

**IN THE CITY COUNCIL OF THE  
CITY OF  
PORTLAND OREGON**

**IN THE MATTER OF AN APPEAL BY THE CENTRAL EASTSIDE INDUSTRIAL  
COUNCIL AGAINST DESIGN COMMISSION'S DECISION TO CONDITIONALLY  
APPROVE THE LOCA ("GOAT BLOCKS") MIXED-USE PROJECT AT 1004-1036 SE  
BELMONT STREET (HEARING: LU 14-125908 DZM AD)**

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**FINDINGS AND CONCLUSIONS**

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**ADOPTED BY THE CITY COUNCIL ON  
OCTOBER 22, 2014**

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AGAINST DESIGN COMMISSION'S DECISION TO CONDITIONALLY APPROVE THE  
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(HEARING: LU 14-125908 DZM AD)

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FINDINGS AND CONCLUSIONS

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The findings and conclusions of the City Council in this matter are set forth below.

**I. GENERAL INFORMATION**

**Applicant:** Mike Cline  
Ankrom Moisan Architects, Inc.  
6720 SW Macadam Ave., Suite 100  
Portland, OR 97219

**Appellant:** Debbie Kitchin  
Central Eastside Industrial Council  
P.O. Box 14251  
Portland, OR 97293

**Owners:** Belmont Investments LLC  
500 E. Broadway, #110  
Vancouver, WA 98660

Belmont Investments II LLC  
500 E. Broadway, #110  
Vancouver, WA 98660

**Site Address:** 1004-1036 SE BELMONT ST.

**Legal Description:** BLOCK 216 INC PT VAC ST LOT 1-4 LOT 5-8 SPLIT MAP  
R176892 (R366702130), HAWTHORNE PK; BLOCK 217 LOT 1-4  
INC PT VAC ST LOT 5-8 SPLIT MAP R176891 (R366702110),  
HAWTHORNE PK; BLOCK 246 LOT 1&2&7&8, HAWTHORNE  
PK; BLOCK 247 LOT 4, HAWTHORNE PK

**Tax Account No.:** R366702110, R366702130, R366702290, R366702410,  
R366702370

**State ID No.:** 1S1E02BD 02500, 1S1E02BA 04100, 1S1E02BA 04000,  
1S1E02BD 02000, 1S1E02BD 02400

**Quarter Section:** 3131

**Neighborhood:** Buckman, contact Matthew Kirkpatrick at 503-236-6350.  
**Business District:** Central Eastside Industrial Council, contact Peter Fry at 503-  
274-1415.

**District Coalition:** Southeast Uplift, contact Bob Kellett at 503-232-0010.

**Zoning:** **EXd** (Central Employment base zone with Design overlay zone),  
**Central City Plan District/Central Eastside Subdistrict**

**Case Type:** **DZM AD** (Design Review with Modifications and Adjustment)  
**Procedure:** **Type III**, with a public hearing before the Design Commission.  
The decision of the Design Commission can be appealed to City Council.

**Proposal:** The applicant has proposed the complete redevelopment of a large vacant superblock in the Central Eastside, as well as a portion of the adjacent block to the east. Bound by SE Belmont, 10<sup>th</sup> Avenue, Taylor and 11<sup>th</sup> Avenues, the site was home until recently for a herd of goats. A 20,000 square-foot parcel just east of the superblock across SE 11<sup>th</sup> Avenue immediately south of SE Belmont is also within the Design overlay zone and part of this proposal. The project does continue to the south in the IG1 zone on the east side of SE 11<sup>th</sup>, with a parking garage access point onto SE 12<sup>th</sup> Avenue, but the portion in the IG1 zone does not trigger Design Review, and is therefore not part of this application.

The proposal includes over 111,000 square feet of retail space in a broad range of sizes running from a few hundred square feet to over 40,000 square feet. There are 247 apartments in a range of sizes within three different 'buildings'. 246 retail parking stalls are proposed, as are 139 residential stalls, most of which are contained within covered below-grade garages. The proposal is referred to in these findings as the proposal or "Project."

Technically the interconnected structure on the superblock is considered a single building in the Zoning Code, but the above-grade appearance is of three distinct buildings. The distinct 'buildings' on the superblock are separated by an east-west walkway and stairs roughly in alignment with Yamhill Street, as well as an internal north-south walkway and stairs connecting the Yamhill walkway to Belmont Street. A four-story apartment building over a single-level grocery store occupies the northeast portion of the superblock, with main entries oriented to Belmont and 11<sup>th</sup> Avenue. A two-story retail building occupies the northwest portion of the superblock, between the north-south walkway and 10<sup>th</sup> Avenue. The south portion of the superblock is five stories of apartments over a single story of smaller retail spaces and a hardware store. On the easterly block across SE 11<sup>th</sup> Avenue, the building has three stories of apartments over a story of smaller retail spaces oriented to SE 11<sup>th</sup> Avenue.

The project includes both extensive and intensive green roofs on every building, including a majority of all the roof surfaces except for the uppermost roof level above the two largest apartment structures. The stormwater management system is designed to maximize stormwater detention and treatment before disposal to the sewer system, primarily through the use of vegetated stormwater planters.

The superblock has two large 'A' loading spaces, one each for the grocery store (off SE 10<sup>th</sup>) and another for the hardware store (off SE Taylor). The single parking garage entry for the superblock is off of SE 10<sup>th</sup> Avenue. No loading is required or provided for the building east of SE 11<sup>th</sup> Avenue, as the structure has only 39 dwelling units and less than 20,000 square feet of retail space. Parking access for the east building is provided with a driveway off of SE Belmont Street.

The east-west Yamhill walkway begins at grade along SE 11<sup>th</sup> Avenue between the two larger apartment buildings, rises up slightly as it travels west towards 10<sup>th</sup> Avenue, and

finally descends down a flight of stairs to 10<sup>th</sup> Avenue. Four small retail spaces front onto the Yamhill walkway with doors and large windows. At the highest grade level of the Yamhill walkway, a stairway connects to the north-south walkway that runs north to meet Belmont Street. The north-south walkway is elevated above the sidewalk grade and accessible from a grand stair at the corner of SE 10<sup>th</sup> and Belmont. Retail in the 2-story building along 10<sup>th</sup> Avenue connects to the north-south walkway on the upper level, and to 10<sup>th</sup> Avenue on the lower level. Public elevators provide access to both internal walkways at the Belmont and Yamhill/10<sup>th</sup> ends of the walkways.

The applicant has requested two concurrent Modifications and one Adjustment:

1. Modification to reduce the amount of **Ground Floor Windows** (33.140.230), on the south elevation of the south building (hardware store) from 50% to 3% of the length, and from 25% to 2% of the area.
2. Modification to reduce the minimum width of 90° **parking stalls** (33.266.130.F.2/Table 266-4) from 8'-6" to 8'-4" for 38 stalls where a structural column protrudes into part of the stall, and from 8'-6" to 8'-2" for 124 stalls provided in a stacking mechanical parking machine.
3. Adjustment to allow **parking access onto SE Belmont**, a Parking Access Restricted Street (33.510.265.F.6.b/Map 510-9).

The portion of the project within a central city Design overlay zone triggers a mandatory Design Review. Given the project valuation of \$57,000,000, the application is handled through the Type III procedure. Concurrently with this Design Review application, the applicant has requested the above-mentioned Modifications and Adjustment.

**Approval Criteria:** In order to be approved, this proposal must comply with the approval criteria of Title 33, Portland Zoning Code. The applicable approval criteria are:

- The *Central City Fundamental Design Guidelines*;
- The *Central Eastside District Design Guidelines*;
- **33.825.040.A-B**, Modification Approval Criteria; and
- **33.805.040.A-E**, Adjustment Approval Criteria.

## II. PROCEDURAL HISTORY

The applicant submitted this application on March 11, 2014. After receiving an incomplete letter from staff on April 10, 2014, the applicant prepared additional information and made the case complete on May 5, 2014. The first of three public hearings was scheduled, the code-required notices and posting of the site were done, and the first public hearing was scheduled for June 12, 2014.

Over the course of three public hearings during the summer of 2014, the applicant presented three full and three partial revised plan sets, as indicated in the case file with the A exhibits. Public hearings occurred before Design Commission on June 12, 2014, July 17, 2014 and August 14, 2014. At the final public hearing in August, Design Commission voted to approve the project with a series of additional conditions of approval. The final Design Commission decision was mailed on August 27, 2014.

The Central Eastside Industrial Council, having obtained standing to appeal by testifying during the public hearings, appealed the Design Commission decision to City Council on September 4, 2014. A notice of appeal hearing was mailed as required on September 12, 2014, announcing that the appeal hearing would be held in City Council Chambers on October 8<sup>th</sup>, 2014 at 10:00 am.

During the appeal hearing, City Council members in attendance (only Mayor Hales was absent) heard testimony from both sides of the issue, including extensive discussion of issues regarding the public right-of-way and freight movement/loading issues by nearby industrial property owners. After hearing public testimony and the deliberations of their fellow Commissioners, City Council members present voted unanimously to reject the appeal, and uphold the conditional approval of the project as granted by Design Commission. Staff was directed to work with the applicant's attorney and City Attorney to revise the findings and return to Council for adoption of the findings on October 22<sup>nd</sup>, 2014 @ 10:15 am.

### III. ANALYSIS

**Site and Vicinity:** The existing site is a large grassy superblock, plus one block east of SE 11<sup>th</sup> Avenue. Located between SE Belmont and Taylor Streets just east of SE 10<sup>th</sup> Avenue, the large superblock includes two standard-sized downtown blocks as well as a vacated segment of Yamhill Street between 10<sup>th</sup> and 11<sup>th</sup>. The easterly portion of the site includes a 20,000 square-foot parcel at the southeast corner of SE 11<sup>th</sup> & Belmont, as well as two parcels totaling 21,000 square feet in the IG1 zone.

Currently, the large superblock site is vacant except for a small temporary structure housing a herd of goats and a perimeter fence. More recently, site work and excavations at the superblock have changed the topography, with a large grassy hill created in the lower east portion. The east block is developed with an asphalt surface parking lot with chain link fencing. The parking lot is elevated from the adjacent sidewalk behind a grassy slope separating the parking lot from SE 11<sup>th</sup> Avenue, and by a sloped bank covered in asphalt along Belmont. Concrete stairs connect the parking lot to the sidewalk at the corner and along 11<sup>th</sup> Avenue, and a bus shelter is carved out of sloping asphalt bank along Belmont Street.

The surrounding area has a mixture of commercial, industrial, and residential uses, largely following the pattern indicated on the zoning map. The east-west commercial corridor along Belmont and Morrison just north of the site is characterized by commercial uses, including office, retail, and entertainment uses. A storefront-style commercial character is evident along Belmont, with buildings that hug the street lot line and usually including active ground floor space at the sidewalk. To the south and east of the building the neighborhood quickly turns industrial in character, with industrial office spaces, manufacturers and warehouse uses, and larger, simpler buildings with fewer windows and less orientation towards active sidewalk engagement. Directly east of the east block is a single-story auto servicing use, but the remainder of the area to the east, especially on the other side of 12<sup>th</sup> Avenue, is primarily residential. Aerial photos of the central city in this neighborhood show a clear dividing line at 12<sup>th</sup> Avenue between the leafy, green residential streets east of 12<sup>th</sup> Avenue and the more built-up, urban and industrial character found in areas west of 12<sup>th</sup>.

**Zoning:** The Central Employment (EX) base zone implements the Central Employment map designation of the Comprehensive Plan. The zone allows mixed-uses and is intended for areas in the center of the city with predominantly industrial type development. The intent of the zone is to allow industrial and commercial uses which need a central location. Residential uses are allowed, but are not intended to predominate or set development standards for other uses in the area.

The Design overlay zone [d] promotes the conservation, enhancement, and continued vitality of areas of the City with special scenic, architectural, or cultural value. This is achieved through the creation of design districts and applying the Design Overlay Zone as part of community planning projects, development of design guidelines for each

district, and by requiring design review. In addition, design review ensures that certain types of infill development will be compatible with the neighborhood and enhance the area.

The Central City plan district implements the Central City Plan and other plans applicable to the downtown area. These other plans include the Downtown Plan, the River District Plan, the University District Plan, and the Central City Transportation Management Plan. The Central City plan district implements portions of these plans by adding code provisions that address special circumstances existing in the Central City area.

