

Portland Planning Commission

May 21, 2024

5:00 p.m.

Meeting Minutes

Planning Commissioners Present: Michael Alexander, Wade Lange, Mary-Rain O'Meara, Michael Pouncil, Steph Routh

Planning Commissioners Virtual: Nikesh Patel, Eli Spevak, Erica Thompson

Design Commissioners Present: Samuel Rodriguez, Zari Santner, Joe Swank

Design Commissioners Virtual: Tina Bue, Brian McCarter

City Staff Presenting: Cassie Ballew, Barry Manning, Ryan Singer (BPS); Shawn Canny (PBOT)

Documents and Presentations for today's meeting can be found [here](#).

Commissioner O'Meara called the meeting to order at 5:02 p.m. This is a joint hearing of the Planning Commission and the Design Commission

Consent Agenda

Commissioner O'Meara asked for a motion to accept the minutes from the April 23, 2024, meeting. *Commissioner Lange* made the motion and *Commissioner Alexander* seconded the motion.

Y8 – Alexander, Lange, O'Meara, Patel, Pouncil, Routh, Spevak, Thompson

Items of Interest from Commissioners

None

Director's Report

Chief Planner Patricia Diefenderfer gave a brief report:

- The name of the new permitting entity is Portland Planning and Development (PP&D), which was selected by a
- RICAP 10 is moving forward to City Council with a hearing on May 30.

Montgomery Park Area Plan

Cassie Ballew, Barry Manning, Ryan Singer, Joan Frederiksen (BPS); Shawn Canny, Mauricio LeClerc (PBOT)

MPAP presentation and staff report can be found [here](#).

Disclosures:

Commissioner Lange: Disclosed that he is on the Portland Streetcar Board.

Commissioner Santner: Lives in the NW neighborhood.

Commissioner Rodriguez (DZ): Lives in the NW neighborhood.

Patricia Diefenderfer gave a high-level framing of the project. This plan has been going on for over five years and began as a study conducted by BPS and Metro and that was funded by a Federal TOD grant. I want to make commissioners aware that this is a long-range plan that looks forward over 20 years.

A streetcar extension to Montgomery Park has been on the books since 2009 in the Streetcar Concept Plan. This is an area that has been in transition for some time between industrial uses to the north and mixed-use neighborhoods to the south. There are approximately 17.5 acres being changed from industrial land use to a mixed-use designation. The remaining 33 acres is currently zoned for mixed use development and has been since 2003.

Technical analyses found there was demand for more housing and jobs in this area with little need for additional investment beyond the streetcar extension. The expected redevelopment would leverage funding from federal and private sources.

Ryan Singer shared the vision for the area:

The Montgomery Park Area Plan envisions a dynamic, mixed-use neighborhood with equitable access to housing, and economic opportunity.

- Key plan objectives – middle-wage jobs, affordable housing, affordable commercial space, climate resilience, and public open space – would be achieved through public policy changes and actions that leverage private investment.

Barry Manning presented the project background, which is contained in five volumes.

- MPAP started in 2019 as the Montgomery Park to Hollywood Plan, a study of two broad geographic areas to look at the opportunity for new housing, jobs, and economic development along transit corridors. It focused on the Hollywood District and the area around Montgomery Park in NW Portland. It was later narrowed to just focus on the NW portion, which is the study area today (see presentation for map) and renamed.
- Planning goals:
 - Support Portland 2035 Comprehensive Plan and Climate Action goals.
 - Expand opportunities for both housing and jobs.
 - Focus growth in centers and corridors served by transit.

