), Eli Spevak (left at 2:50 p.m.), Erica Thompson; 1 open position

**PSC Commissioners Absent:** Johnell Bell, Gabe Sheoships

**City Staff Presenting:** Donnie Oliveira, Eric Engstrom, Arianne Sperry, Joan Frederiksen, Cassie Ballew; Brian Landoe, Jenn Cairo, Jeff Ramsey (PP&R)

## Documents and Presentations for today's meeting

*Chair Routh* called the meeting to order at 12:32 p.m.

*Chair Routh:* In keeping with the Oregon Public Meetings law, Statutory land use hearing requirements, and Title 33 of the Portland City Code, the Portland Planning and Sustainability Commission is holding this meeting virtually.

- All members of the PSC are attending remotely, and the City has made several avenues available for the public to watch the broadcast of this meeting.
- The PSC is taking these steps as a result of the COVID-19 pandemic and the need to limit in-person contact and promote social distancing. The pandemic is an emergency that threatens the public health, safety and welfare which requires us to meet remotely by electronic communications.
- Thank you all for your patience, humor, flexibility and understanding as we manage through this difficult situation to do the City's business.

## Items of Interest from Commissioners

- None.

## Director's Report

Donnie Oliveira

- Donnie provided a welcome, overview of BPS leadership changes. Donnie is the Interim Director, and Eric Engstrom has stepped into the Interim Deputy Director position. Thank you for our patience as we set the schedule and work with our new Chief Planner who starts on 4/27. We are starting the recruitment process for the Chief Sustainability Officer position soon as well.
- We'll have something of a "rotating" director's seat for PSC meetings in the upcoming months.

- We have a PSC retreat in place of the standard PSC meeting on 4/26 with in-person and Zoom option, 5-7 p.m. at City Hall. This is an opportunity to discuss the future of the PSC with Commissioner Rubio. Please RSVP to Julie. More details will follow next week.
- For Council items: Ezones amendments hearing is on April 14. RIP2 is at Council on April 21. Erica will present the PSC's letter / comments.

## Consent Agenda

- Consideration of Minutes from the March 22, 2022, PSC meeting.

*Commissioner McWilliams* moved to approve the Consent Agenda. *Commissioner Thompson* seconded.

The consent agenda passed.

(Y6 – Bachrach, Larsell, McWilliams, Routh, Spevak, Thompson)

## Tree Canopy Update

Briefing: Brian Landoe, Jenn Cairo, Jeff Ramsey (PP&R)

### Presentation

Jenn (City Forester) introduced herself and Brian and Jeff.

Jeff started with an overview of the study the team has shared with Council a few weeks ago. This is a report we regularly update every 5 years, so this covers 2015-2020. When we talk about tree canopy cover, it is the amount of the city's area under trees and all their parts – all the green spots.

Trees that make up our urban forest provide central services and a number of benefits (slide 2). This is one of the only citywide metrics for public health we have, with goals. The tree canopy cover goal is to cover one-third of the city by 2035. The goal was set over 15 years ago – based on an estimate from then that there was about 25% cover then.

When we actually look at the space Portland has for trees, we found in 2018 that Portland could sustain about 52% cover, even with development, not being able to plant at the airport, etc. For comparison, Pittsburgh has over 40% cover with a goal of 60%; NYC has the same coverage as we do east of the Willamette River (21%). So we know it's possible based on other cities.

Jeff shared the specifics of the Portland study and the estimates. We can estimate coverage by mapping (landcover classification) or by point interpretation. This study is based on this point interpretation – over 4500 points across the city. We look at the points with aerial coverage and zero into the pixel level. Because of the size of the sample, we can get a pretty good estimate. Points are randomized by zoning use as well to differentiate what's in each type of zone.

In the time span of 1972-2015, there was significant and widespread gains in coverage. This is a big success story as we've added a large number of people/population while still growing canopy – this is unique among big cities. But 2015-2020 showed about a 1% loss in canopy coverage. This is across all zoning types (823 total acres of canopy coverage lost).

We also have looked at PSU's regional assessment of changes in canopy cover (slide 7). This is a mapping study looking at tree coverage across the metro region, comparing maps from different time periods. They have also been finding losses, so that backs up the City's work. With the maps, the analysis shines the light on some of the dynamics within the city. Losses are centered in East Portland, SE, places that already suffer from some of the worst heat island impacts. This is disheartening in terms of creating welcoming and walkable places for those who live in these areas.

The timeline for this report (2015-2020) is when Title 11 went into effect. We might have expected fewer losses since tree preservation has improved. Gains in the short-term aren't from tree planting; they are from mature trees growing into space.

