

CITY OF PORTLAND Office of the City Auditor 1221 SW Fourth Avenue, Room 130 Portland, OR 97204

I hereby certify this Land Use Document No. LU 19-145295 DZ – Order of Council to be a complete and exact copy of the original as the same appears on file and of record in my office and in my care and custody on March 24, 2021.

Mary Hull Caballero Auditor of the City of Portland By <u>Jer C. J.</u> Deputy

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LU 19-145295 DZ – Consider appeal of the Pearl Neighbors for Integrity in Design against the Design Commission's decision to approve, with conditions Hyatt Place, a 23story mixed use building at 350 NW 12th Ave in the Pearl Sub-District of the Central City Plan District

Applicant/Owner: Li Alligood Otak, Inc. 808 SW 3rd Ave #300 Portland, OR 97204

> James Wong Parq on 12th LLC 606 Maynard Ave S #251 Seattle, WA 98104

- Developer Ray Harrigill The Sunray Companies, LLC 1012 Madison Ave Ste A Madison, MS 39110A
- Appellant Pearl Neighbors for Integrity in Design Represented by Carrie Richter Bateman Seidel 1000 SW Broadway, Suite 1910 Portland, OR 97205
- Site Address: 350 NW 12th Avenue

Legal Description: BLOCK 78 LOT 6&7, COUCHS ADD

- Zoning: EXd: Central Employment (EX) base zone, and Design (d) overlay zone
- Case Type: DZ: Design Review
- **Procedure:** Type III, with a public hearing before the Design Commission. The decision of the Design Commission can be appealed to City Council

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Proposal:

The applicant requested **Design Review** approval for a 23-story mixed use building, which includes hotel and residential uses, in the Pearl Sub-District of the Central City Plan District (the "Project"). The height of the approved quarter-block building is 250 feet with 197,118 square feet of floor area. The Project will provide 160 hotel rooms and 111 dwelling units. The Project does not include on-site parking, but includes a loading bay with two on-site loading spaces. Exterior materials include ribbed and flat metal paneling, aluminum windows, glass guardrails, steel canopies, formed concrete piers and aluminum storefronts. The Project complies with all applicable development standards and therefore, there were no adjustments or modifications requested by the applicant.

As addressed in detail in the procedural history section below, the Design Commission approved the Project following a series of hearings as part of their initial review and decision. The Design Commission's decision was appealed to the City Council and the City Council elected (at the suggestion of the applicant) to remand the matter back to the Design Commission to consider input from the City Council for revisions to building design. In response to City Council comments during the appeal hearings, the applicant proposed several changes to building design for consideration by the Design Commission during the remand proceedings. The Design Commission agreed that the following changes responded to City Council and Design Commission comments regarding context, the pedestrian realm, and setbacks and sculpting, and that with these changes the Project continued to comply with applicable design guidelines: setbacks to the middle section of the building were increased an additional 12" on the north and west elevations; the middle volume of the building was also lowered by one level; the top of the building was further setback 2' on the north and west elevations; the projection of the ground floor canopies was increased from 4'-6" to 6'-0"; canopy projections for the corner entrance canopy were increased from 5'-6" to 6'-0''; and setback for the hotel entrance at the northwest corner was increased from 5' to 7'.¹ Therefore, the Design Commission recommend approval of the Project with those changes to the Project originally approved by the Design Commission. The Design Commission rejected other changes proposed or offered by the applicant during the remand process, including an increased setback along Flanders Street from 3' to 5', changes to the storefront window details, and the potential relocation of the main entry of the hotel from the northwest corner to the Flanders Street frontage.

¹ The Design Commission did not identify the increased hotel entrance setback in the introduction to their recommendation to City Council following the remand hearings. However, that change was documented in the applicant's plan sets approved through this decision and in the presentations to both the Design Commission during the remand hearings and to the City Council during the final hearing.