The City's adopted Transportation System Plan classifies the adjacent rights-of-way as follows:

- SE Belmont: Major Transit Priority Street, City Walkway;
- SE 11<sup>th</sup> Ave.: Transit Access Street, City Walkway;
- SE 10<sup>th</sup> Ave.: Local Service Transit and Pedestrian Street; and
- The site is not within a Pedestrian District.

**Land Use History:** City records indicate one prior land use review at the site. In 1963, through case file VZ 361-63, a variance was granted to allow a large billboard on the east block where the existing surface parking lot is located. This billboard has since been removed from the site.

**Agency Review:** A "Notice of proposal in Your Neighborhood" was mailed **May 23, 2014**. The following Bureaus have responded:

- The *Bureau of Environmental Services* (BES) has reviewed the proposal and responded with specific comments on sanitary service and stormwater management, but no objections to the requested Design Review and Modifications. There are public sanitary and combination sewers available to serve the site, provided that the connections meet the permitting requirements and standards in the City of Portland's *Sewer and Drainage Facilities Design Manual*. With regards to stormwater management, staff concurs with the geotechnical evaluation provided by the applicant showing that on-site infiltration of stormwater is not advisable due to site soils and high groundwater. Staff is supportive of the overall proposal as the applicant proposes the use of vegetated facilities to the maximum extent feasible before off-site discharge to the combined sewer. Exhibit E.1 contains staff contact and additional technical details.
- The *Development Review Section of Portland Transportation* (PBOT) has reviewed the proposal and responded with a detailed analysis of the proposal. Their original agency response letter (Exhibit E.2) raised several concerns that were discussed at the first and second hearings. Following the second hearing, PBOT staff met on-site with the applicant and neighboring business and property owners to determine whether actual truck movements/maneuvering would be adversely impacted by the reduction in the roadway width as proposed by the applicant. The focus of observations was along SE 10<sup>th</sup> Avenue and the potential impact to businesses across the street from the site. The applicant arranged for a large truck (68.5-ft. overall length) to maneuver around the site, pursuant to PBOT staff direction. After observing the truck maneuvering around the entire site, and in relation to accessing loading spaces on existing businesses across the street from the subject site, it is PBOT's determination that with some minor parking control measures taken along a portion of the

site's SE 10<sup>th</sup> Avenue frontage, that the proposed reduction in roadway width along SE 10<sup>th</sup> Avenue (and along SE Taylor) will not adversely impact freight movement/truck access in the general area. Contrary to PBOT's original recommendation provided on June 3, 2014, they are now able to provide full support for the requested Design Review (and associated Modifications). This support includes the r.o.w. improvements as proposed by the applicant (Exhibit H.25).

**City Council Finding:** Determinations made by Portland Transportation regarding street dedications and the required right-of-way improvements occur under the authority of City Title 17, Public Improvements. Outside of findings specifically related to the Adjustment to allow a driveway onto SE Belmont, and for the Modification to reduce the width of 124 parking stalls, there are no transportation-related approval criteria in this application. Concerns raised with regard to the public street dedications, improvements, and roadway configuration on this project were presented during the public hearings, and responded to by Portland Transportation staff in consultation with the applicant and adjacent property owners.

BDS and PBOT staff work together to coordinate during land use reviews for large projects, primarily to verify that the site area available for development is accurate, and that all public improvements can be completed without further street dedications. The actual requirement for street dedications and public improvements occurs after the land use review is complete and recorded, during the building permit review process. The street dedication and public improvement requirements of PBOT are not otherwise legally or procedurally relevant to the Design Review, Adjustment, and Modification approval criteria which are the subject of this application.

- The *Water Bureau* has reviewed the proposal and responded with information regarding water service. Water service is available to the site, subject to permitting requirements and an analysis of water flow needs for the project. A simple tax lot consolidation will be required for the water services to flow within the larger site, as water service cannot cross internal lot lines. Exhibit E.3 contains staff contact and additional information.
- The *Site Development Section of the Bureau of Development Services* has reviewed the proposal and responded with technical information regarding geotechnical engineering, stormwater disposal and treatment, demolitions, and erosion control. No objections or concerns are raised with regards to the requested land use review, as the permitting process will address the noted issues in detail. Exhibit E.4 contains staff contact and additional information.
- The *Life Safety Section of the Bureau of Development Services* has reviewed the proposal and responded with standard comments regarding Building Codes. A separate building permit is required for the project, and the proposal must be designed to meet all applicable building codes and ordinances. The applicant has already been in contact with Life Safety for preliminary feedback. No objections or concerns are raised with regards to the requested land use review, as the permitting process will address the noted issues in detail. Exhibit E.5 contains staff contact and additional information.
- The *Urban Forestry Division of Portland Parks and Recreation* has reviewed the proposal and responded with no concerns, but with a note that street trees will

be required at all frontages during the building permit process. Exhibit E.6 is a hard-copy print-out of this electronic 'no concerns' response.

- The *Fire Bureau* has reviewed the proposal and responded with standard comments indicating the project must obtain a building permit and meet all applicable requirements of the 2007 Oregon Fire Code. If the requirements cannot be met, a Fire Code Appeal through the Fire Bureau is an option to pursue. No objections or concerns are raised regarding the proposed Design Review and Modifications. Exhibit E.7 contains staff contact and additional information.

**Neighborhood Review:** A Notice of Proposal in Your Neighborhood was mailed on **May 23, 2014**. Two written responses were received prior to the June 2, 2014 publication date of the first staff report.

The first letter was submitted by the applicant with their original application, and comes from a member of the Portland Commission on Disability. This letter details support for the project based on the use of elevators instead of ramps next to key site entry points, praising their central and prominent location, versus being tucked away. The letter also praises the size and scale of the public spaces in the project. The letter voices specific support for the sloping ramp upwards from 11<sup>th</sup> Avenue along the Yamhill Alley. The letter praises a former version of the project, with a segregated and raised private walkway between the public sidewalk and the grocery store along Belmont as a better way to provide accessible access in the site to the raised market walk and alley areas.

A second letter, from Mr. Kenneth Diener, in the form of a 50-page fax consisting of 'redline' notes on the applicant's application narrative and drawings, expresses several concerns with the project. Comments made include the following:

1. A pedestrian connection should be made through the IG1 zone portion of the site to 12<sup>th</sup> Avenue;
2. More mechanical parking should be added to get the parking count to 1 space per dwelling unit;
3. Top floor units should have larger west-facing windows to capture the view;
4. The north building rooftop should include a green roof and public amenity space with meeting rooms;
5. Bollards at the curb should protect the building, public art and sidewalk zone from traffic at 11<sup>th</sup> & Belmont;
6. The north building should have a chamfered corner at 11<sup>th</sup> & Belmont;
7. The north and east block building corners at 11<sup>th</sup> & Belmont have no 'character, beveling or landmark imagery';
8. Provide more 'seating retail and plantings' along 10<sup>th</sup>, especially at stairs and terraces;
9. Sign details should be shown;
10. Stairs should be more interactive with more benches, planters and art;
11. Corner setback for grocery at 11<sup>th</sup> & Belmont is insufficient;
12. Pedestrian crossing at 11<sup>th</sup> is not meshed well with overall site circulation;
13. Main entries need enhancement to improve the pedestrian environment;
14. 11<sup>th</sup> and Belmont area needs a much larger bike parking area, with elongated bike cart/trailer spaces;
15. Proposed on-street loading spaces – how would signage and enforcement work? Loading demand will be significant for apartments at beginning/end of each month and the proposed loading is 'not good enough';
16. Move the north-south market walk to be west of the retail building, along SE 10<sup>th</sup> Avenue; and



17. The Yamhill Alley needs improvements to be allowed.

**Note on first two comment letters:** The issues above are generally addressed and discussed in the findings on the relevant design guidelines, later in this report. The portion of the site that connects to SE 12<sup>th</sup> Avenue is outside the EXd zone and therefore not under consideration in this application, as that section of site is in the IG1 zone (no Design overlay = no Design Review jurisdiction). Signage has been largely excluded from this application because many of the signs will be 32 square feet or less, and therefore exempt from Design Review. The applicant intends to submit a follow-up Type II Design Review for the larger major tenant signs in the future.

Additional neighborhood comments were received by Design Commission and City Council, including both written and verbal testimony.

#### **IV. ISSUES RAISED ON APPEAL**

The Central Eastside Industrial Council (“CEIC” or the “Appellant”) appealed the Design Commission’s approval of the Project to City Council. The Appellant and proponents of the appeal raised two issues with sufficient specificity to afford Council the ability to respond-- (1) the project’s compatibility with the nearby industrial uses and (2) the width of the right of way post-development.

##### **Findings:**

Council’s findings of compliance with the applicable approval criteria are addressed in Section V. While not the focus of Appellant’s written appeal, an attachment to the appeal asserts that the appeal is based upon all of the applicable design guidelines, the Modification approval criteria and Adjustment approval criteria. Other than Design Guideline A2-1 (addressed in Sections IV and V of these findings), no specific applicable guidelines or criteria are identified and no alleged deficiencies in the Project are described in either the appeal documents or in the public testimony provided to Design Commission or Council. Other than the issues identified and responded to in Section IV, no issues related to the applicable criteria have been raised with sufficient specificity to afford the City Council an opportunity to respond.

##### **(1) COMPREHENSIVE PLAN POLICIES ARE NOT APPROVAL CRITERIA FOR THE REQUESTED DESIGN REVIEW, MODIFICATIONS OR ADJUSTMENT**

Appellant testified that the following Comprehensive Plan policy is applicable to the Project, so the Design Commission erred in not addressing it and City Council was obligated to address it:

“Goal 10 - Plan Review and Administration, Policy 10.4 Comprehensive Plan Map, (20) Central Employment: ‘residential uses are allowed but should be compatible with the surrounding industrial development.’”

Appellants also appeared to argue that Comprehensive Plan policies 6.9 (Freight Classification Descriptions) and 6.30 (Truck Mobility) are applicable approval criteria for the Project. The Design Commission appropriately did not address these policies objective, and City Council declines to address them because they are not applicable approval criteria. The cited Comprehensive Plan policies are not a basis for modifying or overturning the Project.

The Land Use Board of Appeals (“LUBA”) has held that a local government commits no error when it does not consider comprehensive plan policies that are not applicable

approval criteria. *Hermanson v. Lane County*, 56 Or LUBA 433, 437 (2008). Policy 10.4, Objective 20, and Policies 6.9 and 6.30 are not applicable to the challenged Decision for two reasons. First, the City's Comprehensive Plan policies are not directly applicable to a Design Review, Modification, or Adjustment because they are not specified as applicable approval criteria. Second, with respect to Policy 10.4 the policy objective cited by Appellant expressly allows residential uses in the EX zone, but also includes an aspirational provision that does not provide adequate specificity for the City Council to make a consistency finding. These reasons and Council's findings are explained in detail, below.

A Type III Design Review is a limited land use decision because it involves "the approval or denial of an application based on discretionary standards designed to regulate the physical characteristics of a use permitted outright, including but not limited to site review and design review." ORS 197.015(12)(a)(B). As a limited land use decision, the issue in Design Review is not use or intensity of use, but rather the physical design of the proposed development. In order for Comprehensive Plan provisions to be directly applicable to limited land use decisions as approval criteria, the City must have incorporated such provisions into the stated criteria for such limited land use decisions. ORS 197.195(1).

LUBA has held that comprehensive plan provisions are incorporated into the criteria for a limited land use decision only where they are explicitly set forth as approval criteria:

"In order to 'incorporate' a comprehensive plan standard into a local government's land use regulations within the meaning of ORS 197.195(1), the local government must at least amend its land use regulations to make clear what specific policies or other provisions of the comprehensive plan apply to a limited land use decision as approval criteria."

*Patterson v. City of Bend*, 49 Or LUBA 160, 166-67 (2005). In other words, Policy 10.4, Objective 20, and Policies 6.9 and 6.30 are not applicable criteria for a Design Review unless it is noted as such in the City's code. The Design Review process involves a single approval criterion: "a design review application will be approved if the review body finds the applicant to have shown that the proposal complies with the design guidelines for the area." PCC 33.825.055. As this criterion does not require consistency findings for Policy 10.4, Objective 20, or any other Comprehensive Plan goal or policy, Council finds that Comprehensive Plan provisions have not been incorporated by the code or design guidelines as approval criteria for design review, including the Project. Accordingly, the Design Commission did not err in not making findings regarding Comprehensive Plan goals or policies, and the Council is not obligated to do so.