Jenn shared the work that has been going on to support trees and expand canopy. We have partnerships with local and national researchers working on the next update in 5 years. The original method of the study was doing with the US Forest Service method. Title 11 has put stronger protections on trees across the city, and we are working to enhance this work. Council has also approved and expanded improvements about Title 11. Parks tree-planting program has expanded as well. This is based on an equity analysis.

We also have the Parks Levy in progress to improve implementation and compliance; strategic tree planning; and an update of the *Urban Forest Management Plan*. Streets 2035 and the Pedestrian Design Guide (PBOT), EOA and climate resilience planning (BPS); and PP&R Sustainable Future project all are working on improving tree practices and add to canopy.

Recommendations based on the study and actions to date are shared on slide 14. There are lots of opportunities to align City policies while also meeting other City goals. We work with other bureaus and stakeholders. Commissioner Rubio is working to bring a Resolution to Council as well.

*Commissioner Gittemeier:* We've had some project come through in industrial areas and know the soil in these areas often don't support tree plantings.

- Jenn: This doesn't speak to where there are planting opportunities, not a soil analysis. And yes, we know the soil in these areas aren't great, but we work with that reality in plantings, site design, etc.

*Commissioner McWilliams:* Why has there been such a loss in canopy? And are we on track to meet the goal – and if not, why/what can be done? I know financial assistance is provided to waive the fee for tree removal, but knowing the SE part of the city is in need of canopy, is there an opportunity to remove barriers for those who want to plant?

- Jenn: The study is not designed to tell us why... just the what. We're not on track as we are seeing a decline instead of an increase. As we're getting close to 2035, we want to make sure people know about this report since this is a concerning sign. The waiver is for lower-income property owners. So we have run some free tree-planting programs. There is the adjacent property owner responsibility for the tree, so we make sure we are connecting with owners before planting in the free street tree program. We also have a free yard tree program – the trees are free with instructions on care and plantings are assisted. Growing a More Equitable Urban Forest.

*Commissioner Magnera:* In the mapping, I was struck by the tree loss. Have you mapped this with demographics or the displacement maps? And how are you balancing on the PP&R side maintaining trees in parks and natural areas while balancing urban fire risk?

- Jeff: We have not compared the maps against the City displacement maps – though we see similarities in the maps.
- Jenn: Parks practices management in the wildland urban interface where understory and lower limbs are removed – this is typically along the edges of a property. We are working on this and continue to work with PF&R on this.

*Commissioner Larsell:* Who is in charge of the tree? Parks or a combination of bureaus?

- Jenn: People's interest has piqued this question. Parks, specifically Urban Forestry, leads. Of course, all the bureaus have some role to play in urban forest management as do property owners. Keeping the canopy we have is also really important to see increases in the future. So we need to care for the trees we have to stop canopy loss and be able to expand it in the future. Friends of Trees is a PP&R contractor. They also have a contract with BES which is sunseting, but planting continues. Contracts are according to specific established time frames. For a plan, we have it in the Urban Forestry Management Plan and tools like the Tree Code.

*Commissioner Spevak:* I looked up the other cities, and it's hard for me to imagine Portland succeeding without doing new initiatives. As we have these new guidelines, are there things we should be tracking so we ensure there is space for large root balls to grow?

- Jenn: We have been involved in the Pedestrian Guidelines, and while we know it's challenging to make space, we have provided comments to help with this.

*Commissioner Bachrach:* I am concerned that measuring the macro tree canopy isn't a good barometer for looking at tree canopy in the heat island affect. The .8% decline in the past 5 years is noted as being within the margin of error. The biggest contributor to tree canopy is the existing tree canopy naturally grows... so all the trees stay healthy and grow to meet our macro goal – but this doesn't address the issues in the lower-income, less-covered areas in some areas. Preserving trees is important but more so are policies to increase canopy in areas that should be more targeted to increase coverage.

*Commissioner Thompson:* The program to help property owners – is there a timeline for that? Is it funded? Would exploration of why the canopy is decreasing part of the next steps to better understand?

- Jenn: There is not currently funding for City maintenance of street trees. This is part of the Sustainable Future program, so we're looking for funding for that. This is in action right now, and within the next couple years, we are hoping to make some good progress to identify new funding streams. Commissioner Rubio's resolution would look to do some of this as well as look at other actions to expand canopy.

## Waste & Recycling Rates

Briefing: Arianne Sperry

### Presentation

Arianne reminded the commission of what a residential sector includes: single-family homes up to and including 4-plexes.