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Relevant Approval Criteria:

In order to be approved, this proposal must comply with the applicable approval criteria of Portland City Code ("PCC") Title 33. The relevant approval criteria are:

- 33.825, Design Review
- The Central City Fundamental Design Guidelines
- The River District Design Guidelines

City Council Appeal Hearing #1: August 20, 2020. The City Council held a de novo public hearing. The hearing was in the form of a virtual meeting due to COVID 19, consistent with the governor's Executive Order 20-16. The Council hearing concluded with the applicant requesting that the record be held open. Council held the record open as follows:

- 7 days for New Evidence: Deadline: Thursday, August 27, 2020.
- 7 days for a Response to New Evidence: Deadline: Thursday, September 03, 2020.
- 7 days for the deadline for the applicant's Final Statement: Deadline: Thursday, September 10, 2020.

City Council Appeal Hearing #2: September 16, 2020. The City Council held a closed-record, virtual public hearing to deliberate on the appeal. The Council had been provided the comments and evidence submitted during the 7-day period for new evidence, the 7-day period for response evidence, and the applicant's final statement. At the conclusion of the hearing, the City Council remanded the appeal back to the Design Commission, per the request of the applicant should additional design changes be necessary. Some City Council members expressed concerns that the Approval Criterion was not yet met.

City Council Appeal Hearing #3: December 10, 2020. The City Council continued the hearing to January 14, 2021. The Council did not take testimony but left the record open.

City Council Appeal Hearing #4: January 14, 2021. The City Council held a de novo, virtual hearing to review Design Commission's Recommendation, consider additional testimony and make a tentative vote on the proposal. After accepting public testimony, the Council deliberated on the appeal. Commissioner Hardesty moved, and Commissioner Ryan seconded the motion, to deny the appeal and uphold the Design Commissions findings and conditions of approval. The motion was adopted by a tentative vote of 5 to 0. The item was continued to February 10, 2021 for the final vote and adoption of final findings.

City Council: February 10, 2021. Final vote and adoption of final findings. Commissioner Hardesty moved and Commissioner Ryan seconded the motion, and Council voted 5-0 to deny the appeal and uphold the decision of the Design Commission to approve the project as modified and adopt the findings.

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Decision

The proposed building will provide 160 hotel rooms and 111 residential units within a 250' high, quarter-block building that is 197,118 square feet in area. The site is in a close-in area of the Central City Plan District that is well served by transit. The design review process exists to promote the conservation, enhancement, and continued vitality of areas of the City with special scenic, architectural, or cultural value. With the added conditions and revisions to the upper floor setbacks, the cornice and the ground level canopies, the proposal meets the applicable design guidelines, and therefore warrants approval.

Based on evidence in the record and adoption of the Council's Findings and Decision in Case File LU 19-145295 DZ and by this reference made a part of this Order, it is the decision of City Council to deny the appeal of the Design Commission decision (LU 19-145295 DZ) and approve the Design Review for a new 23-story mixed use building consisting of hotel/hospitality and residential uses in the Pearl District Sub-District of the Central City Plan District. Included are café/lounge and lobby space at the ground level, 160 hotel rooms on levels 2-11, 111 one-bedroom and studio units on levels 12-23, shared amenity and event/lounge spaces are located on the mezzanine and the 22nd floor. Two loading spaces are located off of NW 12th Avenue. Exterior materials include concrete panel at the base and metal panel at the middle and top of the tower.

Approval per Exhibits H-279 - H-341, subject to the following conditions:

- A. As part of the building permit application submittal, the following developmentrelated conditions (B through D) must be noted on each of the 4 required site plans or includedas a sheet in the numbered set of plans. The sheet on which this information appears must be labeled "ZONING COMPLIANCE PAGE - Case File LU 19-145295 DZ". All requirements must be graphically represented on the site plan, landscape, or other required plan and must be labeled "REQUIRED."
- B. At the time of building permit submittal, a signed Certificate of Compliance form (<u>https://www.portlandoregon.gov/bds/article/623658</u>) must be submitted to ensure the permit plans comply with the Design/Historic Resource Review decision and approved exhibits.
- C. The ACM panel color palette be as is shown in Exhibit H-315: "Preferred Color Choices" (Pewter #989da0 and Apparition #cdc9bf).
- D. NO FIELD CHANGES ALLOWED.

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IT IS SO ORDERED:

2/12/2021

Date

Ted Wheeler Date: 2021.02.12 16:10:15 -08'00'

Mayor Ted Wheeler Presiding Officer at Hearing of February 10, 2021 9:30 a.m. Session