

Portland Planning Commission

September 12, 2023

Commissioners Present

Michael Alexander, Wade Lange, Mary-Rain O'Meara, Nikesh Patel, Michael Pouncil (virtual), Steph Routh, Eli Spevak (virtual; arrived 12:42 p.m.)

Commissioners Absent

Erica Thompson

City Staff

Patricia Diefenderfer, Sandra Wood, Morgan Tracy, Troy Doss, Bill Cunningham, Joan Frederiksen (BPS); Lance Lindahl, Claudia Echeverria-Anaya (PBOT)

[Documents and Presentations for today's meeting](#)

Chair O'Meara called the meeting to order at 12:33 p.m.

Items of Interest from Commissioners

- none.

Director's Report

Patricia Diefenderfer

- none.

Consent Agenda

- Consideration of minutes from the August 8, 2023, Planning Commission meeting.

Commissioner Routh moved to adopt the Consent Agenda. *Commissioner Alexander* seconded.

Y6 (Alexander, Lange, O'Meara, Patel, Pouncil, Routh)

The Consent Agenda was adopted.

Proposed Street Vacation NE Winchell St & NE Mallory Ave

Briefing/Recommendation: Lance Lindahl, Claudia Echeverria-Anaya (PBOT)

[Street Vacation 101 Presentation](#)

Lance provided an overview of street vacations and the process for them.

The purpose of a street vacation is to extinguish the public's interest in street right-of-way or "Street Area". The City does not "own" the street area, but the easement to it.

Many streets are what we call 'paper' streets and most likely will never be paved and fully improved. Some streets are no longer needed due to a change in subdivision plans or a change to zoning. The realignment of some street segments can improve safety and/or traffic efficiency.

A number of approval criteria and Comp Plan policies must be met for a street vacation (slides 5-9).

Proposals go through an Early Assistance Review (EA) to give the petitioner a snapshot of the level of support the City bureaus might have about the request.

Street vacation petitions may be City initiated or non-City initiated.

The Planning Commission reviews the request and makes recommendations to City Council of approval, approval with added conditions, or denial.

Commissioner Lange: NE Hasslo is a superblock, as the Lloyd District has many of these. Is there a difference between a superblock and a street vacation?

- Lance: Transportation Development Review is in this policy area. There are different rules for superblocks – we don't usually create new ones, but we want to accommodate existing ones, where it may make sense to change right-of-way.

Commissioner Alexander: Once the vacation process is completed, the ownership goes back to "private". What does this mean?

- Lance: Property reverts to the abutting property owner. The vacation releases the easement, so the City's control is removed, and that goes back to the owner of the property that legally owns it.

[NE Winchell St & NE Mallory Ave Street Vacation](#)

Claudia presented the specific proposed Street Vacation #9195 of NE Winchell St and NE Mallory Ave. The purpose of the vacation is to consolidate the remaining segments of street, which are not connected to the street grid thereby not serving the public use, to the adjoining property which will allow the site itself to function more efficiency and removing confusion and unnecessary City obligation.

The Petitioner requested this vacation to renovate an existing manufacturing facility to fix deferred maintenance items and improve the site for new tenants. It will not increase the building footprint or area, and there is no change of occupancy to increase occupant load above the business/manufacturing proposed.

PBOT and BES have specific conditions of approval to be met when this request is confirmed (slides 7-8). A replat through is required for all lots and lot remnants that will fall out of compliance with Minimum Front Lot Line requirements in City Code as a result of the vacation. The replat will be recorded prior to

or concurrently with the Street Vacation Ordinance. An easement or easements to BES for the maintenance of existing sewer infrastructure within NE Winchell Street. AND An easement will be granted to BES for the maintenance of existing sewer infrastructure within NE Mallory Avenue. AND An access easement will be granted to BES for driving access to the existing infrastructure within NE Mallory Avenue.

There has been no controversy, and there haven't been any complaints from anyone who was noticed about the vacation.

Chair O'Meara: Were there comments received on the proposal?

- Lance: None.

Public testimony

- None.

Chair O'Meara closed the hearing.

Commissioner Lange: It looks like one of the property owners may be a railroad. They are usually possessive around area about their property.

- Lance: The part that fronts their property is very small; no comments from them.

Commissioner Routh: The petition – is this for acknowledgement for receipt of information of for support?

- Lance: Support. But this is a statement about the intent of the vacation as well.

Commissioner Pouncil: Was there any discussion about mitigation for surface water runoff? It looks like this is a fairly large building, paved area, etc.