Haulers submit their revenues and costs to the CPA annually. Every year we choose some haulers that include about 75% of the customer base. The sample costs are averaged, and rates are designed to cover the average costs with an opportunity to earn a 9.5% as well as the fees. We then apply subsidies to smaller garbage service levels and add a premium to larger garbage carts to incentivize waste reduction.

The trend of people right-sizing their containers has continued this past year. The 35-gallon cart is still the most common, but the 60-gallon has increased in the past year as people have been home more. We want people to have the right service level for their household while continuing to reduce waste and recycling appropriately.

The key factors are included in slide 5. Inflation is not added to the current rates but is applied to the actual costs of providing service. We are looking at 7% inflation for FY 2022-23 right now, but that will be updated again; wages are projected to increase about 5%; 20 percent biodiesel about 30%. A number of haulers have switched to compressed natural gas, which is likely to increase about 3%. As vehicles depreciate, we are seeing a component of the rates come down.

Disposal costs include tipping fees. Metro is proposing a 7% increase this year. Composting tip fees are also projected to increase 7% this year.

Revenue from recycling used to be an offset in the rates, but that changed in 2017. Since then, haulers have been charged processing fees for recycling. But the market is improving so we are seeing lower processing costs this year.

So lower vehicle depreciation, lower recycling processing fees, but increasing inflation and garbage and composting tip fees – so we hope for a minor rate increase this year.

The proposed rates will be back at the PSC on May 10 for a hearing and the PSC's recommendation to Council, which will have their utility rates hearing on May 18.

*Commissioner Spevak:* I have been reading about electrifying garbage fleets. How could that fold into Portland's planning and rates?

- Arianne: We have 2 companies in Portland who have ordered these trucks but haven't yet received them – so we are still waiting to see about costs when they are here and functioning. It would be a broader policy question later. We can pass along some further information as well.

*Commissioner Thompson:* What is the broader context for waste reduction and meeting climate goals – and how rates play into that?

- Arianne: We are part of a regional waste shed, and Metro has a regional plan that provides us direction. It's very equity-focused, and we are required to look at initiatives like the hardship program we had in the past couple years of COVID. Regional jurisdictions have been meeting and doing research about a low-income assistant program. Portland wants to take the Washington County learnings to see if it's applicable here. We just posted a job to hire a position for this work. We also have a Waste Equity Advisory Group. We need to bring more voices to this table, and we have a new manager who will be working with us and this group specifically for strategic guidance to move this forward. We traditionally track our recovery rate – aiming for a 75% recycling and composting rate. As we acknowledge the biggest environmental impact from materials is before we even have them in our hands, so we are

shifting our focus on thoughtful consumption, repair, etc. So we are seeing more conversation about supporting these types of activities. Our rates also support these values through the subsidies we apply to the small garbage cans and the fees added to the larger garbage cans to incentivize waste reduction.

*Chair Routh:* Can we look at bin size changes over the past few years? As well as past rate increases? That will be helpful prior to our hearing.

- Donnie: I want to note the tension as we rely on fees to collect, but we want to reduce. So we have to look at the actual model of how we're funding and subsidizing. On the ability to the community to pay for rates as they increase, Metro and the markets at large – as well as capital necessary to manage the waste – are things we're looking at and solving for as well.

*Commissioner Magnera:* How are we approaching education around waste reduction and the cultural aspects?

- Arianne: Our outreach and education team is working on how to engage folks – particularly during a pandemic. We have events and table typically, but staff is definitely open to ideas and ways we can do better in this work. All of our materials are available in multiple languages and we have moved toward image-based outreach materials so that language is not a barrier.
- Donnie: This goes beyond our residential program as we recognize the need to provide better service to residents who live in multifamily properties and engage with their waste system differently. We have an opportunity to address how people are experiencing waste and reuse.

*Commissioner Spevak:* How did the 2008 Clean Fleet requirements originate? Was that initiated by the bureau for the haulers – or was it the other way around?

- Arianne: We wanted the haulers to buy newer trucks that met higher EPA emissions standards, and realized the rate structure encourages efficient operations, not large capital investments. So we decided to require those investments by haulers. A massive fleet shift would likely be led by the City.

*Commissioner Magnera:* How are you thinking about equity in terms of hauler size? Competing for contract?

