

**New Apartments and Parking
Frequently Asked Questions
January 2013**

Construction and proposals for apartments with no onsite parking along some of Portland's commercial streets have sparked concerns and questions from neighbors related to zoning and design requirements, parking exceptions, accessibility for those with disabilities, current City policy and the update to the City's Comprehensive Plan.

Responding to community concerns, the Bureau of Planning and Sustainability (BPS) completed a series of studies about new apartments and parking. These studies were released on Nov. 8, 2012, and were followed by a Planning and Sustainability (PSC) public forum held on Nov. 13 and a City Council session on Jan. 10, 2013.

The following are responses to frequently asked questions about new apartments and parking, including information about next steps the City plans to take to address the issues.

1. What happened at the PSC and City Council meetings, and what happens next?

At both the PSC forum and City Council session, BPS presented the results of studies and research related to new apartments and parking, as well as a summary of community concerns. Some community members have expressed general support for current policy but still feel that improvements are needed. Public testimony was taken at both the forums.

Following testimony, the PSC encouraged BPS to explore near-term solutions that could be adopted prior to the Comprehensive Plan Update, specifically the following elements:

- Thresholds – Is there a building size or number of dwelling units that should trigger parking requirements?
- Access for those with disabilities – What are current requirements and how can safe access and amenities for disabled and aging Portlanders be improved?
- Non-car options – How can parking exceptions better align with frequent transit service and other options that promote alternatives to car ownership?

These questions were presented at City Council. Council members requested further consideration of loading and unloading requirements, additional information about how City code and policy relate to access for those with disabilities, and information about permit parking programs. Council accepted the studies and requested that staff develop and publish a near-term proposal of concepts and regulatory changes by early February 2013. A PSC public hearing is now scheduled to take testimony on this forthcoming proposal on March 12, 2013, at 12:30 p.m. at 1900 SW 4th Avenue, Room 2500 A.

BPS will continue to notify those with an interest in this topic of important dates and information. If you would like to be on the mailing list, please email Matt Wickstrom at matt.wickstrom@portlandoregon.gov.

Comments related to new apartments and parking can be sent to the PSC prior to the March 12 hearing. Their email address is psc@portlandoregon.gov. As PSC requested, BPS will make efforts to notify developers and business community members of on-going conversations.

2. What were the results of the BPS studies?

Much work and research has been completed so that we can have more informed conversations about new apartments and parking. This work tested assertions related to vehicle ownership, parking congestion, the cost of providing parking and trends in multi-dwelling development over the last six years. These studies will help provide a sound basis for decision-making. A synopsis of results is listed below. Full documents can be viewed at <http://www.portlandoregon.gov/bps/59974>.

Studies, Analyses and Research

Research Topic	What was studied	What were the results?
Parking and Travel Behavior Study	Study of travel, parking behavior and vehicle ownership of residents of 8 existing residential and mixed use buildings with little or no parking. The study included vehicle counts, interviews with residents and others, and surveys of residents (116 completed surveys were received).	<ul style="list-style-type: none"> Residents of infill apartments and condos with little or no parking own cars. On-street parking is available within 1-2 blocks of all locations studied. Many residents would rather park on-street for free rather than pay for onsite parking as part of their rent. A single-occupant car is not the primary means of commuting to work for survey respondents.
Costs of Parking Analysis	BPS modeled development data to evaluate the cost of providing onsite parking for infill apartments and affordability of rental units.	<p>All else being equal:</p> <ul style="list-style-type: none"> Buildings with no parking produce the most affordable units. Buildings with tuck under parking result in a moderate rental rate increase.
TriMet Service Review	Review of transit service frequency in 2007 (prior to service cuts) and current service levels to see if locations where new apartments are proposed are vulnerable to service cuts.	<ul style="list-style-type: none"> Results showed minimal peak hour service reductions along routes with upcoming buildings with the exception of bus 24 serving Fremont. Results showed less than frequent transit service for an upcoming apartment building on Tacoma.