With respect to the two approved concurrent Modifications and approved concurrent Adjustment, the applicable criteria for those reviews also do not require findings related to the goals and policies of the Comprehensive Plan. PCC 33.805.040; PCC 33.835.040. Even if they did, Objective 20 is too vague and aspirational to constitute applicable criteria, as explained above.

## **(2) WIDTH OF SURROUNDING RIGHT OF WAYS**

Testimony was offered at Council related to concerns that once the Project is complete, SE 10th Avenue and SE Taylor Avenue will be too narrow for trucks to maneuver. Council finds that the width of the right of way is irrelevant to the challenged decision -- no sections of Title 17 are applicable during Design Review and neither the Design Commission nor City Council made a final decision about right of way widths.

The expected post-development right of way widths meet or exceed the City's adopted guidelines. Computer modeling of freight movements and PBOT-attended field tests objectively demonstrate that the post-development there will be no operational impact on surrounding businesses because there is adequate area for truck turning, maneuvering and loading. It is important to note that post-development, SE 10th and SE Taylor will continue to be the widest two lane streets in the surrounding industrial area. This key fact allows for successful freight mobility and also safe and robust pedestrian sidewalk environments to coexist. Nonetheless, the City takes the operational needs of adjacent businesses seriously, and while no commitments to on-street loading zones are a part of this decision, City Council encourages PBOT to collaborate with vicinity business owners, property owners and the CEIC to identify the optimum use of the public right of way that preserves the ability of industrial users and freight to operate, while accommodating on-street parking demands and the needs of pedestrians, bicycles, vehicles and transit. Council reminds the public that City Council meetings include a time for communications from the public, which is one means to express concern about the use of the public right of ways.

**(A) TITLE 17 IS NOT APPLICABLE TO DESIGN REVIEW AND THE DESIGN REVIEW APPROVAL DID NOT DETERMINE THE WIDTH OF SURROUNDING RIGHT OF WAYS**

The only approval criteria that are applicable to the Project are the Central City Fundamental Design Guidelines, Central Eastside District Design Guidelines, the Modification approval criteria (PCC 33.825.040) and Adjustment approval criteria (PCC 33.805.040). Street design and truck maneuverability are not relevant to the applicable criteria. Instead, street design is regulated by Title 17 and implementing standards and guidelines that have been accepted by the City Council or PBOT, such as *Designing for Truck Movements and Other Large Vehicles in Portland* and the *Central Eastside Street Plan*. Street design, right of way width and dedication decisions are not made as part of Design Review because the Design Commission does not have the authority to regulate standard improvements in the public right of way. Issues such as required right of way dedications as influenced by travel lane width, on-street loading areas or on-street parking provision are technical decisions made by the City Engineer at the time of building permit issuance, pursuant to Title 17.

The risk to a developer is that if the City Engineer's requirements for right of way improvements during the building permit stage affect the project area, the developer has to go back through design review to amend the project plans. Because the street design can affect the land available to a project subject to Design Review, PBOT is consulted during the land use review process to verify that the site area under consideration is consistent with the anticipated street design. That is precisely what happened in this case, and PBOT went to extraordinary lengths to ensure that the street design that will be presented to the City Engineer not only meets all applicable standards and guidelines, but also protects freight mobility while also appropriately serving other transportation demands, such as pedestrians.

The practice of not including technical administrative review decisions, such as right of way widths or stormwater facility designs, is appropriate because they involve the technical implementation of standards and guidelines. The Project does not seek to deviate from any adopted right of way standard or guideline. The complaints raised about the post-development street design are irrelevant to Design Review and are not a basis for modifying Design Commission's approval of the Project.

**(B) THE DESIGN GUIDELINES AND COMPREHENSIVE PLAN DO NOT REGULATE RIGHT OF WAY WIDTH**

Testimony was offered at Council that decreased right of way widths will allegedly negatively impact existing industrial businesses, and that impact is inconsistent with the general policies of the Special Design Guidelines for the Design Zone of the Central Eastside District of the Central City Plan, Guideline A2-1 of that Plan and the Comprehensive Plan. As noted elsewhere in this decision, the design review approval of the Project does not establish right of way widths. Therefore, testimony about projected right of way widths and potential associated impacts are irrelevant.

Design guidelines are the approval criteria used to review development that is subject to design review, such as the Project. PCC 33.825.055. The general policy goals expressed in the prologue to adopted design guidelines are not approval criteria. In all guideline documents, the prologue and introductory narratives are used to describe the legislative intent and process used in the development of the guidelines, including larger policies, goals, and objectives under consideration in development of the guidelines. In a quasi-judicial application for Design Review, however, only the specific language of the individual guidelines themselves applies as approval criteria. Therefore, Special Design Guidelines for the Design Zone of the Central Eastside District of the Central City Plan district policy to “allow closure and use of local streets for loading, employee parking and small plaza” is not an approval criterion. Even if it were, the Project does not preclude the closure or use of local streets for the described uses. Public streets will remain available for all uses in compliance with Title 17, and area businesses can seek angle loading permits in the event their needs vary from the regulations of Title 17.

Guideline A2-1 is an applicable approval criterion, and was referenced in testimony. Guideline A2-1 provides, “Recognize transportation modes, produce, and commerce as primary themes of east Portland.” The guidelines are applicable to the Project subject to review, and encourage the integration of particular themes in the design of the Project. The guidelines are not applicable to future right of way decisions by the City Engineer.

As detailed above, the Comprehensive Plan is not an approval criterion for design review. For those same reasons, the Transportation Element of the Portland Comprehensive Plan and Transportation System Plan, including but not limited to Policy 6.9 and 6.30, are also not approval criteria for Design Review.

**(C) THE POST-DEVELOPMENT RIGHT OF WAYS ARE EXPECTED TO EXCEED CITY GUIDELINES**

The public right of way must accommodate all modes of travel -- freight, pedestrian, bicycle, transit and passenger vehicles. Accommodating all modes can be challenging, particularly in a mixed-use urban area that experiences high volumes of all modes of travel. In recognition of the need to provide a safe and accessible roadway that accounts for all travel demands and the unique needs of freight, on October 8, 2008 the City Council accepted the *Designing for Truck Movements and Other Large Vehicles in Portland* report. The street design guidelines were adopted following an extensive public process, which included a PBOT Technical Review Team, Portland Freight Committee Technical Review Team, outreach to stakeholders and public hearings. These standards were further refined by PBOT in June of 2009 when it adopted the *Central Eastside Street Plan*, after an extensive public involvement process that included close coordination with the CEIC.

The adopted guidelines for truck movements vary depending upon the applicable Freight Street Classification and are intended to provide desirable lane widths that

create more comfortable operating environment for truck drivers to account for the multiple maneuvers trucks have to make to negotiate turns and avoid on-coming traffic. Post-development, the travel lanes on SE 10th Avenue and SE Taylor are expected to exceed 12 feet, which is the preferred lane width recommended by the Designing for Truck Movements and Other Large Vehicles in Portland (Table 3) and the Central Eastside Street Plan (Table 2.1).

Achieving the post-development street configuration that is anticipated requires the Applicant to dedicate a foot of right of way along SE Taylor and 3.5 feet of right of way along SE Belmont. In total, approximately 1,310 sf of property will be dedicated as part of the Project. Additionally, approximately 13,000 sf of publically accessible walkways and plazas will be included in the Project as a pedestrian connection between SE 10th, SE 11th and SE Belmont, which is 5,100 sf more than is required for the Superblock. With these dedications, the Project exceeds the City's street design guidelines, and as detailed below, Council finds that the Project will not negatively impact the freight operations of neighboring businesses. There is a nexus to the required dedications and they are proportional to the impact of the Project. Additional right of way dedication is not required by the City's standards.

**(D) THE EVIDENCE DEMONSTRATES ADEQUATE TRUCK TURNING, MANEUVERING AND LOADING AREAS**

The City takes the freight maneuverability needs of surrounding businesses seriously, so even though the accepted *Designing for Truck Movements and Other Large Vehicles in Portland* guidelines will be met and exceeded by this Project, PBOT conducted a field test on July 24, 2014 to confirm that there would be no operational impacts on the freight needs of adjacent businesses post-development. The field test resulted in PBOT anticipating some minor changes to on-street parking designations and curb bulb-out designs, and confirmed that the anticipated post-development street design does not negatively impact the freight operations of adjacent businesses. Council finds that the street design is expected to accommodate all sizes of trucks moving through and turning movements on the public right of way, and the existing on-site and travel lane truck loading practices will also be accommodated. There are no negative impacts when compared to today's conditions, and in certain areas improvements to truck mobility are expected to result. In making this finding, the Council is persuaded by and relies upon the argument and evidence contained on pages 6-8 of the October 8, 2014 letter prepared by the applicant's attorney, Dana Krawczuk.

The July 24, 2014 field test confirmed that all on-street loading and truck maneuvering would continue to be accommodated post-development. The Auto TURN truck turning computer modeling analysis and site observations at the July 24, 2014 field test confirmed that all on-street loading and truck maneuvering would continue to be accommodated post-development.

At the City Council hearing, members of the public suggested that the field test may have been flawed because Creative Woodworking receives deliveries from trucks that originate in Canada, and Canadian trucks are longer than those used in the field test. City Council encourages PBOT to work with Creative Woodworking, Gatto & Sons, National Builders Hardware, the Applicant, the CEIC and other stakeholders to identify appropriate on-street loading zones and necessary angle loading permits, consistent with the principles Council expressed above.

**V. ZONING CODE APPROVAL CRITERIA AND FINDINGS**

**(1) DESIGN REVIEW (33.825)**

### **Chapter 33.825 Design Review**

#### **Section 33.825.010 Purpose of Design Review**

Design review ensures that development conserves and enhances the recognized special design values of a site or area. Design review is used to ensure the conservation, enhancement, and continued vitality of the identified scenic, architectural, and cultural values of each design district or area. Design review ensures that certain types of infill development will be compatible with the neighborhood and enhance the area. Design review is also used in certain cases to review public and private projects to ensure that they are of a high design quality.

#### **Section 33.825.055, Design Review Approval Criteria**

A design review application will be approved if the review body finds the applicant to have shown that the proposal complies with the design guidelines for the area.

**Findings:** The site is designated with design overlay zoning (d), therefore the proposal requires Design Review approval. Because the site is located generally within the Central City Plan District, the applicable design guidelines are the Central City Plan Fundamental Design Guidelines. As the site is also specifically located within the Design Zone of the Central Eastside District, the Special Design Guidelines for the Design Zone of the Central Eastside District of the Central City Plan also apply.

#### **Special Design Guidelines for the Design Zone of the Central Eastside District of the Central City Plan and Central City Fundamental Design Guidelines**

The Central Eastside is a unique neighborhood. The property and business owners are proud of the district's heritage and service to the community and region. Light industry, distribution/warehousing, and transportation are important components of the district's personality. To the general public, retail stores and commercial businesses provide the central focus within the district.

The underlying urban design objective for the Central Eastside is to capitalize on and emphasize its unique assets in a manner that is respectful, supportive, creative and compatible with each area as a whole. Part of the charm and character of the Central Eastside District, which should be celebrated, is its eclectic mixture of building types and uses. An additional strength, which should be built on, is the pattern of pedestrian friendly retail uses on Grand Avenue, East Burnside and Morrison Streets, as well as portions of 11<sup>th</sup> and 12<sup>th</sup> Avenues.

The Central City Fundamental Design Guidelines and the River District Design Guidelines focus on four general categories. **(A) Portland Personality**, addresses design issues and elements that reinforce and enhance Portland's character. **(B) Pedestrian Emphasis**, addresses design issues and elements that contribute to a successful pedestrian environment. **(C) Project Design**, addresses specific building characteristics and their relationships to the public environment. **(D) Special Areas**, provides design guidelines for the four special areas of the Central City.

#### **Central Eastside Design Goals**

The following goals and objectives define the urban design vision for new development and other improvements in the Central Eastside

- Encourage the special distinction and identity of the design review areas of the Central Eastside District.

- Provide continuity between the Central Eastside and the Lloyd District.
- Provide continuity between the Central Eastside and the river, downtown, and adjacent residential neighborhoods.
- Enhance the safety, convenience, pleasure, and comfort of pedestrians.

### **Central City Plan Design Goals**

This set of goals are those developed to guide development throughout the Central City. They apply within the River District as well as to the other seven Central City policy areas. The nine goals for design review within the Central City are as follows:

1. Encourage urban design excellence in the Central City;
2. Integrate urban design and preservation of our heritage into the development process;
3. Enhance the character of the Central City's districts;
4. Promote the development of diversity and areas of special character within the Central City;
5. Establish an urban design relationship between the Central City's districts and the Central City as a whole;
6. Provide for a pleasant, rich and diverse pedestrian experience for pedestrians;
7. Provide for the humanization of the Central City through promotion of the arts;
8. Assist in creating a 24-hour Central City which is safe, humane and prosperous;
9. Ensure that new development is at a human scale and that it relates to the scale and desired character of its setting and the Central City as a whole.