- Lance: Since this vacation is tied to a change in use of a developed property, the permitting process does include review of these things.
- Patricia: It is important to remember these actions are highly regulated for the reasons Lance outlined in the 101 presentation. So this is the process... a reversion process... that we as a City don't have many things to change. There are other conditions of approval and requirements for street vacations.
- Lance: This is a good description. There are legal standards and regulations we have to follow and monitor. We do ask for conditions to improve the surrounding street areas, particularly with new development in a request for vacations.

Commissioner Spevak: A quick disclosure is that the applicant is a friend. This is a clear request for this street vacation as I'm well-aware of this area. I also agree with *Commissioner Pouncil* but understand we can charge for process but not for the land itself.

Patricia: It is not uncommon in industrial areas to have vacation requests as they are often related to access or operations. Requests are often to enable them to stay and operate functionally where they are located, which is important to the City and city as well.

Commissioner Lange: Is there a scenario where you could envision the vacation not ending in this scenario?

- Lance: Not under the current plans. We are pretty confident here there won't be a new dedication, at least not for many years if there is a rezoning or change of use.

Commissioner Lange moved to forward the Street Vacation #9195 to City Council. *Commissioner Patel* seconded.

Y7 (Alexander, Lange, O'Meara, Patel, Pouncil, Routh, Spevak)

The motion passed.

Residential Infill Project 1 Report

Briefing: Sandra Wood, Morgan Tracy

[Presentation](#)

Sandra introduced the project, which started in 2015 (effective 2021). We took a look at the first year of implementation, which is what we're sharing today via this report that Cascadia Partners worked with us to create.

This was a rewrite of Portland's residential zones. One reason middle housing has been missing is because it largely wasn't allowed. Before the Residential Infill Project (RIP), in single dwelling zones, only a house with an accessory dwelling unit (ADU) or a corner lot duplex were allowed. Before RIP, there were 3 housing types allowed; the project expanded the various housing options (slide 4). Scale and the cost of housing is related, so this aims to create less expensive housing.

Morgan shared the report for RIP1 as we have over a year's worth of data now. Caveats are noted on slide 7. Key takeaways are listed on slide 8.

- Excluding ADUs, middle housing accounts for 73% of the 373 primary units produced in the first year.
- Fourplex units comprised 76% of all middle housing units in the R2.5, R5 and R7 zones.
- Middle housing is a more efficient use of land than houses, achieving 3.4 units versus 1.2 units per lot.
- ADUs continue to be an important part of the housing mix, equaling middle housing unit production.
- Unlike most ADUs, middle housing provides more options for growing or multi-generational households with more than 99% of units having two or more bedrooms.
- New homes that exceed new size limits were \$117,000 more expensive on average.

Key finding: Nearly half of the new detached single-family homes built and sold from Q1 2018 to Q2 2022 are not possible to build under RIP. This means that RIP not only altered the nature of housing

production, it also truncated the most expensive segment of the detached single-family housing market. RIP permitting data is shared on slides 13-15.

Key finding: 2 bedroom units appear to be the “sweet spot” for fourplexes.

Key finding: The net number of units added for Middle Housing has been substantially higher than for single dwellings. Assuming the same ratio of units built on lots with houses and houses with ADUs, without RIP, the 81 duplex triplex and fourplex lots would have resulted in $(81 * 1.24) = 100$ units (a net loss of 171 units). It seems premature to draw a conclusion, but 25% of sites developed with houses were the result of demolitions, whereas 57% of sites developed with middle housing were the result of demolitions.

Morgan walked through 3 of the 6 case studies the consultant reviewed.

- Creston-Kenilworth
- Woodstock
- Mill Park

This highlights some general trends:

More housing types + smaller size, scaled by number of units + allowed everywhere

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More units, smaller units, less-expensive units, and less displacement overall.

Chair O’Meara: I appreciate the affordability here, even though it’s not regulated affordable. Has there been further analysis to talk to affordable developers?

- Morgan: As we develop the bonus for the 6-plex, we did some feasibility to test. 60% for rental, 80% for ownership, which took it out of most private developers’ options. There is a little hesitation from non-profits as they are usually working on bigger projects, and they may be waiting to see what the market does.

Commissioner Spevak: On the affordable housing piece, in addition, interest rates have been rising, so that changes things. Buying power has decreased because of this. For commission members, a note that the project changed a lot when it came through the PSC, so thank you to staff. This changed the market faster than I would have ever guessed. I think it changed the demand for these smaller buildings (e.g. more 1000-1200 square foot). In the second year we included cottage clusters, so I’m curious about that data as well. It provides a path to develop a larger property and goes straight through permitting.

- Morgan: We certainly have seen the uptick for cottage clusters. Not so many with permits given, but lots in the hopper. Cottage clusters are quite popular for the larger parcels, and they tend to lend themselves to something more than 4-flexes.

Commissioner Lange: I’m curious about system development charges (SDCs) on these developments?