Research Topic	What was studied	What were the results?
2006-2012 Permit Review	Review of permits from 2006 through June 2012 to examine trends related to multi-dwelling development and parking.	<ul style="list-style-type: none"> • Since 2006, 55% of multi-dwelling buildings and 68% of units were built with onsite parking at an average rate of 0.9 parking spaces per dwelling unit. • Prior to 2009, more multi-dwelling buildings were built with parking; after 2010, this trend shifted and more buildings are being without parking.

3. How are other concerns not directly related to parking being addressed?

Many neighbors are concerned about building height, design, compatibility, transition to lower-density areas, commercial zone allowances and community involvement. City policy related to these topics is addressed as part of the update to the Comprehensive Plan. A working draft of the Comprehensive Plan Update was released on Jan. 16, 2013, and can be viewed at www.portlandoregon.gov/bps/pdxcompplan.

Portlanders can help shape this long-range plan for the future of Portland’s communities and neighborhoods by participating in this process. Dates and times of public workshops for the Comprehensive Plan Update can be found at <http://www.portlandoregon.gov/bps/article/429865>. Workshops provide an opportunity to learn more about the working draft and share comments. Comments are appreciated by May 1, 2013.

Policy Expert Groups (PEGs) were formed in June 2012 to advise BPS on the update to the Comprehensive Plan. These groups will continue meeting through June 2013. Topics outside of parking for new apartments will be addressed by various PEGs. Height, design and compatibility of development along commercial corridors are being addressed by the Neighborhood Centers PEG. Transitions between higher intensity development along commercial corridors and adjacent residential neighborhoods are being addressed by the Residential Development & Compatibility PEG. Community involvement and neighborhood notification are being addressed by the Community Involvement PEG. For more information on the Comprehensive Plan Update, please see #16 below.

4. Can a moratorium be placed on new apartments that provide little or no parking*?

State law sets strict parameters for when a moratorium can be imposed. These parameters are based on two circumstances: *compelling need* and *public facilities*. A *compelling need* moratorium must show a demonstrated need that must be addressed through a moratorium rather than through changes to zoning or other regulations. A *public facilities* moratorium must be based on findings and evidence that show a shortfall of water, sewer or transportation service is occurring or will occur. Public

* For more information and further description of moratorium statutes please see ORS 197.505 – 197.540.

facilities moratoriums require that the City adopt and immediately implement a corrective program to remedy the public facilities shortfall.

Courts have made clear that the preferred mechanism for addressing land use issues is the planning process and that a moratorium is a tool that should be used rarely and only in strict compliance with the moratorium statutes. A compelling argument for pursuing a moratorium, rather than changes to zoning regulations through public planning processes, has not been established. Even if evidence were presented to support a compelling need, it is questionable that a moratorium could effectively halt development that has been permitted or submitted for permits, but it could stop any new applications. Likewise no substantiated shortfall of water, sewer and transportation services is occurring or is documented to occur as a result of upcoming apartments with little or no parking. Therefore, justifying a public facilities moratorium is also infeasible.

5. Can the City adopt immediate changes to zoning rules so that buildings without onsite parking are prohibited?

The Portland Zoning Code as well as a State law outline required procedures for adopting changes to zoning regulations. This involves notice to the public and property owners who would be impacted by changes, public meetings, research and findings demonstrating the need for changes to regulations and public hearings with the Planning and Sustainability Commission and City Council.

Were the City to adopt changes to parking or other zoning code regulations without following these procedures, there is a significant risk that, on appeal, the Oregon Land Use Board of Appeals (LUBA) could overturn the regulations for failure to comply with procedural requirements. Were the City to deny building permit applications based on a lack of onsite parking without adopted changes to zoning or other regulations, there is also risk that the City's actions could be challenged successfully at LUBA for failure to comply with the moratorium statutes.

6. Can the City adopt a design review process that always allows for citizen input on major development projects along commercial corridors?