- Improve access to affordable housing, middle-wage jobs, nature/recreation through transit or multi-modal options.
- Advance equitable, sustainable outcomes by developing public benefits strategies.
- Ensure that under-served communities have an opportunity to meaningfully participate in the planning process, and benefit from project outcomes.
- Policy considerations:
 - Urban Form: Direct the majority of growth to centers, corridors, and transit station areas.
 - Jobs and Economic Opportunity
 - Expand and improve economic opportunity.
 - Provide supply of employment land sufficient to meet short-term and long-term employment growth.
 - Housing
 - Support fair, equitable, healthy, resource efficient, and physically accessible housing for a diverse population.
 - Establish ways to mitigate gentrification and displacement.
 - Climate Resilience
 - Support actions that address and mitigate climate change.
 - Reduce urban heat island effects, minimize carbon, and provide long term resilience.
 - Equity / Equitable Development
 - Increase access to housing and jobs in high opportunity areas.
 - Support equity and creation of public benefits when planning and making public investments.
- Why plan for this area?
 - Potential to increase employment opportunities, housing, and affordable housing.
 - High opportunity, low-carbon neighborhood, close to Central City and Industrial jobs.
 - Leverage streetcar/transit extension in cost effective way.
 - Montgomery Park: future housing and other uses anticipated.
 - ESCO Steel: large vacant opportunity site.
 - Opportunity to capture value created via public policy change and investment and redirect a portion to public benefits.
- Community Engagement included community-based organizations, neighborhood groups, business associations, and large property owners.
- What we heard:
 - Housing affordability and gentrification/displacement were concerns.
 - Concern about loss of industrial areas and impact to existing adjacent industrial areas
 - Opportunity for public and community benefits
 - Commemoration of York
 - Transportation

- Scenarios: Four different scenarios were considered, one focused more on industrial uses, one on employment uses, one on mixed-uses, and a hybrid industrial/mixed use scenario. The last scenario is the staff preferred concept.
- Preferred concept:
 - New mixed-use neighborhood west of Hwy 30 and served by Portland Streetcar
 - Change land use designations to support a broader mix of uses.
 - Create potential for 2000+ housing units, including 200+ affordable housing units.
 - Foster jobs in the area
 - Retain an employment buffer along NW Nicolai Street to reduce conflicts.
 - Retain industrial zoning and limit industrial land loss east of US 30.

Singer shared the findings on the report on equitable development.

- MPAP Objectives and Approach
 - Create opportunity for new affordable housing and middle-wage jobs in a high opportunity area with good access to jobs, services, and amenities.
 - Enhance multimodal street system and extend transit network.
 - Achieve public benefits, through regulatory and non-regulatory tools.
 - *Housing/Affordable Housing*
 - *Employment/Jobs*
 - *Open space and Placemaking*
 - *Green Features and Quality Design*

Cassie Ballew shared the urban design framework (see presentation for visuals) and the character statement.

- Character statements are a new tool that are part of the Citywide Design Guidelines and are developed in partnership with the local community.
- The character statement will apply to the areas with the plan district with Design Overlay 'd' Zone.
 - It references reusing and preserving the industrial history of the area, acknowledges historic communities, and highlights the need to contributing to nature.

Manning presented the regulatory changes, which include:

- Changes to the Comprehensive Plan Map to expand the EX designation over more of the site to facilitate more housing, retail, and employment in the area, expand the MU designation near NW Nicolai and NW 23rd/24th, and expand the NW Town Center designation to include the study area.
- Amend the boundary to the Guilds Lake Industrial Sanctuary Plan.
- Amend the Northwest District Plan to remove areas that are part of this plan area to eliminate confusion.
- Amend the Zoning Map commensurate with the Comp Plan Map changes.

- Create a new Vaughan-Nicolai Plan District. Key features include:
 - Bonus FAR and Height
 - Non-Residential Space Requirement
 - Active Use Areas on Main Street
 - Affordable Commercial Space Requirement
 - Urban Green Features
 - Outdoor Areas for Residential Uses
 - Residential-Employment Buffer
 - TDM and Parking limits

Shawn Canny presented the Transportation Concept (see [presentation](#) for visuals and diagrams)

- PBOT project recommendations:
 - Internal connections
 - Neighborhood connections
 - City and regional connections
 - Big move
- Proposed streetcar extension
 - Extension of Portland Streetcar to Montgomery Park office building
 - 100% off-wire extension due to upfront and ongoing cost savings and reduced impacts
 - New multimodal local streets (extensions of NW Roosevelt, NW Wilson, and NW 25th Ave)
 - A complete rehabilitation of NW 23rd Avenue from NW Lovejoy Street to NW Vaughn Street
 - Projected 3000+ new daily riders, half of whom are expected to be transit dependent.
- Preferred Transit Alternative:
 - .65 one-way route mile extension of existing Streetcar North/South (NS) Line from its existing terminus at NW 23rd Avenue and NW Northrup Street
 - Two-way north/south movement on NW 23rd Avenue to a parallel one-way one-block couplet on NW Roosevelt Street, NW Wilson Street, and NW 26th Avenue
 - Station locations: *
 - NW 23rd Avenue and Raleigh (NB and SB)
 - NW 25th Avenue and Roosevelt
 - NW 26th Avenue and Wilson
- Investment considerations:

Why here?