- Morgan: We don’t know the % increase on this. It’s a percentage/margin.
- *Commissioner Spevak:* SDCs increasingly scale with home size. Sometimes people have a choice to build an ADU (no SDCs if they aren’t being used for short-term rentals for 10 years).

Commissioner Pouncil: I was curious about if there was any type of tracking on if these homes are investment properties (if this is possible).

- Morgan: To some degree we can track who's buying it. But when we have LLCs buying, we don't know their specific purpose. We have permit requirements for AirBnBs, so there are limitations about who can do short-term rentals.

Commissioner Routh: In terms of permitting, how are we removing friction? Based on different levels of affordability and colors of money in these typologies? Is there anything about creating specific floor plans?

- Sandra: Permitting turn-around time wasn't reviewed in this report, but BDS has been looking at this. Regarding floor plans, with skinny lots, we did housing competition, we purchased plans from the architect that won the competition, and about 7 houses were built based on this.
- Morgan: There is some talk at the state level about some plans currently, but nothing specific or formal yet.

Commissioner Spevak: There was a big concern from BDS about FAR regulation. Have you heard how big or not an issue this has been?

- Morgan: Less of an issue as we've done more. We've moved basically to a fully electronic plan submittal, and CAD can calculate FAR pretty easily. The concern was warranted because we are talking about nuances and more smaller houses. There is some reticence from developers about FAR bonus and incentives, but this can allow for more flexibility over time, and it's simpler to communicate about.

There is lots of curiosity about cottage clusters and some of the other parts of RIP2. As we have committed to doing an annual report, we can look at the whole suite of housing typologies and likely would follow a similar approach to a new/next report.

Commissioner Alexander: Can you please define cottage clusters?

- A grouping of 4 smaller units (detached) around a common open space area, a communal space.

Commissioner Spevak: There are many people in other jurisdictions about RIP. Could we get a research institution to do the next and full study (e.g. PSU)? That might be an opportunity to look at.

Training: (balancing goals; area plans)

Briefing: Sandra Wood, Troy Doss, Bill Cunningham, Joan Frederiksen

[Presentation](#)

Sandra noted this is the last training about the Comp Plan. Today we'll have a quick overview of Chapter 10, then we are talking about how we advance the policies and balance the multiple goals in our work.

Chapter 10: Land Use Designations and Zoning is the shortest chapter, which links all the Comp Plan policies with the land use map. The Comprehensive Plan map and the Zoning map are closely linked.

The Comprehensive Plan map identifies intended future land use.

- Long term growth/aspiration
- Some plan designations allow multiple zone options to allow change

The zoning map and code govern the uses and development that are allowed now.

- Generally in alignment with Comprehensive Plan, except where obstacles to development occur

Sandra shared examples of these zoning uses and density (slides 8-9).

Advancing and balancing multiple goals

A Planning Commissioner's job – to advance as many goals as possible. This will also require that you sometimes balance one goal over the other, which is unique to this Commission.

Other Commissions are charged with providing advocacy and expertise on one idea in the Comp Plan (e.g. Urban Forestry, Design Commission).

As a reminder...the Comp Plan sets the framework for development over the next 20 years. About 20,000 people participated in developing the Plan. The vision – prosperous, healthy, equitable and resilient city – is the highest-level guidance of what we are trying to achieve.

The next highest level includes the Guiding Principles and the Urban Design Framework. When we start a planning process the scope of the work has already been shaped by the guiding principles as well as the Urban Design Framework, which designates our centers and corridors as well as other important elements of the city's form. For the two projects you'll hear from today, the most significant influence at this level were their designation as the Central City and Town Center.

As you've seen, the Comp Plan is both comprehensive in topics and in geography. In each project you'll have a broad range of policies to consider. And each policy describes a desirable outcome.

A Comp Plan is used to make land use decisions. Generally, in response to changing conditions, needs or trends (e.g. cell towers, short-term rentals, EV charging). Our task is to determine if the proposal before you complies with the Comp Plan. In doing so we try to advance as many goals as possible. A decision "complies" if the change proposed can be found to be equally or more supportive of the Plan as a whole.

It's unlikely that all policies are relevant to a particular decision. It's also unlikely that a decision would advance all the policies equally well. Decision-makers must weigh and balance applicable policies to determine whether a decision would "on the whole" comply with the Comp Plan. We take into account: the facts; verbs; and specificity. There is no set formula — no particular number of "heavier" policies equals a larger set of "lighter" policies. In cases where there are competing directions embodied by different policies, the Commission should choose the direction you believe best embodies the Plan as a

whole. The Vision and Guiding Principles provide the big picture and additional guidance when policies are balanced.