- Arianne: We have been working on this since 2017, the last time we conducted a mid-term franchise review. We identified a number of barriers to smaller, Black and Brown and women-owned businesses entering the market. We are using the public trash collection expansion to provide a stepping-stone for companies to get a foot in the door. We have a cap on how many customers one company can serve (40%), and we may revise this in our next review. We can follow up with an update on this work.
- Donnie: We have seen some local franchises sell in the past year and a half. These are private transactions, so we only see them at the backend.

## West Portland Town Center Plan

Work Session: Eric Engstrom, Arianne Sperry, Joan Frederiksen, Cassie Ballew

### Presentation

Eric reintroduced the project and Joan as the primary project manager. Last fall we had the proposed draft hearing, you made an initial list of questions and amendment ideas, we collated that into an

amendment memo in January, there was conversation about the concepts, SWEC discussions, and the March 8 work session. Today we have a few outstanding amendments to discuss and vote on.

Joan noted the four items we're discussing today:

- #1 – Low-cost housing preservation
- #5 – Affordable commercial space
- #12 – Urban Design Framework section refinements
- #35 – NEW - Community Engagement section update

### **Amendment #1: Low-cost housing preservation**

This amendment was covered in the January 7 memo. This plan element was discussed most prominently at the November 9 work session, but additional discussion has also taken place at subsequent work sessions though no final direction has been given yet. This is a central and important element of the proposed plan.

The main components of the proposal, which are designed to work together to support preservation of existing low-cost apartments and long-term affordability in the area. They are:

- New limits or caps on allowed floor area ratio for sites in subdistrict D, based on size of existing development. (Can redevelop but in more prescribed or limited way.)
- New Bonus FAR + height allowances if sites are redeveloped with  $\geq 50\%$  units at 60% AMI affordability. Projects can access the full FAR and additional bonus FAR and height, if they opt to redevelop and include at least 50% of units at deeper affordability rate (60% area median income)
- The Transfer of development rights + bonus FAR, if all existing units retained at 60% AMI affordability. If they opt to preserve all existing units as affordable – and not redevelop – they can transfer, i.e. sell, any unused FAR and a bonus 1:1 FAR allowance.
- Allows only “deeper affordability” bonus. Provisions disallow use of other bonus normally available such as for visitable units or inclusionary housing.

As part of a suite of provisions meant to work together to incent preservation and long-term affordability, sites in Subdistrict D were assigned a maximum FAR based on the existing FAR currently in place.

Joan shared maps and options for the main components in this provision.

Eric reminded the Commission about the conversation in January to check back in with the SWEC group. We had a follow-up meeting with the subgroup of the PSC. The outcome was a renewed understanding that SWEC feels is important though not a magic solution to affordability. We also got a sense that the PSC can continue to support and advocate for funding of the variety of other actions in the SW Housing Strategy. Slide 8 simplifies the work, so we are asking if we're comfortable with the current language.

*Commissioner Gittemeier:* I was pretty skeptical of this at the beginning, but after talking with SWEC, I know they understand this is one of many ways to work on this. I am now much more supportive of this without any changes.

*Commissioner Spevak:* It was clear this is important for SWEC. I still have concerns about the strategy but understand their favor of the approach – but silence of members in the community as well. I don't plan to introduce any amendment to this.

*Commissioner McWilliams:* I appreciate staff working on this and the clarity how it is being presented today.

*Commissioner Magnera:* I received an email from West Portland Town Center Coalition today – affordable housing; prevention of unnecessary loss; creation of new places for business. I think this gets at these points from the group.

*Commissioner Bachrach:* I still don't think this accomplishes anything in the short-term. My philosophical concerns is about this saying not wanting redevelopment unless it includes affordable housing.

**Amendment #5: Required affordable commercial spaces**

Discussion of this topic first took place in November of last year, and it is covered in the January 7 memo, starting on page 20.

Joan: This is about the proposal to require affordable commercial space be included (sometimes specifically in subdistricts A and B) to have at least 100,000 square foot affordable commercial space, part of Prosper Portland's affordable commercial space program.

Eric: We have had a number of discussions with individual commissioners who have raised some questions about this. With further dialogue, we have the options on slide 10. The initial (Option A) would be to remove the requirement for affordable space; B = no change; Option C to be more clear about the fee-in-lieu being allowed but that funds have to be used in the plan district.

We consulted with Prosper Portland, and Option C responds to this and clarifies the fee-in-lieu.

*Commissioner Spevak:* I would love to have affordable commercial in new development in this community. My concern is that this code provision doesn't get us there. I checked with some developers, and they said they would pay to avoid participating in the program. So it has great intent, but I am uncomfortable making this mandatory if we think people will pay to opt out. Option C is a creative idea as a response, but I don't want the Zoning Code to be how we raise costs. I would move for Option A but would support C as well.