 - Potential for thousands of new housing units and hundreds of new jobs
 - Expanding transit mode that serves diverse riders and transit-dependent households.
 - A neighborhood extension with improved mass transit connections to critical destinations
 - Leveraging federal transit investment to address substandard assets (NW 23rd Ave)

What about elsewhere?

- PBOT is committed to addressing needs of underserved communities throughout Portland.
- Areas with highest need continue to receive robust investments, including East Portland
- This project is primarily using federal and local nondiscretionary sources of funds, thus minimizing City discretionary funding.
- Streetcar project funding and sources
 - Project Cost: ≈\$120m (*planning level estimate; to be refined during Project Development*)
 - Includes:
 - Streetcar project elements
 - New streets and street elements
 - Rehabilitation of NW 23rd Avenue
- Potential sources (*to be finalized during Project Development**) are likely to include:
 - Federal Small Starts CIG Grant (50%)
 - Various local sources (*likely to include*):
 - Right of Way (ROW) dedication
 - A Local Improvement District (LID)
 - Additional private contributions
 - Others
- Streetcar extension next steps
 - Review and Deliberation of the Montgomery Park Area Transportation Plan
 - Finalization and deliberation of Locally Preferred Alternative (LPA) at City Council
 - Planning for Project Development (FTA)
 - Formally enter Project Development (*includes environmental review, design, and engineering*)
 - Finalizing funding strategy/local funding commitments
 - More community engagement to come.
- Recommended Planning Commission Actions (BPS)
 - Recommend to City Council adoption of the Montgomery Park Area Plan, including:
 - Volume 1: Adopt the plan and amend the Comprehensive Plan map designations, the Zoning Map, Comprehensive Plan Figure 6-1: Industrial and Employment Districts; and the NW District Town Center boundary, as shown in the plan.
 - Volume 2: Amend the Portland Zoning Code as described herein, including the Vaughn-Nicolai Plan District (33.590), and amending the Guild's Lake Industrial Sanctuary Plan District (33.531) and Northwest Plan District (33.562).
 - Volume 3: Transportation elements; see following slide.
 - Volume 4: Amend the maps and texts of the existing area plans as described to address areas of overlap with the Montgomery Park Area Plan.
- Recommended Planning Commission Actions – Transportation (Volume 3)
 - Streetcar Extension to Montgomery Park

This is the Locally Preferred Alternative (LPA) for the Project, to be considered for adoption by City Council by Resolution

- Planning Commission may choose to advise City Council on LPA consistency with the Comprehensive Plan
Already in the Regional Transportation Plan Constrained/Near-Term Project List (11319)
- Already in the Transportation System Plan (60035)
- TSP to be updated to be consistent with RTP as part of next TSP update.
- No action on this needed by Planning Commission
- Recommended Transportation System Plan Changes
Adopted with the plan as recommendations to City Council for consideration as future amendments to the TSP.
- *Includes: Street Classifications, Master Street Plan, and Project List*
To return to Planning Commission for formal deliberation as part of the next TSP update
- Recommended Design Commission Actions:
 - Recommend, to Planning Commission, application as proposed of the Design overlay zone to areas zoned Central Employment (EX) in the plan.
 - Recommend, to Portland City Council, adoption of the Montgomery Park Area Character Statement and related updates to the Citywide Design Guidelines as shown and described in Volume 2 of the plan.