*The City Council has considered all guidelines and has addressed only those guidelines considered applicable to this project.*

**A1. Integrate the River.** Orient architectural and landscape elements including, but not limited to, lobbies, entries, balconies, terraces, and outdoor areas to the Willamette River and greenway. Develop accessways for pedestrians that provide connections to the Willamette River and greenway.

**A2. Emphasize Portland Themes.** When provided, integrate Portland-related themes with the development's overall design concept.

**A2-1. Recognize Transportation Modes, Produce, and Commerce as Primary Themes of East Portland.** Recognize and incorporate East Portland themes into a project design, when appropriate.

**Findings for A1, A2 and A2-1:** The project site is approximately 11 blocks from the Willamette River. Many of the residential floors in the project will have views west towards the river. The adjacent streets do and will continue to provide direct pedestrian access to the river. Unit windows, balconies and outdoor spaces are in many cases oriented westwards towards the river. Views westwards to the river will be provided in the Yamhill Alley space.

Central eastside themes include transportation, produce, and commerce. Transportation is not explicitly incorporated although there are short-term bike parking corrals at the perimeter of the project along adjacent sidewalks. Commerce as a theme is incorporated through the extensive new retail spaces. Produce is incorporated through the grocery store. The applicant has used goat imagery for the loading bay doors on the project as a visual memory or fragment of the current use of the site as a goat pasture.

These design guidelines apply to the design of the Project itself. As discussed above, because the City Engineer's technical decisions regarding right-of-way width are not subject to design review approval, such decisions are not subject to, and therefore cannot violate, the design guidelines. Even so, the evidence in the

record demonstrates that the expected right-of-way width meets and exceeds the City's specific truck movement guidelines, thereby recognizing transportation modes, produce and commerce as a primary theme.

*Therefore, these guidelines are met.*

**A3. Respect the Portland Block Structures.** Maintain and extend the traditional 200-foot block pattern to preserve the Central City's ratio of open space to built space. Where superblock exist, locate public and/or private rights-of-way in a manner that reflects the 200-foot block pattern, and include landscaping and seating to enhance the pedestrian environment.

**Findings:** The applicant has proposed a series of public walkways through the large superblock, including the east-west Yamhill Alley and north-south Market Walk. These are generally reflective of the 200-foot block pattern, as the Yamhill Alley is near the alignment to a vacated stretch of Yamhill Street between SE 10<sup>th</sup> and 11<sup>th</sup> Avenues. The buildings on the North, South and East Blocks orient their massing towards the existing perimeter public streets, including Belmont, 10<sup>th</sup>, 11<sup>th</sup> and Taylor with massing and placement patterns found throughout the central city.

The purpose of Portland's superblock regulations is, in part, to regulate "*the amount and location of open areas and walkways on large commercial sites where streets have been vacated. The intent is to promote a pleasant and convenient walkway and open area system on the superblock that links to the adjacent buildings, to the public circulation system, and to any available public transit. The requirements also promote the maintenance of light, air, and access that could be lost due to development on the vacated street*" (33.293.010).

The design of the proposed Yamhill Alley and enlarged plaza area surrounding the stairs and seating spaces leading down to SE 10<sup>th</sup> Avenue have several direct and indirect inter-relations with the adjacent 200-foot block pattern. The north wall of the south block building holds the traditional street lot line location on the south side of vacated Yamhill Street running through the site. West of this location the buildings encroach slightly into the historic street space but in a symmetrical way, with clear lines of sight along the former street centerline throughout the space. With wide and visually open walkways connecting through the site in alignment with vacated Yamhill Street, seating opportunities throughout, and landscaping, the project respects and maintains the central city block structure, while creating an attractive and contextual pedestrian circulation system.

*Therefore, this guideline is met.*

**A4. Use Unifying Elements.** Integrate unifying elements and/or develop new features that help unify and connect individual buildings and different areas.

**Findings:** The building does use materials that are found in the surrounding area, including brick, masonry, wood, metal and concrete. Both vinyl and aluminum windows and doors are common in the area and used throughout the project. Overhead coiling garage doors and simple flat projecting canopies are also found throughout the Central Eastside and used well in this project. Corrugated and ribbed metals are used throughout the neighborhood and with this project, especially on the North Block. Exposed stormwater planters and runnels are a common element used both in this project and elsewhere in the Central City. Brick, ribbed metal panel, and deep punched window openings are used



throughout the project to good effect, providing for distinctive individual buildings and spaces within a large multi-block site.

With the final revised drawing packet submitted on August 12, 2014, the applicant addressed the remaining concerns with regards to unifying the project. Additional details on seating opportunities show a well-considered layout of simple and unified seating opportunities on both the interior and perimeter of the project. Bike racks were changed from corten steel back to a brushed silver metal, and details on the overhead utility bridges show a simple, utilitarian overhead feature for the alley space that speaks to the industrial forms and materials used nearby and elsewhere in the project. Finally, a small canopy was added to the street façade for the micro retail along Belmont at the East Block, and the large enclosed driveway and parking area at the East Block has been covered and partially enclosed with a vegetated trellis structure, in keeping with the urban form and character found elsewhere in the project.

*Therefore, this guideline is met.*

**A5. Enhance, Embellish, and Identify Areas.** Enhance an area by reflecting the local character within the right-of-way. Embellish an area by integrating elements in new development that build on the area's character. Identify an area's special features or qualities by integrating them into new development.

**A5-4. Incorporate Works of Art.** Incorporate works of art into development projects.

**Findings for A5 and A5-4:** The project will rebuild the perimeter sidewalks to city standards, reflecting the local character of the district and larger Central City within the right-of-way with street trees, light standards, and sidewalk paving and scoring patterns. The project incorporates elements that do build on the area's character, including industrial materials, overhead sliding garage doors, a variety of retail tenant space sizes, and exposed stormwater facilities.

After discussions at the second hearing on July 17, 2014, the applicant agreed to follow staff's recommendation that the ground floor public art area on the west façade of the North Block be subject to the City of Portland Original Art Mural permitting process. This process ensures that the large painted wall areas will not be subject to sign regulations, and that a durable piece of non-commercial art work will be applied to the building. The applicant has discussed this concept with their local arts partner Yale Union, who has agreed to the concept of a permanent mural installation in the affected area. As suggested by staff, the proposal now is to install either four smaller murals or one large mural in the area of the North Block west façade called out on Exhibits C.65 & C.66. The Original Art Mural process also ensures that the west façade of the North Block complies with the ground floor window standard, as this area can now be considered art that was reviewed through the design review process, as provided for in the Zoning Code at 33.510.220.

Because this situation requires a separate process for the mural outside the normal building permit process, a condition of approval is necessary. At the same time, one other blank wall area on the north face of the South Block (Exhibits C.79 & C.80) also has a small area for public art, but because the specific art will not be RACC-approved and details are not shown it should also be permitted as a mural.

With a condition of approval that the areas noted above be permitted as Original Art Murals prior to final certificate of occupancy, unless other art or displays are approved in the same locations through a follow-up Type II Design Review, public art can be successfully incorporated into the overall project.

*Therefore, with a condition of approval as discussed above requiring Original Art Mural permits on the areas shown for public art on the South and North Block buildings, this guideline can be met.*

**A5-3. Plan for or Incorporate Underground Utility Service.** Plan for or Incorporate Underground Utility Service to development projects.

**Findings for A5-3:** The project is placing the high power lines along SE 11<sup>th</sup> Avenue underground. There are no high power lines along the immediately adjacent frontages of either Belmont Street, Taylor Street or 10<sup>th</sup> Avenue.

*Therefore, this guideline is met.*

**A5-5. Incorporate Water Features.** Enhance the quality of public spaces by incorporating water features.

**Findings for A5 and A5-5:** Water is celebrated by integrating storm water planters into the design of the project outdoor spaces. Exposed stormwater planters are included within the Yamhill Alley, along the south edge of the South Block, along both 10<sup>th</sup> and Belmont Streets, and on the lower residential rooftops that provide tenant access and are visible from dwelling units. Stormwater runnels are integrated into the lower deck level terrace dividers on the North Block.

*Therefore, this guideline is met.*

**A7. Establish and Maintain a Sense of Urban Enclosure.** Define public rights-of-way by creating and maintaining a sense of urban enclosure.

**Findings for A7:** Generally speaking, the project creates a successful sense of urban enclosure along 10<sup>th</sup> Avenue, Taylor Street, and 11<sup>th</sup> Avenue. The building facades along the internal Yamhill Walkway and Market Walk also create a sense of enclosure. The eroded corners along Belmont at 10<sup>th</sup> and in the vicinity of the Yamhill Alley entry are one typical pattern found in the nearby area.

*Therefore, this guideline is met.*

**A8. Contribute to a Vibrant Streetscape.** Integrate building setbacks with adjacent sidewalks to increase the space for potential public use. Develop visual and physical connections into buildings' active interior spaces from adjacent sidewalks. Use architectural elements such as atriums, grand entries and large ground-level windows to reveal important interior spaces and activities.

**Findings:** The proposal helps contribute to a vibrant streetscape. Many of the retail spaces are oriented towards corners, and the frontages along 10<sup>th</sup> Avenue, 11<sup>th</sup> Avenue, and Taylor are generally successful with regards to indoor-outdoor visual connections. Where modest setbacks are proposed, such as at the South Block garden structure or North Block grocery entry, the sidewalk is treated as an extension of the public sidewalk. Clearly identifiable entry doors, tower elements marking the residential lobbies, and retail placement at many of the project

corners are successful. Successful retail activity is created along 10<sup>th</sup> Avenue, at the Belmont & 11<sup>th</sup> intersection, along the east side of 11<sup>th</sup> Avenue, straddling the 11<sup>th</sup> Avenue entrance to the Yamhill Alley, and along the internalized Yamhill Alley and Market Walk. Clear glazing on the ground floors allows direct views into the adjacent lobbies and retail spaces. Final revisions to the ground floors of the grocery store walls along Belmont and 11<sup>th</sup> Avenue have dramatically improved the vibrancy of the pedestrian environment.

*Therefore, this guideline is not yet fully met.*

**B1. Reinforce and Enhance the Pedestrian System.** Maintain a convenient access route for pedestrian travel where a public right-of-way exists or has existed. Develop and define the different zones of a sidewalk: building frontage zone, street furniture zone, movement zone, and the curb. Develop pedestrian access routes to supplement the public right-of-way system through superblocks or other large blocks.

**B2. Protect the Pedestrian.** Protect the pedestrian environment from vehicular movement. Develop integrated identification, sign, and sidewalk-oriented night-lighting systems that offer safety, interest, and diversity to the pedestrian. Incorporate building equipment, mechanical exhaust routing systems, and/or service areas in a manner that does not detract from the pedestrian environment.

**Findings for B1 and B2:** The project will rebuild the abutting public sidewalks to Central Eastside standards. Sidewalks will be developed with the different zones: frontage zone, furniture zone, movement zone, and the curb. A pedestrian access is provided through the large superblock in alignment with SE Yamhill Street from 10<sup>th</sup> to 11<sup>th</sup>, as well as through a secondary north-south connection up to Belmont.

Curbing and street trees will provide a layer of buffering between the pedestrian zone and vehicular and bicycle movement on the adjacent streets. Detailed sign information has not been presented, but signs under 32 square feet are allowed without Design Review, and the applicant intends to return for a follow-up Type II review to consider signage. Mechanical exhaust systems appear to be relatively limited and well-organized, with placement in locations that should have a minimal impact on the overall pedestrian environment. At-grade louvers are proposed on the south side of the South Block near the loading bay facing Taylor, in a narrow vertical channel on the west side of the South Block facing 10<sup>th</sup> Avenue, and at the mezzanine level of the grocery store facing SE 11<sup>th</sup>. The emergency generator will have a vertical exhaust vent pipe that vents through the roof. Service and loading areas as well as garage entrances are generally located so as to have as few conflicts with primary areas of pedestrian passage to and through the site as possible.

Final revisions to the project have dramatically improved the character of the on-site public plaza and walkways, as well as their connections to the adjacent public streets. The plaza space is on two levels, but well-proportioned and provides for 'eddies' of pedestrian seating and enjoyment out of the way of through-traffic. Deep ground floor seating opportunities and roll-up doors have been added to the grocery store along Belmont, improving that critical edge for the neighborhood.