No, by State law, the only residential projects that can be required to undergo a discretionary design review with public input are those located in downtown, Gateway, or historic districts. A discretionary design review involves notice to neighbors, a set of design guidelines addressing the desired character and aesthetics of new development and an appealable decision made by staff or the Design Commission.

Outside of these areas, State law requires a two-track approach to design review for projects that include residential development. Of these two tracks, one must enable an applicant to meet objective, defined and adopted standards in lieu of undergoing a discretionary review. In Portland, this clear and objective track is the Community Design

Standards – a set of non-discretionary design rules in the Portland Zoning Code. This track does not involve public notice, although in many situations developers are required to meet with neighbors to receive input. By State law, this option also may not allow an option for a local appeal.

A few years ago, City of Portland representatives advocated to the State legislature to change the State law so that discretionary design review could be applied along Portland’s commercial corridors. Although these efforts were unsuccessful, advocacy will continue.

Design compatibility is a key topic being discussed as part of the Comprehensive Plan Update. One outcome may be updates to the Community Design Standards so that new development better incorporates design features valued by Portlanders, meets City goals and addresses distinct characteristics seen throughout Portland’s different geographies. For more information on the Comprehensive Plan Update please see #16 below.

7. Where are the upcoming apartment projects with no on-site parking? How many residential units are proposed for these buildings?

Apartment projects with no on-site parking are proposed, under construction or recently completed in inner north, northeast, southeast and southwest Portland[†].

Inner north:

- N Interstate and N Sumner Street (46 units) *submitted for permits*
- N Interstate and N Overlook Boulevard (67 units) *submitted for permits*
- N Williams and N Beech Avenue (22 units) *under construction*
- N Vancouver and N Beech Avenue (24 units) *submitted for permits*
- N Mississippi and N Failing Street (25 units) *construction completed*
- N Mississippi and N Shaver Street (50 units) *submitted for permits*
- N Mississippi and N Failing Street (24 units) *submitted for permits*
- N Mississippi and N Skidmore Street (20 units) *submitted for permits*

Inner northeast:

- NE Fremont and NE 44th Avenue (50 units) *submitted for permits*
- NE Sandy and NE 41st Avenue (47 units) *under construction*
- NE Tillamook and NE 41st Avenue (47 units) *under construction*
- NE Garfield and NE Failing Street (33 units) *submitted for permits*
- NE Hancock and NE 15th Avenue (50 units) *construction completed*
- NE Glisan and NE 24th Avenue (32 units) *construction completed*

[†] Apartments with less than 10 units or located in the Central City or Northwest Plan Districts are not included.

- E Burnside and NE 30th Avenue (50 units) *under construction*

Inner southeast:

- SE Division and SE 31st Avenue (15 units) *construction completed*
- SE Division and SE 33rd Avenue (31 units) *under construction*[±]
- SE Division and SE 33rd Place (28 units) *submitted for permits*[±]
- SE Division and SE 37th Avenue (81 units) *under construction*[§]
- SE Division and SE 38th Avenue (23 units) *construction completed*
- SE Division and SE 44th Avenue (29 units) *construction completed*
- SE Division and SE 44th Avenue (21 units) *submitted for permits*
- SE Hawthorne and SE 30th Avenue (50 units) *under construction*
- SE Morrison and SE 16th Avenue (30 units) *permits issued*
- SE Tacoma and SE 17th Avenue (46 units) *submitted for permits*

Inner southwest:

- SW Water and SW Meade Street (29 units) *construction completed*

8. Why is no on-site parking required for these apartment projects?

Oregon’s Transportation Planning Rule (TPR) adopted in 1991 and related Metro requirements restrict the amount of parking that may be provided in local cities. The TPR seeks to “promote the development of safe, convenient and economic transportation systems” designed to reduce reliance on the automobile. A core element of the TPR is a requirement for metropolitan areas to reduce parking spaces by 10 percent. These reductions may be accomplished through restrictions on the development of new parking spaces and/or requirements that existing parking spaces redevelop as other non-parking uses. Metro ensures that local jurisdictions, including Portland, implement the TPR requirements and has applied further restrictions on the number of parking spaces cities in the metro-region may require.