Next Steps:

May 21, 2024	Planning Commission and Design Commission Public Hearing + Testimony
May - June	PC and DC Work Sessions <i>PC: 6/11, 6/25, (7/9 - if needed)</i> <i>DC: 6/6, 6/20, (7/18 - if needed)</i>
June 2024	PC and DC Decisions and Recommendations to City Council
August 2024	Publish Recommended Draft Plans
September 2024	Portland City Council Public Hearing

Diefenderfer: I wanted to add that we talked quite a bit about the public benefit agreement, but I need to clarify that this is not before the commissions for action at this time. This is not a land use decision and needs to be decided by City Council. It is a contractual agreement between the City and property owners. The process for adopting the public benefit agreement will run concurrently with the MPAP.

Commissioner Santner asked why there is less required affordable housing than we've seen in other districts e.g., South Waterfront or the Pearl District. This seems to be the same rate that would be required by inclusionary housing (IH), which would be required anyway.

Manning responded that it is the same amount as IH, but we intend to have these units built early on in the lifetime of the project, which we see as a benefit. If that isn't met, higher rates

would be required. Also, this district doesn't have the benefits of tax-increment financing (TIF) that those other districts did.

Diefenderfer: I want to emphasize that unlike the areas with great transformation e.g., the Pearl, other options such as TIF were available. This is an important distinction.

Commissioner Pouncil: Has community already weighed in on the public benefit agreement?

Diefenderfer: Yes, the public benefit agreement has been very much determined by the community engagement. Many elements of the public benefit agreement are consistent with the priorities identified by the community during the engagement process. There will also be further opportunity for community engagement and comment as it moves to City Council.

Public Testimony

Stuart Tomlinson – My wife and I own a home in the 2300 block of NW Roosevelt Street. It is on a street with five other homes that were built to support the 1905 Lewis and Clark Exposition and are somewhat anomalous at that location. We are concerned that large and modern buildings that may be built on our street will dwarf our homes. How will the design elements of this plan support the historic homes of our neighborhood? Also, will the current residents be responsible for the cost of improvements?

Ranya Salvant – I'm asking the city to imagine an inclusive engagement process that goes beyond listening and collecting feedback to give more voice to those with lived experiences and recognize them through an agreement that respects them. I am speaking on behalf of the York Street Working Group and asking the city to rethink how they engage with community groups. Please work with this group and others to imagine placemaking and go beyond just commemoration and look at anti-displacement and supporting housing for those left out in the past.

Sterling Stokes: I am supporting the York Working Group today, which is a group of people and organizations that work to have York remembered and commemorated. The group expressed community benefits that we would like to be included that have not been fully incorporated into the plan. We were not mentioned in the draft plan, rather responsibility for the York commemoration has been handed to RACC and/or developers. We request that the planning process be halted until a community benefits agreement has been signed with the York Working Group.

Anjeanette Brown – I am here to support the York Street Working Group. The work of commemorating York has been going on for years, notably with the work of Ron Craig who is responsible for the renaming of York Street in 2002. His name has been left out of this document. We have worked on creating the York Street Urban Village, which include a multigenerational community, York Central Memorial District, a variety of housing types, and open space. Our group sent a memo to staff outlining our vision for the York Street Urban

Village and a community benefits agreement in March of this year, but the city is including only minimal elements of this agreement. We are requesting that the city incorporate more of our vision and work with the YSWG in a meaningful, inclusive way.

Cassie Cohen: I am Executive Director of Portland Harbor Community Coalition, which has been supporting the York Working Group since its inception. We have demands that go beyond the city just checking the box on community engagement and want to see meaningful participation in the planning process. We are asking that the Planning Commission not approve the plan until a community benefits agreement has been agreed to and signed by the York Working Group. A plan like this should be co-created with community to better include the voices of and meet the needs of frontline communities.

OB Hill: I was a child that lived in Vanport at the time of the flood. In my research of place names in Portland, I discovered that the street that became York Street was renamed from Y Street in 1891 and that it is unclear who the York of York Street was. But I learned in school who York was – a slave owned by Meriwether Lewis on the Lewis and Clark Expedition. I would like to see recognition and ownership of York by people that look like York.