*Therefore, these guidelines are met.*

**B3. Bridge Pedestrian Obstacles.** Bridge across barriers and obstacles to pedestrian movement by connecting the pedestrian system with innovative, well-marked crossings

and consistent sidewalk designs.

**B3-1. Reduce width of Pedestrian Crossings.**

- a. Where possible, extend sidewalk curbs at street intersections to narrow pedestrian crossings for a safer pedestrian environment.
- b. Maintain large service vehicle turning radii where necessary.

**Findings for B3 and B3-1:** Sidewalks will be built to Central Eastside and Central City right-of-way standards, including consistent sidewalk designs and well-marked crossings. The project is not adjacent to, or in contact with, any significant barriers or obstacles to pedestrian movement.

*Therefore, this guideline is met.*

**B4. Provide Stopping and Viewing Places.** Provide safe, comfortable places where people can stop, view, socialize and rest. Ensure that these places do not conflict with other sidewalk uses.

**Findings:** The project has significant areas of retail frontage, stairs, bench seating, and other casual outdoor gathering places. The grocery entry is pulled back from the corner to expand the sidewalk zone, as are the hardware store and residential lobby entries. Ground floor windows are provided in most locations along the public streets, allowing views for pedestrians. Internalized pedestrian walkways within the superblock provide further opportunities for pedestrian activity that does not conflict with uses on the perimeter public sidewalks.

The project provides extensive seating opportunities within the stairs, on-site walkways and plaza, and in some cases along the project perimeter. A supplemental set of seating plans have been provided clarifying that formal bench and ledge seating is sprinkled throughout the internal walkways of the site (Exhibits C.175 & C.176).

*With clarifications on the locations of seating provided by the applicant, this guideline is met.*

**B5. Make Plazas, Parks and Open Space Successful.** Orient building elements such as main entries, lobbies, windows, and balconies to face public parks, plazas, and open spaces. Where provided, integrate water features and/or public art to enhance the public open space. Develop locally oriented pocket parks that incorporate amenities for nearby patrons.

**Findings:** The revisions made following the first hearing dramatically improved the public open spaces on the site, including both grand stairs and the on-site public plaza. These features have a good orientation to the main entries, building lobbies, windows and balconies, allowing the Yamhill Alley, Market Walk and Plaza to succeed for residents and visitors alike.

Public art will be well-integrated into the project with Original Art Murals provided along the internal walkways on the west façade of the North Block and the north façade of the South Block.

*Therefore, this guideline is met.*

**B6. Develop Weather Protection.** Develop integrated weather protection systems at the sidewalk-level of buildings to mitigate the effects of rain, wind, glare, shadow, reflection, and sunlight on the pedestrian environment.

**B6-1. Provide Pedestrian Rain Protection.** Rain protection is encouraged at the ground level of all new and rehabilitated commercial buildings located adjacent to primary pedestrian routes. In required retail opportunity areas, rain protection is strongly recommended.

**Findings for B6 and B6-1:** Rain protection is provided at the ground level of all commercial buildings adjacent to the primary pedestrian routes. Large main residential and retail entrances have larger horizontal 'eyebrow roofs' that provide rain protection. The applicant has added a continuous canopy atop the small micro retail building on the East Block facing SE Belmont, as recommended by Design Commission at the second hearing.

*Therefore, this guideline is met.*

**B7. Integrate Barrier-Free Design.** Integrate access systems for all people with the building's overall design concept.

**Findings:** All public areas of the project are designed with accessibility for all people in mind. The basements and upper floors, all retail entries, and residential lobbies are all accessible either directly from the sidewalk or through elevators.

*Therefore, this guideline is met.*

**C1-1. Integrate parking.**

- A.** Integrate parking in a manner that is attractive and complementary to the site and its surroundings.
- b.** Design parking garage exteriors to visually respect and integrate with adjacent buildings and environment.

**Findings:** In response to concerns raised by Design Commission at the second hearing, the applicant has revised the proposal for the exposed parking area on the East Block. An aluminum 'egg crate' trellis element, contained within dark steel beams at regular intervals, has been placed over the majority of the exposed driveway. Landscaping in the form of trumpet vine placed within insulated, irrigated, raised planting containers will be trained to grow on this trellis over time, softening the visual impact of the structure while also reducing views of parking. Containing the exposed vehicle areas in this way will improve the attractiveness of the project for residents in the apartments, passersby along Belmont, and future residents in any redevelopment proposals in the immediate vicinity that may have views down onto the parking area.

However, at the final hearing before Design Commission on August 14<sup>th</sup>, 2014, further discussion occurred regarding the new trellis screening and landscaping over the vehicle areas at the East Block. Commissioners had concern about the deciduous nature of the trumpet vine species being proposed for use on the trellis, as it would wither and brown during the cold winter season. In order to address this issue and ensure year-round vegetation on the trellis, the final motion included a condition of approval that the vines on the egg crate trellis over the vehicle area on the East Block must be planted with an evergreen vine, such as evergreen clematis, or other similar evergreen species. In a second part to the same motion, in order to increase light availability and rain cover for pedestrians below, and to integrate the trellis with other designs and materials found on the project, a second new condition of approval was imposed during the final motion. This condition will require 25% of the surface area (plan view) of the egg crate

trellis over the vehicle area on the East Block to be replaced by a translucent solid cover, using the clear Pentaglas roofing material found on the nursery element on the South Block.

As revised, and with the conditions of approval noted above, the surface parking area is attractive, complementary to the site and surroundings, and integrated with the overall urbanity of the project.

*Therefore, with two new conditions of approval as required by Design Commission during the August 14<sup>th</sup>, 2014 hearing, this guideline is met.*

**C1. Enhance View Opportunities.** Orient windows, entrances, balconies and other building elements to surrounding points of interest and activity. Size and place new buildings to protect existing views and view corridors. Develop building façades that create visual connections to adjacent public spaces.

**C2. Promote Quality and Permanence in Development.** Use design principles and building materials that promote quality and permanence.

**C1-2. Integrate Signs.**

- a. Retain and restore existing signage which reinforces the history and themes of the district, and permit new signage which reinforces the history and themes of the East Portland Grand Avenue historic district.
- b. Carefully place signs, sign supports, and sign structures to integrate with the scale, color and articulation of the building design, while honoring the dimensional provisions of the sign chapter of the zoning code.
- c. Demonstrate how signage is one of the design elements of a new or rehabilitation project and has been coordinated by the project designer/ architect. Submit a Master Signage Program as a part of the project's application for a design review.

**C4. Complement the Context of Existing Buildings.** Complement the context of existing buildings by using and adding to the local design vocabulary.

**C5. Design for Coherency.** Integrate the different building and design elements including, but not limited to, construction materials, roofs, entrances, as well as window, door, sign, and lighting systems, to achieve a coherent composition.

**C3-1. Design to Enhance Existing Themes in the District.** Look to buildings from throughout the district for contextual precedent. Innovation and creativity are encouraged in design proposals, which enhance overall district character.

**Findings for C1, C2, C4, C5 and C3-1:** The project does orient windows, entrances, balconies and other building elements to surrounding points of interest and activity for the majority of the project. Parking is generally hidden underground and away from direct view, with some exceptions. The use of brick, concrete, steel and glass is common throughout the Central Eastside in industrial, commercial and residential buildings. The Central Eastside is a rich resource for inspirational materials and design approaches to create simple, utilitarian, beautiful buildings. The neighborhood is also notable for the wide variety of building types and ages. Simple box-like forms, straightforward use of a limited palette of quality materials, projecting canopies, overhead coiling garage-type doors, and simple punched window openings are effective and contextual architectural moves incorporated into the project.

*Therefore, these guidelines are met.*

**C6. Develop Transitions between Buildings and Public Spaces.** Develop transitions between private development and public open space. Use site design features such as movement zones, landscape elements, gathering places, and seating opportunities to develop transition areas where private development directly abuts a dedicated public open space.

**Findings:** The project does establish transitions between buildings and public spaces in several locations where buildings are not placed directly at the lot line. Landscape elements, movement zones, gathering places and seating opportunities are provided. Stormwater planters are integral to the interior walkways and spaces of the dedicated public open space required by the superblock regulations.

*Therefore, this guideline is met.*

**C7. Design Corners that Build Active Intersections.** Use design elements including, but not limited to, varying building heights, changes in façade plane, large windows, awnings, canopies, marquees, signs and pedestrian entrances to highlight building corners. Locate flexible sidewalk-level retail opportunities at building corners. Locate stairs, elevators, and other upper floor building access points toward the middle of the block.

**Findings:** The project has five primary public street corners, and four additional corners created by the intersection of the Yamhill Alley with 10<sup>th</sup> and 11<sup>th</sup> Avenues. The project addresses the corners with articulated storefront facades with projecting canopies, stair towers with extensive glazing at the residential lobbies, and extensive ground floor retail. Stairs, smaller retail building elements, and sidewalk extensions are also used to highlight and support active intersections. Areas of less intense activity are generally located towards the middle of the block.

*Therefore, this guideline is met.*

**C8. Differentiate the Sidewalk-Level of Buildings.** Differentiate the sidewalk-level of the building from the middle and top by using elements including, but not limited to, different exterior materials, awnings, signs, and large windows.

**C9. Develop Flexible Sidewalk-Level Spaces.** Develop flexible spaces at the sidewalk-level of buildings to accommodate a variety of active uses.

**Findings for C8 and C9:** The sidewalk levels of the buildings are mostly retail and differentiated in materials, design, placement, and other details. Sidewalk-level spaces are generally of a size and nature that a variety of types of businesses could locate at the site over time. The larger tenant spaces could be subdivided in the future if necessary and provided with additional street-level entries.

*Therefore, these guidelines are met.*

**C10. Integrate Encroachments.** Size and place encroachments in the public right-of-way to visually and physically enhance the pedestrian environment. Locate permitted skybridges toward the middle of the block, and where they will be physically unobtrusive. Design skybridges to be visually level and transparent.

**Findings for C10:** The only significant encroachment into the public right-of-way beyond projecting ground floor canopies is a large trellis-like projecting sign support structure on the west façade of the South Block in 10<sup>th</sup> Avenue. This element appears disconnected and is visually obtrusive to the composition of the building at presents itself along SE 10<sup>th</sup> Avenue. The structure is of a scale and size that is not typical of sign supports on newer buildings in Portland, and should be eliminated or reconsidered. Incorporating this sign support structure into the sign application itself would be another approach, as at present the sign support structure is poorly integrated into the overall design.

**C11. Integrate Roofs and Use Rooftops.** Integrate roof function, shape, surface materials, and colors with the building's overall design concept. Size and place rooftop mechanical equipment, penthouses, other components, and related screening elements to enhance views of the Central City's skyline, as well as views from other buildings or vantage points. Develop rooftop terraces, gardens, and associated landscaped areas to be effective storm water management tools.

**Findings:** The roof forms of the buildings are broken down into various heights, lengths and shapes. Lower rooftops of the two largest buildings are provided with eco-roofing, accessible tenant gardens, patio spaces and exposed stormwater facilities. The orientation and placement of the rooftops are designed to frame and enhance views of the city beyond, most strikingly for views to the west of the downtown skyline from the upper-floor residential units.

The applicant has provided supplemental information and revisions to the original rooftop screening and mechanical layout designs in response to Design Commission concerns. The revised drawings show limited rooftop mechanical unit on the superblock buildings, with full visual screening provided by integrated metal rooftop screening elements. On the East Block, the version of plans submitted on August 4<sup>th</sup>, 2014 showed an improved, corralled arrangement of the rooftop mechanical units with perimeter screening, but this change was left out of the final revised drawing packets submitted on August 12<sup>th</sup>. In order to ensure that the more orderly, screened rooftop mechanical layout is constructed, as intended by the applicant (the old plan was shown in error on the last submittal), a condition of approval will refer to the earlier approvable version of the East Block rooftop in the August 4<sup>th</sup> plan set (Exhibit H.24, sheet C.164).

With the condition of approval as noted, this guideline can be met.

**C12. Integrate Exterior Lighting.** Integrate exterior lighting and its staging or structural components with the building's overall design concept. Use exterior lighting to highlight the building's architecture, being sensitive to its impacts on the skyline at night.