Portland’s Transportation Bureau explored a number of different alternatives to meet the Oregon TPR and Metro requirements as part of the 2002 Transportation System Plan. These alternatives included reducing parking requirements throughout Portland and reducing requirements within a quarter mile of transit service. Project advisory committee members, the Planning Commission and community members provided feedback on the various alternatives. Ultimately sites within 500 feet of frequently operating transit service were exempt from providing on-site parking. (Frequently

[±] Two apartment buildings may share 10 parking spaces with a 30-unit building proposed at 3330 SE Division Street.

[§] 18-20 surface parking spaces across SE 37th Avenue from the building will be leased for resident or carshare parking.

operating transit service is defined as MAX, streetcar or bus service that occurs at least every 20 minutes during morning and evening commute hours).

These parking exemptions are also reflected through Portland zoning requirements. Residential development is allowed in all of Portland's commercial zones as well as in the Central Employment (EX) zone. Many commercial zones in Portland do not require on-site parking including the Storefront Commercial (CS), Mixed Commercial/Residential (CM) and Central Commercial (CX) zones. These zones are generally applied on streets that have frequent transit service, access to daily services and high walkability. These zoning designations and associated parking exemptions were applied in the early 1990's. Some parking is required in the EX zone; however sites may still be exempt if proximate to a street with frequent transit service

9. What is the rationale for the parking exemptions?

The City of Portland Comprehensive Plan Goals and Policies adopted in 1980 includes a policy related to off-street parking which states "regulate off-street parking to promote good urban form and the vitality of commercial and employment areas." The three underlying objectives state:

- a. Consider eliminating requirements for off-street parking in areas of the City where there is existing or planned high-quality transit service and good pedestrian and bicycle access.*
- b. Encourage the redevelopment of surface parking lots into transit-supportive uses or development or include facilities for alternatives to the automobile.*
- c. Limit the development of new parking spaces to achieve land use, transportation, and environmental objectives.*

The Portland Zoning Code further states "sites located in close proximity to transit, have good street connectivity, and good pedestrian facilities may need little or no off-street parking."

In the larger picture, regional and local policies encourage much of Portland's population growth to be housed downtown and in neighborhood centers and corridors where services and amenities are concentrated. The relaxed parking standards help to make sustainable affordable transit-oriented development more feasible in these locations, thus taking pressure away from single-dwelling neighborhoods to accommodate growth.

More recent focus has been on the creation of "20-minute neighborhoods" as a means to promote walkability, active living and transit use. Reduced dependence on the automobile in turn can reduce the need for off-street parking and/or demand for on-street parking as well as result in local and regional air quality benefits and reduced fossil fuel dependence.

The City of Portland and Multnomah County *Climate Action Plan* adopted in 2009 recognizes that “despite thoughtful land-use planning and quality transportation options, residents of Multnomah County are more dependent on automobiles than are residents of more compact cities on the East Coast and in much of the rest of the world. A critical basic step to reduce automobile dependence is to ensure that residents live in ‘20 minute neighborhoods’ meaning that they can comfortably fulfill their daily needs within a 20-minute walk from home.”

The Portland Plan, adopted by City Council in April 2012, includes guiding policies related to development of high-quality, well designed housing in and around neighborhood centers and near transit, at a variety of sizes and cost ranges, to promote the 20-minute neighborhood concept, complete communities and active transportation. In response the *Portland Plan* includes an objective for 80 percent of Portlanders to live within a complete neighborhood by 2035.

Further focus on policies and implementation measures related to neighborhood centers and corridors will occur as part of the Comprehensive Plan Update described in more detail under #14 below.

10. Have the outcomes of the parking exemptions been evaluated? Is there any data regarding the percentage of residents who own cars and live in buildings where the use of transit and bikes is promoted or where there is no on-site parking?

The BPS survey of residents of 8 existing infill apartments in inner Portland found that 72 percent of respondents own cars. For more information and a link to the full survey results see #3 above.