Richard Gronostajski: The current plan is a two-way track along NW 23rd Avenue, which as I understand it is not supported by a majority of residents and businesses in the area. The construction will disrupt traffic in the area and reduce parking for adjacent businesses, harming them in the short run with no articulated long-term benefits. The original plan was for the streetcar to go down NW 18th and NW 19th streets rather than NW 23rd, which was more supported by the community. I also have concerns about the proposed Local Improvement District that has been proposed to help fund the project, which will include neighbors that are beyond the plan district or adjacent to the streetcar line. Finally, NW Portland is deficient in parks and community spaces, which should be included in the MPAP.

Warren Rosenfeld: Told the story of the Vaughan Street baseball field, which was originally built as an attractor to the neighborhood. After the baseball team left, the land was purchased by the family that started ESCO. Today, a partnership owns the land, and it has come full circle with this site envisioned as an attractor to the neighborhood.

Brian Ames: Part owner and a PM at Walsh Construction. We care deeply about the city and its future and are committed to provide housing and jobs with this project. We are being required to include additional inclusionary housing, support the creation of an LID, and donate a city block worth of land for a public park, which makes it harder for us to meet our bottom line. But we are committed to this plan and think that we can make this feasible for a project that align with the City's primary objective of providing housing and jobs.

Mary Peveto: Co-Director of Neighbors for Clean Air. I got involved in the 1990's when I learned about the poor air quality at my daughter's school, Chapman School. I learned that the area just north of the neighborhood was allowed to be an industrial district without consideration of the residential district just to the south. I am concerned about the environmental injustices in the

city and think that equity has to be a citywide concern, including in the Argay Terrace neighborhood in East Portland. My group has been working with neighbors in that area for a 13-acre lot across from Parkrose High School, which has been slated to become a warehouse. Unlike the area included in this plan, which is being rezoned to allow mixed-use, the City's position is that the Argay Terrace parcel must remain industrial because of math – to meet the required amount of industrial. This perpetuates the environmental injustice of forcing East Portland to bear the brunt of harmful development. No decisions should be made on this plan until the citywide economic opportunities analysis (EOA) is complete.

Jordan Lewis: I have some concerns that the battery technology of the streetcar is not mature. I am concerned about jeopardizing the reliability of the entire system because of this decision to try a new technology.

Stephen Weber: I want to testify as an individual who resides in South Waterfront. I have seen development along the streetcar lines and believe that while it is a driver of development, it isn't not enough to be a driver alone. Though South Waterfront has been in development since 2007 and was originally cited in the Macadam Plan however, it was just last year in 2023 that the greenway trail was completed. South Waterfront is an incomplete neighborhood. The MPAP is exactly the kind of development Portland needs now, and please do not let this flounder like South Waterfront.

Phil Selinger: I am here to speak for Northwest Active Streets, a group dedicated to active transportation in NW Portland. We think many of the elements of the plan will support our aims. Our outstanding concern is about the fragile intersection at the bottom of I-405 and NW 23rd Ave. That intersection needs to be pedestrian friendly. Beyond that concern, our group is in full support of this plan.

Samuel Diaz: Executive Director of 1000 Friends of Oregon. The plan hits many things that 1000 Friends supports; however, as commissioners, you need to zoom out, and that includes East Portland. My concern is about what happens if 33 acres of land are removed from the inventory? Does that shift to East Portland? We request that we table this plan until after the EOA has been completed.

Aaron DeShaw: I own several properties in the plan area. This plan provides a significant opportunity for the city, and we support this.

Corky Collier: We are here to state that this plan is not ready to move forward. We had proposals to amend the plans that were not heeded and so we cannot support it at this time. The district is currently home to many makers in the area that are disproportionately represented by BIPOC and LGBTQ owners. These will be displaced. Reducing the industrial lands will not be good for equity in the city.

Greg Theisen: I am representing NW District Association Planning Committee and am testifying for the board. We do not oppose extension of streetcar or the redevelopment of this area, but we oppose the plans for several reasons:

1. The area provides naturally occurring affordable housing and incubator spaces, which will be eliminated by this plan.
2. The plan area is essentially a dead end from the rest of the city. We want the street designs that are better suited to the area.
3. This plan represents a windfall to the property owners north of Vaughan, but there are no proportionate public benefits to the neighborhood, including public spaces.