**Findings:** There are at least thirteen different individual lighting fixtures proposed on the building exterior, including both contemporary and traditional flood, sconce, pole, arm, tower and wall lights. Three different vertical light pole standards are used throughout the project, including a traditional acorn single-light fixture in the Yamhill Alley, custom vertical light towers in the Market Walk, angled pole arms in the above-grade parking at the East Block, and a 'outdoor floor lamp' for the raised tenant deck at the South Block.

Final revisions to the lighting program have reduced the type of different fixtures, helping to create a unified lighting scheme for the project that integrates with the surroundings.



*Therefore, this guideline is met.*

**(2) MODIFICATION REQUESTS (33.825)**

**33.825.040 Modifications That Will Better Meet Design Review Requirements:**

The review body may consider modification of site-related development standards, including the sign standards of Chapters 32.32 and 32.34 of the Sign Code, as part of the design review process. These modifications are done as part of design review and are not required to go through the adjustment process. Adjustments to use-related development standards (such as floor area ratios, intensity of use, size of the use, number of units, or concentration of uses) are required to go through the adjustment process. Modifications that are denied through design review may be requested as an adjustment through the adjustment process. The review body will approve requested modifications if it finds that the applicant has shown that the following approval criteria are met:

- A. Better meets design guidelines.** The resulting development will better meet the applicable design guidelines; and
- B. Purpose of the standard.** On balance, the proposal will be consistent with the purpose of the standard for which a modification is requested.

**Findings:** Only two of the original three Modifications are still necessary based on the revised proposal. The remaining necessary Modifications are to Ground Floor Windows and Parking Stall dimensions. The Ground Floor Window Modification was eliminated for the North Building, and the Superblock plaza Modification is no longer necessary. Individual findings addressing each Modification are included below following the bulleted introductory statement:

1. Modification to reduce the amount of **Ground Floor Windows** (33.140.230), normally required to be 50% of the length and 25% of the area of all ground floor walls, are requested as follows:
  - a. On the south elevation of the south building (hardware store) windows are only 3% of the length and 2% of the area;
  - b. On the east elevation of the north building (grocery store) windows are only 45% of the length; and
  - c. On the north elevation of the north building (grocery store) windows are only 21% of the area.

**Findings for Ground Floor Windows:** The purpose of the Ground Floor Window standard is to

- *“Provide a pleasant, rich, and diverse pedestrian experience by connecting activities occurring within a structure to adjacent sidewalk areas;*
- *Encourage continuity of retail and service uses;*
- *Encourage surveillance opportunities by restricting fortress-like facades at street level; and*
- *Avoid a monotonous pedestrian environment.”* (33.140.230.A)

On the south elevation of the South Block, the proposed garden retail structure occupies just over half the total street frontage along Taylor. The intention with this structure is to have outdoor plants and other merchandise on display and visible from the sidewalk. Because the structure is open-air with metal bars or

fencing, it does not meet the Ground Floor Window standard. Nevertheless, due to the open nature of the structure and views allowed in and out from the sidewalk, there is a visual connection and pleasant experience created for pedestrians comparable to what would occur with a retail display window. On the east portion of the South Block facing Taylor, the service areas and loading bay for the hardware store are located on a relatively blank façade. Following discussion at the earlier DAR it was determined that Taylor is an appropriate place to cluster back-of-house activities and loading, as it abuts the less active industrial development to the south. When the length of the outdoor display provided at the garden retail space is added to the small window area adjacent to the corner at 11<sup>th</sup>, approximately 58% of the length and 38% of the area of the ground floor zone is successfully activated, consistent with the original standard and better meeting guideline C8, Differentiate the Sidewalk Level of Buildings.

*Therefore, for the purposes of the Modification to the south elevation of the south building (hardware store), these criteria are met.*

2. Modification to reduce the minimum width of 90° **parking stalls** (33.266.130.F.2/Table 266-4) from 8'-6" to 8'-4" for 38 stalls where a structural column protrudes into part of the stall, and from 8'-6" to 8'-2" for 124 stalls provided in a stacking mechanical parking machine.

**Findings for Parking Stalls:** Portland Transportation staff has reviewed the proposal for all potential transportation-related impacts, including the above Modification to parking stall dimensions. As noted at the first hearing, and verified in their written response (Exhibit E.2), Portland Transportation finds that the regulatory intent of ensuring safe movement of vehicles in parking areas is satisfied. Further, containing additional parking underground and within mechanical parking units helps eliminate the need for surface parking, consistent with guideline B1, Reinforce and Enhance the Pedestrian System.

*Therefore, for the purposes of the Modification to parking stall dimensions, these criteria are met.*

### **(3) ADJUSTMENT REQUESTS (33.805)**

#### **33.805.010 Purpose**

The regulations of the zoning code are designed to implement the goals and policies of the Comprehensive Plan. These regulations apply city-wide, but because of the city's diversity, some sites are difficult to develop in compliance with the regulations. The adjustment review process provides a mechanism by which the regulations in the zoning code may be modified if the proposed development continues to meet the intended purpose of those regulations. Adjustments may also be used when strict application of the zoning code's regulations would preclude all use of a site. Adjustment reviews provide flexibility for unusual situations and allow for alternative ways to meet the purposes of the code, while allowing the zoning code to continue to provide certainty and rapid processing for land use applications.

#### **33.805.040 Adjustment Approval Criteria**

The approval criteria for signs are stated in Title 32. All other adjustment requests will be approved if the review body finds that the applicant has shown that either approval criteria A. through F. or approval criteria G. through I., below, have been met.

The following adjustment is requested:

1. Allow parking access to SE Belmont Street, a Parking Access Restricted Street.
- A. Granting the adjustment will equally or better meet the purpose of the regulation to be modified; and

**Findings:** The purpose of the zoning standards related to parking access restricted streets is not explicitly stated in Chapter 33.510. The only parking-related purpose PBOT staff is able to reference is noted in Zoning Code Section 33.510.261.A and is stated as follows: “The parking and access regulations implement the Central City Transportation Management Plan by managing the supply of off-street parking to *improve mobility, promote the use of alternative modes*, support existing and new economic development, maintain air quality, and enhance the urban form of the Central City”.

PBOT staff will concentrate the review of this Adjustment request based on the above referenced *italicized* items. Further, the applicant submitted a professionally prepared analysis completed by a registered traffic engineer to address the issues related to locating a new garage access along the site’s SE Belmont frontage. The following includes PBOT’s assessment of the submitted analysis.

The proposed residential driveway (to serve up to 39 residential units [on the eastern site block] as analyzed by the applicant’s traffic consultant) on SE Belmont currently serves the former Oregon Electric building. Access to SE Belmont is sought due to the split zoning challenges associated with the site; specifically, the Central Employment (EXd) portion of the site allows residential parking while the General Industrial 1 (IG1) portion of the site prohibits residential parking. Continued use of the existing driveway is proposed due to zoning, one-way traffic flow and turning movement configurations, and topographic considerations associated with the property that limit alternative access options.

The traffic analysis included traffic volume counts and observations as well as a trip generation analysis to determine whether there was a more viable option for the proposed access point, with another potential location being located along the site’s SE 11<sup>th</sup> Ave frontage. Based on the vehicular data collected, the traffic volumes (both in number and composition) and the observed 85th percentile speeds (29 mph) are consistent with the City’s classifications of SE Belmont and SE 11<sup>th</sup> Ave as documented in the City Transportation System Plan (TSP). Further, the traffic volumes suggest (and field observations by the applicant’s traffic consultant confirmed) that both streets are operating under capacity and will continue to do so upon site redevelopment.

A potentially confounding issue related to maintaining the current access point from SE Belmont is the proximity of a Tri-Met bus stop (serving Tri-Met bus route #15 [Belmont/NW 23<sup>rd</sup>]) located at the SEC of SE Belmont/SE 15<sup>th</sup> Ave and a short distance from the subject driveway. The submitted traffic analysis took this into consideration. In communication with the transit agency, the applicant’s traffic consultant was advised that Tri-Met would not support re-locating the bus stop (and shelter) either east or west of the current location. Vehicles leaving the driveway on SE Belmont St could experience obstructed intersection sight lines associated with a bus stopped at the existing bus shelter and/or with the shelter itself.

A comparison of benefits/conflicts/tradeoffs was provided to determine the more feasible residential use access point on the subject site, with SE Belmont and SE 11<sup>th</sup> Ave as the only real options. Arguably, neither frontage was determined to be a clear better alternative. Accordingly, the applicant's traffic consultant prepared potential mitigation measures to retain the access point along the SE Belmont frontage that PBOT staff concurs with. The applicant, PBOT staff and Tri-Met staff will need to collaborate to develop a frontage improvement/shelter configuration that maximizes available intersection sight distance for persons using the Belmont driveway. A potential frontage improvement would be to construct a curb extension along the SE Belmont frontage (at SE 11<sup>th</sup> Ave). Said curb extension (along SE Belmont directed towards SE 11<sup>th</sup> Ave) could result in multiple improvements including lengthening the existing bus pullout area, developing a greater separation between the bus at the stop and a vehicle attempting to enter/exit the proposed new parking garage and shortening the distance across the SE 11<sup>th</sup> Ave crosswalk for the benefit of pedestrians.

By requiring the applicant to construct a curb extension along the site's SE Belmont frontage (at SE 11<sup>th</sup> Ave/eastern block) and to work with Tri-Met staff to develop a shelter configuration that maximizes available intersection sight distance, PBOT staff determines that this will result in *improved mobility and the promotion of use of alternative modes*. PBOT therefore supports the applicant's Adjustment request, subject to conditions, which are recommended in order to satisfy this approval criterion.

*Therefore, with a condition of approval requiring a curb cut extension at SE 11<sup>th</sup> & Belmont on the eastern block, as well as coordination with Tri-Met staff to develop a shelter configuration that maximizes available intersection sight distance, this criterion can be met.*

- B. If in a residential zone, the proposal will not significantly detract from the livability or appearance of the residential area, or if in a C, E, or I zone, the proposal will be consistent with the desired character of the area; and

**Findings:** Portland Transportation staff has reviewed the proposal for conformance with the street classifications and overall transportation impacts, and has determined the proposal is consistent with the desired character of the area. *Therefore, this criterion is met.*

- C. If more than one adjustment is being requested, the cumulative effect of the adjustments results in a project which is still consistent with the overall purpose of the zone; and

**Findings:** Only one Adjustment has been requested. *This criterion does not apply.*

- D. City-designated scenic resources and historic resources are preserved; and

**Findings:** There are no city-designated scenic or historic resources on this site. *This criterion does not apply.*

- E. Any impacts resulting from the adjustment are mitigated to the extent practical; and

**Findings:** Any impacts resulting from the adjustment can be mitigated for through a condition of approval as noted above under findings for criterion A. *With the condition of approval as noted, this criterion can be met.*

- F. If in an environmental zone, the proposal has a few significant detrimental environmental impacts on the resource and resource values as is practicable;

**Findings:** This site is not within an environmental zone. *This criterion does not apply.*

## DEVELOPMENT STANDARDS

Unless specifically required in the approval criteria listed above, this proposal does not have to meet the development standards in order to be approved during this review process. The plans submitted for a building or zoning permit must demonstrate that all development standards of Title 33 can be met, or have received an Adjustment or Modification via a land use review prior to the approval of a building or zoning permit.

A Central City Parking Review is required, and must be processed and approved prior to issuance of building permits for the project.

## VI. CONCLUSIONS

The applicant has proposed a groundbreaking, exciting project in Portland's Central Eastside that will energize and transform the neighborhood. The program will bring needed housing and essential retail services to the area, and create new protected off-street public spaces. The applicant is to be commended for their responsiveness to many of the issues raised in the Design Advice Request process, including refining various building design elements and materials, bringing the Yamhill Alley down to grade at 11<sup>th</sup> Avenue, and incorporating public art into the project. The project will create a truly memorable, urban place that reflects the authenticity, form, and character of the Central Eastside, all on a site that could have easily been redeveloped as a single-story big box retail store without housing or public amenities.

In the final revisions brought to the hearing on August 14<sup>th</sup>, 2014, the applicant improved the exposed parking area on the East Block by providing a vegetated trellis screen over the parking, and by further containing the mechanical parking elements from view by apartment residents. The material palette was dramatically simplified and brought together to create memorable, refined facades that respect the solidity and honesty of the surrounding industrial district. Bike parking has been increased and peppered throughout the site, with attractive, durable, human-scale materials and details at street level. After much discussion, Design Commission sought only two minor changes to the project in order to approve the application: use evergreen vines and clear Pentaglas material on the vegetated trellis screen over the parking at the East Block. With the recent resolution of the outstanding transportation issues regarding street dedications and freight movement in the immediate vicinity, and with the two new conditions of approval, the proposal is easily able to meet the applicable guidelines and criteria and should be approved.