Central City 2035

Troy provided an overview of the location of the Central City, the largest center on the map as well as the employment center for the region as a whole. Much like the Comp Plan, the CC2035 Plan contains goals, policies, and other tools to guide growth and development in the Central City in the decades to come.

Policy groupings include:

- Regional Center
- Housing and Neighborhoods
- Transportation
- Willamette River
- Urban Design
- Health and Environment

The Central City was zoned to accommodate 30% of the City's housing and employment growth in an area of land equal to 3% of Portland's land area. This means during the life of the Plan, an additional 38,000 new housing units need to be accommodated. We need to do this while still balancing historic resources and districts; protecting scenic resources and public views; protecting industrial and employment lands; and supporting public investment in transit through higher density station area development.

Troy noted examples of balancing goals (slides 21-23):

- Affordable housing + neighborhood compatibility + historic preservation.
- Housing + scenic resources.
- Housing potential increases + protecting industrial & employment land.

Joan and Bill highlighted examples from the West Portland Town Center Plan, which was adopted last year.

WPTC is in an area close to good schools, natural and green spaces, and within good commuting time of good jobs. The Plan provided the opportunity to advance policy objectives and also to

- Consider and get ahead of future light rail investments and associated impacts, and help set stage for a resilient and equitable town center.
- Support the diverse and vulnerable community here – one of the most diverse areas of SW Portland – with a high percentage of immigrants.
- Broaden housing options.

It was also the first area plan after the adoption of the new 2035 Comp Plan. So it was an opportunity to model a new approach to equitable growth – CP2035 policies on equity, health and people focused places.

The WPTC Plan, like the CC plan you just heard about, is also a guiding area plan, containing goals, policies and other tools to direct growth and development.

Some of the key policy directions for the Plan included:

- Urban form policies around accommodating growth in town centers and around transit stations, which are also intended to be hubs for services – both commercial and civic – and serving as hubs for active transportation networks.
- Urban form policies supporting equitable development objectives that include reducing disparities, encouraging equitable access to opportunities, looking for ways to mitigate impacts and producing positive outcomes for all.
- Design and development policies supporting human health, including important elements of physical design and social determinants of health like access to stable housing, healthy food and safety in which to access active lifestyles.
- Housing policies that encourage inclusion of affordable housing options in centers and higher opportunity areas.
- Infrastructure System Capacity.

The Plan effort was a testament to the community voice that underscored the importance of the interconnectedness of many of the elements of policies, especially in their potential to support equitable outcomes and healthy communities.

The plan tried to balance new housing options, affordability, preservation, and community benefits. Changes were made to increase capacity but using careful approaches within the City's zone mapping and code tools:

- Growth was focused in consideration of reducing impacts to existing low cost apartments in the area, home to the majority of immigrant and low-income communities.
- Significant new areas mapped for multi-dwelling.
- Areas where designated for employment uses to create pathway for local jobs and services.
- Allowances for additional or new development capacity was largely connected to provision of community benefits.

Equitable development approaches included:

- Map changes expand opportunities for:
 - Multi-dwelling housing, jobs, and commercial services
- New Zoning Code tools support:
 - Affordable housing + other community benefits
 - Preservation of existing low-cost housing
 - Affordable commercial spaces in larger developments
 - Notifying the SW Corridor Equity Coalition about development proposals

There were a number of substantive changes to about 120 acres from primarily single-dwelling to multi-dwelling and a broader range of housing options.

There was also a commitment to support the preservation of existing low-cost units and incentivize new regulated affordable housing.

To activate the growth concept, the plan includes a comprehensive plan and zoning map and code changes. In the past we used to change zoning without attending to impacts or considering ways to capture value of those entitlements. This plan starts to take a different tack. Access to opportunity as well as affordable housing was important. So we paired this with an affordable commercial space for new larger development in the area.

We also had a new approach to tie growth with community benefits. Slide 34 shows the tiered approach to bonuses for public benefit.

While the Town Center designation calls for policies to focusing significant growth in centers, the Plan considered impacts and limitations inherent in the existing conditions and local context. Zone map changes were phased in some places to allow time for infrastructure planning to be done to support future growth. Limitations in zoning code on quasi-judicial zone map amendments in places with a higher Comprehensive Plan designation until needed infrastructure planning is completed.

Sandra shared a recap of the trainings (slide 38) as this is the conclusion of the series of trainings for the Commission. We have a number of upcoming projects coming before the Commission this fall and into 2024.

Chair O'Meara: I was intrigued by the density bonus for community services. How are those uses defined and how do you regulate that?

- Bill: Community Service uses are defined in the zoning code. There is required documentation committing to that use for the lifetime of the building.

Adjourn

Chair O'Meara adjourned the meeting at 3:03 p.m.

Submitted by Julie Ocken