*Commissioner Magnera:* The feedback I've received from the West Portland group is that affordable commercial is important to them. They want to try things and see how we can make them work – and want the PSC to try things differently as well. I can't support anything other than Option B to support the group.

*Commissioner McWilliams:* Can you elaborate on Option C? I am in favor to try it out as noted (no change; Option B).

- Eric: The current program doesn't segregate funds. In C, we would write rules that money collected in the district would have to stay there. The downside is that depending on how much development there is, the funding may not be much. The fund will support ground floor commercial affordability program.



*Commissioner Thompson:* I am inclined to support B as well. I am struggling that I don't actually know what the Prosper program and requirements are.

- *Commissioner Spevak:* Improvements that are required in the space. Prosper has a relationship with the tenants for 5 years.
- Eric: The program has agreements about how the space is used.

*Commissioner Bachrach:* I will offer a second to Eli's motion about Option A. The Zoning Code isn't the place to put this.

*Commissioner Larsell:* What are the unintended consequences of a program like this not working?

- Eric: Just that the space is not used. And then someone is paying to buy out of it, which incrementally makes development less viable. The intent behind Option C is to clarify the fee-in-lieu and keeping the money within the district.

*Commissioner Gittemeier:* For Option B, this is what the community wants. They are putting this forward and are willing to try it, even if it doesn't create lots of opportunity. It does ensure that the affordable commercial is built, which is what the community wants.

- Eric: We would want to include something about the legislative intent for B, but we certainly can do that. Option A is expressing an understanding that the zoning tools are limited. The outcome of achieving affordable commercial can happen outside of the zoning code, but we are looking to try it with the Zoning Code based on the community.
- Joan: The way we see it is even though the affordable program has a fund option, the code indicates it's not the intent and doesn't provide the affordable fee-in-lieu option.

*Commissioner Spevak:* I move Option A. *Commissioner Bachrach* seconded.

(Y3 – Bachrach, Larsell, Spevak; N5 – Gittemeier, Magnera, McWilliams, Routh, Thompson)

Include legislative intent to clarify the fee-in-lieu option in Option B (no change).

### **Amendment #12: Urban Design Framework section refinements**

This is an update to the Urban Design Framework document. Eric provided background and the questions about the Barbur Transit Center, transportation vision, and the transit center as a hub (slides 11-16).

The community priorities include:

- Prevent housing displacement and add more affordable housing.
- Make transportation better and safer.
- Strengthen our culture through small businesses and a community center.

*Commissioner Bachrach:* This helps in my understanding – thank you.

*Chair Routh:* We have to go through lots to make this area more amenable for the people who live (or who will live) in this area is significant. I want to recognize this is a problem we're all trying to solve for.

Joan noted Amendment #12, a technical amendment, which tells the story of the urban design framework. Staff shared some of the updates and refinement, and in the April 7 memo we have an even more refined version for your consideration.

Updates to this section in report are largely the same with updates based on feedback from the PSC and Design Commission. These maintain the existing direction but clarify the Land Use Growth Concept (Urban Design Framework) section, including:

- Add a community vision section.
- Reorganize, fine-tune the language, headings and graphics.
- Update glossary.

*Commissioner Thompson* moved to incorporate these updates in Amendment 12 in the Urban Design Framework. *Commissioner McWilliams* seconded. *Commissioner Larsell* thanked staff for these updates.

(Y6 – Bachrach, Larsell, Magnera, McWilliams, Routh, Thompson)

### **Amendment #35: Community Engagement section update**

Staff added this amendment so that the recommended draft when assembled would include a brief component related to the Proposed Draft phase in the Community Engagement section.

This amendment adds a new sub-section for the Proposed Draft phase and includes bullets that describe a high-level overview of the outreach related activities, including number of notices that were mailed, use of online content and review by PSC and DC.

*Commissioner McWilliams* shared her thanks and noted how valuable this information is. I move to approve this amendment. *Commissioner Larsell* seconded.

(Y6 – Bachrach, Larsell, Magnera, McWilliams, Routh, Thompson)

Eric noted the next steps, including this information and previous work session updates. This will come to the PSC in a full updated Recommended Draft for PSC's vote at the June 14 meeting. From there, we will schedule Council meetings, presumably in the early fall.

*Chair Routh* continued the item to the June 14 PSC meeting.

## **Adjourn**

*Chair Routh* adjourned the meeting at 3:09 p.m.

Submitted by Julie Ocken