**City Council Finding:** Determinations made by Portland Transportation regarding street dedications and the required right-of-way improvements occur under the authority of City Title 17, Public Improvements. Outside of findings specifically related to the Adjustment to allow a driveway onto SE Belmont, and for the Modification to reduce the width of 124 parking stalls, there are no transportation-related approval

criteria in this application. Concerns raised with regard to the public street dedications, improvements, and roadway configuration on this project were presented during the public hearings, and responded to by Portland Transportation staff in consultation with the applicant and adjacent property owners.

BDS and PBOT staff work together to coordinate during land use reviews for large projects, primarily to verify that the site area available for development is accurate, and that all public improvements can be completed without further street dedications. The actual requirement for street dedications and public improvements occurs after the land use review is complete and recorded, during the building permit review process. The street dedication and public improvement requirements of PBOT are not otherwise legally or procedurally relevant to the Design Review, Adjustment, and Modification approval criteria which are the subject of this application.

## VII. DECISION

**It is the decision of Council to deny the appeal of the Central Eastside Industrial Council and uphold the Design Commission's conditional approval as noted below:**

**Approval of Design Review** for the LOCA/Goat Blocks project, in the Central Eastside Subdistrict of the Central City Plan District, including approximately 110,000 square feet of retail space, 247 apartments, 339 parking spaces, and a public access easement over the internal Yamhill Alley and public plaza area, with all exterior design elements, materials, and details as shown on the approved Exhibits C.1 through C.183, all signed and dated August 14, 2014, and subject to conditions of approval A, B, C, E, and F, below.

**Approval of the Modification** to reduce the Ground Floor Window area on the south elevation of the south building (hardware store), with windows occupying only 3% of the length and 2% of the ground floor wall area (33.140.230), subject to condition A, below.

**Approval of the Modification** to reduce the minimum width of 90° parking stalls (33.266.130.F.2/Table 266-4) from 8'-6" to 8'-4" for 38 stalls where a structural column protrudes into part of the stall, and from 8'-6" to 8'-2" for 124 stalls provided in a stacking mechanical parking machine, subject to condition A, below.

**Approval of the Adjustment** to allow parking access onto SE Belmont, a Parking Access Restricted Street (33.510.265.F.6.b), subject to condition D, below.

Conditions of Approval:

- A. As part of the building permit submittal, all approved exterior building elements and designs, as well as the ground floor window layout and interior parking stall dimensions, must be as shown on the relevant approved drawings, Exhibits C.1 through C.183. The sheets on which this information appears must be labeled "Design as approved in Case File LU 14-125908 DZM AD".
- B. In the areas for public art shown on the west façade of the main North Block building (Exhibits C.65 & C.66), and on the north façade of the South Block building (Exhibits C.79 & C.80), the applicant shall obtain permits and install Original Art Murals prior to receiving a final certificate of occupancy for the project, unless an alternative art/display proposal is approved through a follow-up Type II Design Review. On the west façade of the North Block, the mural may be either four smaller panels or one large panel, as indicated on Exhibits C.65 & C.66.

- C. Rooftop mechanical equipment and layout for the East Block as shown on sheet C.164 of the approved drawing set is not approved. The earlier version of four centralized equipment corrals with perimeter screens shown on sheet C.164 of the August 4<sup>th</sup> plan set (Exhibit H.24) is approved instead.
- D. A curb cut extension shall be provided at SE 11<sup>th</sup> & Belmont on the eastern block, and the applicant shall coordinate with Tri-Met staff to develop a bus shelter configuration that maximizes available intersection sight distance.
- E. The raised planting boxes for the egg crate trellis at the vehicle area on the East Block must be planted with an evergreen vine, such as evergreen clematis, or other similar evergreen species.
- F. The aluminum egg crate trellis material over the vehicle area on the East Block must be replaced with the same translucent, "clear" shade of Pentaglas roofing material used on the nursery volume at the South Block for 25% of the trellis surface area (measured in plan view).

=====

**The applicants prevailed.**

**VII. APPEAL INFORMATION**

**Appeals to the Land Use Board of Appeals (LUBA)**

This is the City's final decision on this matter. It may be appealed to the Oregon Land Use Board of Appeals (LUBA), within 21 days of the date of the decision, as specified in the Oregon Revised Statute (ORS) 197.830. Among other things, ORS 197.830 requires that a petitioner at LUBA must have submitted written testimony during the comment period or this land use review. You may call LUBA at 1 (503) 373-1265 for further information on filing an appeal.

**EXHIBITS – NOT ATTACHED UNLESS INDICATED**

- A. Applicant's Statements
  - 1. Original drawing set, received 3/11/14
  - 2. Original narrative, received 3/14/14
  - 3. 120-day Extension form, received 3/24/14
  - 4. First revised narrative, received 5/5/14
  - 5. Revised drainage report, received 5/5/14
  - 6. FAR diagrams, received 5/5/14
  - 7. Completeness drawing set, received 5/5/14
  - 8. Statement from applicant regarding mechanical parking stall dimensions, with drawings, received 5/8/14
  - 9. Cover memo received with 5/27/14 drawing set for 6/12/14 hearing
  - 10. First hearing drawing set, received 5/27/14
  - 11. Outdated superblock plan from 5/30/14 and mechanical parking section details
- B. Zoning Map (**attached**)
- C. 7/1/14 set Plan & Drawings
  - 1. Vicinity Map – REFERENCE ONLY/NOT APPROVED
  - 2. Overall Area Plan - REFERENCE ONLY/NOT APPROVED
  - 3. Program Summary - REFERENCE ONLY/NOT APPROVED
  - 4. Zoning Map - REFERENCE ONLY/NOT APPROVED

5. Neighborhood Images - REFERENCE ONLY/NOT APPROVED
6. Neighborhood Images - REFERENCE ONLY/NOT APPROVED
7. Urban Design Diagrams - REFERENCE ONLY/NOT APPROVED
8. Urban Design Diagrams - REFERENCE ONLY/NOT APPROVED
9. Diagrams - REFERENCE ONLY/NOT APPROVED
10. Diagrams - REFERENCE ONLY/NOT APPROVED
11. Cladding Concept Diagrams – outdated - REFERENCE ONLY/NOT APPROVED
12. Site Plan (**attached**)
13. DAR #1 Comments - REFERENCE ONLY/NOT APPROVED
14. DAR #2 Comments - REFERENCE ONLY/NOT APPROVED
15. Section through Alley
16. Section through Yamhill Alley – Looking North
17. Section through Yamhill Alley – Looking South
18. Section adjacent to Yamhill Alley – Looking North
19. Section adjacent to Yamhill Alley – Looking South
20. Perspective View of Design Model – SE 10<sup>th</sup> & Belmont
21. Perspective View of Design Model – SE 11<sup>th</sup> & Belmont
22. Perspective View of Design Model – SE 10<sup>th</sup> & Yamhill
23. Perspective View of Design Model – SE 11<sup>th</sup> & Yamhill
24. Perspective View of Design Model – SE 10<sup>th</sup> and Taylor
25. Perspective View of Design Model – SE 11<sup>th</sup> & Taylor
26. Perspective View of Design Model – SE 11<sup>th</sup> & Belmont
27. Perspective View of Design Model – SE 11<sup>th</sup> & Yamhill
28. Perspective View of Design Model – Market Terrace
29. Perspective View of Design Model – Yamhill Alley
30. Perspective View of Design Model – Yamhill Overlook
31. Perspective View of Design Model – Belmont Overlook
32. Superblock Plan – LL1 – Below Grade Parking Plan
33. Superblock Plan – South Anchor Retail/North Parking/10<sup>th</sup> Avenue
34. Superblock Plan – Grocery & Market Terrace Retail
35. OEG Block – Retail & Parking Plan
36. Superblock Plan – Housing & Podium
37. OEG Block – 2<sup>nd</sup> Floor Housing Plan
38. Superblock Plan – Typical Housing Floor
39. OEG Block – 3<sup>rd</sup> Floor Housing Plan
40. OEG Block – 4<sup>th</sup> Floor Loft Plan
41. Superblock – Roof
42. OEG Block – Roof – NOT APPROVED, see condition C, Exhibit H.24/C.164
43. *Page intentionally left blank*
44. Enlarged Plans – Short-Term Bike Parking
45. Enlarged Plans – Long-Term Bike Parking
46. Overall Section 1
47. Overall Section 1
48. Overall Section 2
49. Overall Section 2
50. Overall Section 3
51. Overall Section 3 & 3a
52. Overall Section 4
53. Overall Section 4
54. Overall Section 5
55. Overall Section 5
56. Overall Section 6
57. Overall Section 6
58. Overall Street Elevations – West (**attached**)
59. Overall Street Elevations – South



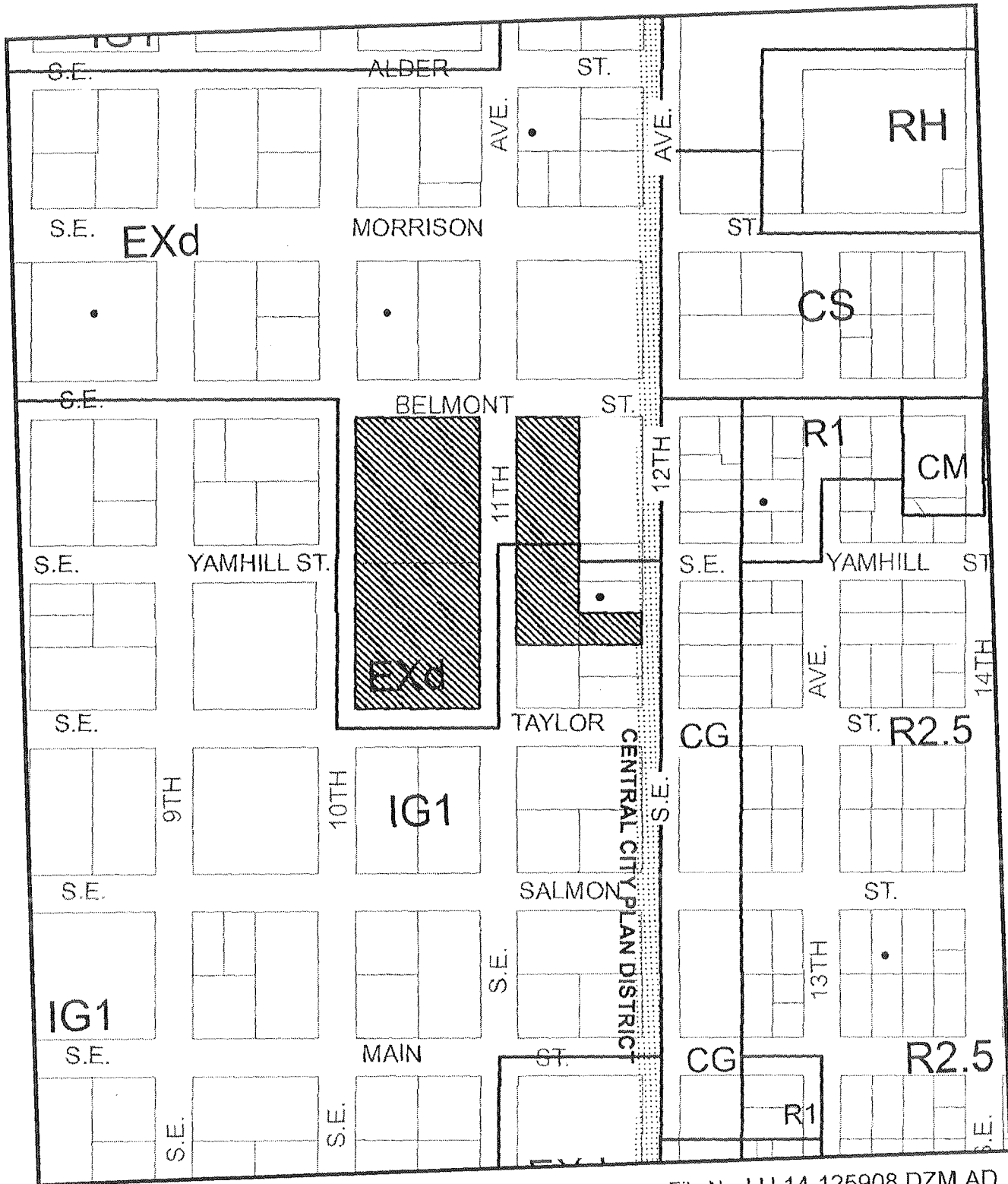
60. Overall Street Elevations – East (**attached**)
61. Overall Street Elevations – West OEG & North Overall (**attached**)
62. OEG Building Detailed Elevations – North & South
63. OEG Building Detailed Elevation – B&W – North & South
64. Retail Building Detailed Elevation – West/South/East/North
65. Retail Building Detailed Elevation - B&W – West/South/East/North
66. North Building Detailed Elevation – West
67. North Building Detailed Elevation – B&W – West
68. North Building Detailed Elevation – South
69. North Building Detailed Elevation – B&W – South
70. North Building Detailed Elevation – East
71. North Building Detailed Elevation – B&W – East
72. North Building Detailed Elevation – North
73. North Building Detailed Elevation – B&W – North
74. South Building Detailed Elevation – West
75. South Building Detailed Elevation – B&W – West
76. South Building Detailed Elevation – South
77. South Building Detailed Elevation – B&W – South
78. South Building Detailed Elevation – East
79. South Building Detailed Elevation – B&W – East
80. South Building Detailed Elevation – North
81. South Building Detailed Elevation – B&W – North
82. OEG Building Detailed Elevations – West & East
83. OEG Building Detailed Elevations – B&W – West & East
84. OEG Building Detailed Elevations – North & South
85. OEG Building Detailed Elevations – B&W – North & South
86. Retail Building Detailed Elevations – West/South/East/North
87. Retail Building Detailed Elevations – B&W – West/South/East/North
88. Exterior Material Palette – North Building
89. Exterior Material Palette – Market Retail Building
90. Exterior Material Palette – OEG Building
91. Exterior Material Palette – South Building
92. Exterior Material Palette – South Garden Retail
93. Enlarged Sections/Details – Grocery Entry – Northeast
94. Enlarged Sections/Details – Grocery Entry – Northwest
95. Enlarged Sections/Details – Grocery Entry – Market Terrace
96. Enlarged Sections/Details – North Residential – Entry
97. Enlarged Sections/Details – North Residential – Typical Balconies
98. Enlarged Sections/Details – North Residential – Screen Structure
99. Enlarged Sections/Details – North Grocery – Window Storefront
100. Enlarged Sections/Details – North Micro Retail 1 and 2
101. Enlarged Sections/Details – Yamhill Stairs
102. Enlarged Sections/Details – Market Retail A (10<sup>th</sup> Ave. level)
103. Enlarged Sections/Details – Market Retail Frontages (10<sup>th</sup> Ave. level)
104. Enlarged Sections/Details – Market Retail B (Terrace level)
105. Enlarged Sections/Details – South Anchor Retail Entry
106. Enlarged Sections/Details – South Vestibule Entry
107. Enlarged Sections/Details – South Residential Entry
108. Enlarged Sections/Details – South Residential Stair Tower
109. Enlarged Sections/Details – South Residential Stair Tower
110. Enlarged Sections/Details – South Garden Retail & Podium Trellis
111. Enlarged Sections/Details – South Residential Attached Balconies
112. Enlarged Sections/Details – South Residential Inset Balconies
113. Enlarged Sections/Details – South Building at Balconies and Retail
114. Enlarged Sections/Details – South Micro Retail 1 and 2