We think the plan needs to be adjusted before it is adopted.

Chris Crever: NW Industrial Business Association. I agree with my colleagues that this plan is not ready to move forward. My position as a property and business owner colors my perspective. My business was at NW 26th and NW Upshur, which was rezoned for mixed use and residential, which was not compatible with my business. As a result, mine was a business that was "rezoned displaced". I was fortunate enough to find a location just five blocks away. It is important to recognize that we provide jobs in our neighborhood and zoning that supports that.

Tanya Hartnett: I represent the Working Waterfront Coalition. We have concerns. This area is home to thousands of employees with middle income jobs that are benefit to our community. These jobs represent equity in Portland. These smaller businesses rely on an efficient transportation system, which largely relies on trucks. The plan could threaten that. I urge the commission to rework the plan to better support freight movement.

Chris Smith: I am vice chair of Portland Streetcar Inc. I have been very supportive of streetcar in Portland since the 1990's, because it supports dense neighborhoods where people want to live. I hope you will advance this plan to City Council. I would also like to testify on the EOA. As a former Planning Commissioner, my one vote that I regret was to approve the last EOA, which rezoned a portion of Argay Terrace, slated for industry, but which became hub for distribution centers. I ask that you are very focused on the EOA.

Todd Zarnitz: I do want to see industrial land rezoned to more productive uses. What's in it for the neighborhood? The answer has been that we will get a streetcar. But it turns out that the local residents will have to help pay for. The economic benefits for this will flow to property owners north of Vaughan. For that reason, they should be the ones paying for these improvements.

Chair O'Meara closed oral testimony at 7:26. Written testimony will remain open until May 25.

Pouncil: What's the difference between a public benefit agreement and a community benefit agreement?

Diefenderfer: A public benefit agreement is a more traditional agreement between the city and willing property owners. A community benefit agreement also allows community partners to be

involved, typically when there is public investment involved, such as an urban renewal district. I don't think we've used a community benefits agreement here in Portland.

Manning: I'm not familiar with a zoning or area plan with a community benefits agreement.

Commissioner Rodriguez: Broadway Corridor had a community benefits agreement.

Manning: I think that was through Prosper, and not as part of an Area Plan such as this.

Diefenderfer: As I mentioned, the Broadway Corridor had public investments.

Commissioner Alexander: It is not unprecedented, though it may not always have been successful.

Chair O'Meara: Is there any information about the residential contributions to the plan through the LID. Why are there concerns about that?

Canny: The concern is around the structure of an LID in the area, and what the structure of that would be and who would be included. That would be worked out when the LID is created.

Commissioner Alexander: I wonder if the RACC relationship with the city will impact the future of the York piece of this project?

Diefenderfer: If you look at the agreement, it references "RACC or its successor." This agreement is still being ironed out.

Commissioner Alexander: One of the opportunities will be who the successor is.

Commissioner Spevak: On the value capture piece of this, how much of the added value is being used for the public benefit piece of it? I'm not clear on how the public benefit requirements will fall on the property owners. My other question is about the timing of the EOA and this project – when is that going to be happening?

Diefenderfer: We can talk more about that in the work session.

Commissioner Routh: I am on the EOA collaborative workgroup and wonder how this plan is impacting the inventory of industrial lands we need going forward?

Commissioner Santner: The Design Commission is tasked with two things here: should there be an expansion of the 'd' overlay and reviewing the Character Statement. We need more fleshed out character statements that are more specific regarding the urban design character, especially with York Street.

Commissioner Rodriguez: I agree that the 'd' overlay should be expanded. I want to make sure that the perfect isn't the enemy of the good. I also have questions about how the IH proposal works and the inclusion of affordable housing. I want to see this get off the ground and learn lessons from other plans and delays.

Commissioner Lange: I want to thank the testifiers for the well-thought-out testimony. I didn't hear anyone full on against this proposal, but it sounds like there is still a lot of work to do.

Chair O'Meara: We'll continue this to the Planning Commission on June 11 at 12:30 p.m. and the Design Commission on June 6 at 1:30 p.m.

Adjourn

O'Meara adjourned the meeting at 7:45 p.m.

Submitted by JP McNeil