Nathan McNeil from the PSU Center for Transportation Studies & Initiative for Bicycle and Pedestrian Innovation, who is doing research about access to various modes of transportation, states that “income is still the biggest determinant of car ownership, though there clearly is more to it than that, and factors such as density and transit accessibility play into it.”

A 2009 course taught by Ellen Bassett, former associate professor in the Urban Studies and Planning program at PSU, studied parking for new infill and streetcar era apartments and found that across building types, parking congestion was more related to business operating hours than residents. That is, more cars were found to be utilizing on-street parking spaces during daytime and evening dinner hours, than at night. In other words, visitors parking on neighborhood streets cause more parking congestion than residents of apartments and condominiums that own cars but don’t have access to an off-street parking space.

Three different Portland developers have shared information about their car ownership assumptions for apartment projects. At a recent Richmond Neighborhood Association meeting, one Portland developer summarized the car ownership assumptions utilized with his projects. Generally, car ownership rates of 0.8 cars per dwelling unit are assumed. However, for sites with good transit service, walkability and amenities such as secure long-term bike parking, this developer's car ownership assumptions drop to about 0.6 cars per dwelling. The developer of the project on NE Fremont has stated that he generally assumes lower car ownership rates of about 0.45 cars per unit or 30 cars for the 68 unit project (now proposed as a 50 unit project). Developers of a 2008 apartment project with 51 residential units at SE Hawthorne and SE 20th Avenue voluntarily included a 3-level mechanical parking system and some on-site parking spaces for 34 cars or a rate of 0.65 parking spaces per dwelling unit. Due to lack of demand, some of these automobile parking spaces are now being converted to bike parking.

11. What are the requirements for providing bike parking for the residents?

For apartment and condominiums outside of the Central City, 1.1 long-term (resident use) bike parking spaces are required per residential unit. One short-term (guest use) bike parking space is required for every 20 units with a minimum of two-short-term spaces required. The long-term bike parking spaces must be provided in racks or lockers which can be installed in the residential units or another locked room accessible to residents. Short-term bike parking spaces must also be provided in racks or lockers and must be located outside a building. Many of the upcoming apartment projects provide locked ground floor bike parking rooms with wall-mounted racks so residents do not need to carry their bike up stairs.

12. Are there ways for neighbors to achieve modifications to the apartment development proposals?

Because the proposed apartments are generally allowed by right (i.e. they do not require a land use review), there are very few ways to influence changes to proposals. Working with the developer to share neighbor concerns and ideas is the most effective way. Neighborhood associations and district coalition offices can help make connections and provide guidance.

13. Is design review required for these apartment projects?

Some areas where apartments are proposed are located in the Design Overlay Zone including Hollywood, along N Williams, N Mississippi and N Interstate. The two-track approach to design review described above in #6 applies in these locations, allowing developers to meet objective design rules in the Community Design Standards section of the Portland Zoning Code in lieu of a discretionary design review. Other areas where

apartment are proposed are not located in the Design Overlay Zone including along NE Fremont, E Burnside, SE Hawthorne, SE Morrison, SE Tacoma and SE Division.

14. Why is no ground floor retail included with the apartment project on NE Glisan, NE Tillamook, N Mississippi, N Vancouver, E Burnside, SE Hawthorne, SE Morrison, SE Tacoma when these projects are located in commercial zones?

Although ground floor retail is generally included with apartment and condominium projects along commercial streets, it is not required. While this can disrupt the main street commercial nature of these streets and may contrast with 20-minute neighborhood objectives, ground floor residential units can provide accessible housing for people with disabilities and older adults. In some areas of the city such as Hollywood, regulations are in place which require the ground floor of buildings to be designed and constructed in such a way to accommodate future conversion to retail or office uses.

15. Why is there such a sudden boom of upcoming multi-dwelling apartment projects in inner Portland?

As reported by the *Portland Business Journal*, Portland has the second lowest apartment vacancy rate in the nation at 2.5 percent — tied with Minneapolis and only behind New York City, which has a 1.8 percent vacancy rate. A Spring 2012 report by the Metro Multifamily Housing Association shows vacancy rates in inner and central Southeast Portland of 1.4 percent and 1.8 percent in inner and central Northeast Portland. Several areas in Portland are witnessing an upcoming increase in apartment construction, including N Williams, SE Division, Hollywood and the Lloyd District, where a 750-unit apartment complex is planned.

Other reasons for the recent increase in inner Portland apartment construction include a decade long shift of preferences toward urban neighborhoods, whereas suburban neighborhoods have seen a dramatic reduction in the amount of construction over this time period. This dynamic is particularly acute among younger people. A March 2011 survey by the National Association of Realtors found that 62 percent of those 18-29 years old prefer to live in complete communities with nearby retail shops, restaurants, cafes and bars. Studies also found that 25 percent of 16-34 year olds do not even have a driver's license and rely on transit, bicycling and walking much more than their parents ever did. Fuel prices also play a role; people can't afford to drive as much so car ownership is declining. This makes central inner neighborhoods more attractive places to live.

The mortgage collapse of 2008 is also a factor and dramatically changed the lending environment, making it less likely that people can qualify to purchase new single-family homes. The financial crisis also halted most construction for several years, and this has made the supply bottleneck tighter than it otherwise might have been. Now that the

economy is in a slow recovery, the bottleneck is easing up and a great amount of new development is occurring.

All of these factors drive up rents, which makes apartment construction more attractive.

16. How will the Comprehensive Plan Update address issues related to development along Portland's commercial streets?

The Comprehensive Plan is the key long-range plan that helps the City prepare for and manage expected population and employment growth. The State requires cities to update their comprehensive plans every 25 years and this effort began as part of the Portland Plan. The Comprehensive Plan provides direction for City decision-making on land use, transportation, sewer and water systems and natural resource management and describes Portlander's visions for the future through a set of maps, goals and policies and a list of capital projects. The update to the current Comprehensive Plan (adopted in 1980) is entering a more robust stage of public involvement in which policies will be updated to reflect current realities and future aspirations.

The Bureau of Planning and Sustainability has formed advisory groups, called Policy Expert Groups (PEGs) to help advise the Bureau on policy recommendations. The Neighborhood Centers PEG will explore how neighborhood centers and corridors can accommodate new growth, provide necessary commercial and community services and be designed to enhance the character of their local communities. One task of the PEG will be to advise staff on updating policies that provide guidance on objectives and priorities related to housing, transportation, urban development, design and economic development. Comments, suggestions and ideas regarding city policy related to off-street parking should be directed to this PEG.

The Residential Development & Compatibility PEG will consider policies related to the design and compatibility of new residential and mixed use development in areas outside of centers and corridors. One theme under Residential Development & Compatibility is transitions between larger scale commercial, mixed use or residential projects and one and two-unit residential development on abutting lots. Commercial and medium to high density residential zoning designations in Portland are often only a half block deep. In recent years, the build-out of these properties has created large differences in building height, bulk and scale with adjacent single dwelling homes, limiting natural light and privacy and lacking more suitable transitions.

PEGs began meeting at the end of June 2012. The meetings are open to the community and time is provided on the agendas for questions/comments from community members. A working draft (also known as a 60% draft) of the Comprehensive Plan Update was released on January 16, 2013. Please see #2 above for a link to the workshop schedule and comment deadline.

Although work of the PEGs will primarily focus on policy, later components of the Comprehensive Plan Update and Portland Plan implementation (referred to as refinement planning) will address more discrete district and neighborhood issues such as zoning. For further and updated information on the Comprehensive Plan Update please see:

www.portlandonline.com/bps/pdxcompplan

Additional resources:

The Bureau of Planning and Sustainability has assigned “district liaisons” to act as resources to community members and as the Bureau’s primary contact between communities, city agencies, and nonprofit groups on planning and development matters in different parts of the city.

East District Liaison: Chris Scarzello, 503-823-7716, chris.scarzello@portlandoregon.gov

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