- 115. Enlarged Sections/Details – Window Bench & Art Wall – Yamhill Alley
- 116. Enlarged Sections/Details – OEG Building Residential Corridor
- 117. Enlarged Sections/Details – OEG Building East Façade
- 118. Enlarged Sections/Details – OEG Building Lobby and Retail
- 119. Enlarged Sections/Details – OEG Building – NW Corner
- 120. Enlarged Sections/Details – Garage Entry and Loading Gate
- 121. Enlarged Sections/Details – Typical Exhaust Venting
- 122. Landscape – Site Plan – North and South Block
- 123. Landscape – Site Plan – East Block
- 124. Landscape – Precedents – REFERENCE ONLY/NOT APPROVED
- 125. Landscape – Precedents – REFERENCE ONLY/NOT APPROVED
- 126. Landscape – App. of Notation & Scoring – REFERENCE ONLY/NOT APPROVED
- 127. Landscape – Precedents – REFERENCE ONLY/NOT APPROVED
- 128. Landscape – Choreography – REFERENCE ONLY/NOT APPROVED
- 129. Landscape – Market Entry - Sections
- 130. Landscape – Market Entry – Elevations
- 131. Landscape – Market Walk Precedent Imagery - REFERENCE ONLY/NOT APPROVED
- 132. Landscape – Market Walk - Sections
- 133. Landscape – Yamhill Entry Precedent Imagery - REFERENCE ONLY/NOT APPROVED
- 134. Landscape – Yamhill Entry
- 135. Landscape – Yamhill Entry – Sections
- 136. Landscape – Yamhill Entry – Elevations
- 137. Landscape – Yamhill Alley
- 138. Landscape – Yamhill Alley - Sections
- 139. Landscape – Yamhill East Precedent Imagery - REFERENCE ONLY/NOT APPROVED
- 140. Landscape – Yamhill East
- 141. Landscape – Paving, Materials & Furnishings
- 142. Landscape – Details
- 143. Landscape – Details
- 144. Landscape – North and South Block – Planting Plan – Trees
- 145. Landscape – North and South Block – Planting Plan – Shrubs
- 146. Landscape – North and South Block – Planting Plan – Stormwater & Vines
- 147. Landscape – Electrical – Lighting Plan – North
- 148. Landscape – Electrical Lighting Plan – South
- 149. Landscape – Electrical Lighting Plan – East
- 150. *Page intentionally left blank*
- 151. Solar Studies – REFERENCE ONLY/NOT APPROVED
- 152. Solar Studies – REFERENCE ONLY/NOT APPROVED
- 153. Vinyl Windows
- 154. *Page intentionally left blank*
- 155. Civil – Existing Conditions – Plan – REFERENCE ONLY/NOT APPROVED
- 156. Civil – Existing Condition – Plan – REFERENCE ONLY/NOT APPROVED
- 157. Civil – Street Improvement Plan – REFERENCE ONLY/NOT APPROVED
- 158. Civil – Site Grading Plan – REFERENCE ONLY/NOT APPROVED
- 159. Civil – Site Utility Plan – REFERENCE ONLY/NOT APPROVED
- 160. Civil – Stormwater Planter Details
- 161. Civil – Street Improvement Sections – REFERENCE ONLY/NOT APPROVED
- 162. Rooftop Mechanical Systems and Details
- 163. *Page intentionally left blank*

164. Rooftop mechanical systems and details – NOT APPROVED, see sheet C.164 in Exhibit H.24, per condition of approval C
  165. Rooftop mechanical systems and details
  166. Rooftop mechanical systems and details
  167. Perforated sliding screens for North Building – details
  168. Enlarged Sections & Details – Grocery at SE Belmont
  169. OEG Building Detailed Elevation – Parking Structure
  170. OEG Building Detailed Elevation – B&W – Parking Structure
  171. Designated Bike Access Routes – REFERENCE ONLY/NOT APPROVED
  172. Site Access – Bike Parking – REFERENCE ONLY/NOT APPROVED
  173. Interrupted Yamhill Axis – REFERENCE ONLY/NOT APPROVED
  174. Superblock Diagram – Yamhill ROW Axis
  175. Public Seating Plan – Superblock
  176. Public Seating Plan – OEG Block
  177. Landscape – Bridging Trellis Details
  178. Landscape – Parking Planter Details
  179. Landscape – East Building Louvered Drive Aisle – Plumbing
  180. Superblock Area Diagrams (2 pages)
  181. Light Fixture Cut Sheets (10 double-sided sheets)
  182. Egg Crate Screen detail
  183. Pentaglas translucent panel cut sheet
- D. Notification information:
1. Request for response
  2. Posting information and notice as sent to applicant
  3. Applicant's statement certifying posting
  4. Mailed public hearing notice
  5. Public hearing notice mailing list
  6. Request for completeness review documents
- E. Agency Responses:
1. Placeholder for Bureau of Environmental Services response
  2. Placeholder for Development Review Section of Portland Transportation response
  3. Water Bureau
  4. Site Development Section of the Bureau of Development Services
  5. Life Safety Section of the Bureau of Development Services
  6. Urban Forestry Division of Portland Parks and Recreation
  7. Placeholder for Fire Bureau response
- Letters
1. Comment letter from Suzanne Stahl, Member of Portland Commission on Disability, provided by applicant with application package, letter dated 3/14/14
  2. FAX comment letter from Kenneth Diener, received 5/30/14
- Other
1. Original LU application form and receipt
  2. Incomplete letter, sent 4/10/14
  3. DAR Notes from both 1/9/14 and 2/27/14 sessions, EA 13-224797 DA
  4. Staff e-mail to applicant regarding superblock issues, sent 6/1/14
- Hearing Exhibits
1. Original staff report and recommendation, dated 6/2/14
  2. Staff cover memo to Design Commission and missing materials memo, dated 6/2/14
  3. Hard copy discussion topics from staff presentation for Design Commission, 6/12/14
  4. Staff powerpoint presentation, 6/12/14
  5. Supplemental superblock area drawings, received between 6/2/14 staff report and 6/12/14 hearing
  6. Project brochure provided by applicant at 6/2/14 hearing

7. Comment letter from Central Eastside Industrial Council, rec'd. 6/12/14
  8. Copies of comment letters provided by staff to Design Commission at 6/12/14 hearing, including 6/5/14 letter from AIA Urban Design Panel, 3/14/14 letter from Suzanne Stahl and 5/30/14 letter from Ken Diener
  9. 6/12/14 public hearing testimony cards: Bob LeFeber, Ken Diener, Steve Janik, Paddy Tillett, Debbie Kitchen, Michael Redmond & Brian Scott
  10. 6/12/14 public hearing testimony card and short written statement from Peter Fry
  11. 6/12/14 public hearing testimony card and written statement from Suzanne Stahl
  12. 6/12/14 public hearing testimony card and written statement from Susan Lindsey, Buckman Community Association
  13. Supplemental narrative from applicant to staff, including summary of changes made with 7/1/14 drawing set, revisions to parking and square footage counts, and information on bike parking and superblock standard compliance, rec'd. 7/1/14
  14. Supplemental Design Review narrative provided by applicant, received 7/1/14
  15. E-mail from Kurt Krueger of PBOT regarding need for official comments from Central Eastside Industrial Council, rec'd. 7/1/14
  16. E-mail from Noel Johnson to city staff with three attached letters from the Central Eastside Industrial Council, rec'd. 7/10/14
  17. 7/10/14 cover memo and 7/8/14 staff report sent out prior to 7/17/14 hearing
  18. Full revised plan set for 7/17/14 hearing, received/dated 7/1/14
  19. Staff powerpoint presentation for 7/17/14 hearing
  20. Memorandum of understanding regarding public art as provided by applicant at 7/17/14 hearing
  21. Cover memo from staff to Design Commission prior to 7/17/14 hearing, with attachments including 6/27/14 new comment letter from Ken Diener, 7/17/14 Kittleson memo regarding gate/entry configuration, and cover memo/list of new/revised exhibits provided with 7/15/14 supplemental and revised drawings
  22. 7/15/14 supplemental and revised drawings
  23. Cover memo and supplemental narrative provided by applicant with supplemental and revised drawings, received 8/4/14
  24. 8/4/14 supplemental and revised drawings
  25. Cover memo from staff prior to 8/14/14 hearing, with attached final agency response memorandum from Portland Transportation and East Block parking area trellis/canopy drawings
  26. 8/14/14 Staff Report and Recommendation
  27. Letter to Mayor Hales and Commissioner Novick from four nearby property owners with transportation-related concerns, received via Kurt Krueger into file on 8/12/14
  28. Comment cards from 8/14/14 hearing
- I. Appeal Exhibits
1. Appeal Submittal
  2. Appealed Decision
  3. Notice of Appeal – postmark copy
  4. Public Roadway Facts Sheet provided by Cardno Engineering (applicant's engineer) prior to appeal hearing
  5. Appeal comment letter from Mark Twietmeyer, URS Electronics, rec'd. 10/7/14
  6. Appeal comment letter from Jeffrey Kleinman, Attorney, rec'd. 10/8/14
  7. Appeal comment letter from William Gregg, rec'd. 10/7/14
  8. Appeal comment letter from Kathleen Gatto, Gatto & Sons, rec'd. 10/7/14
  9. Appeal comment letter from Myra Fiesterman, NBH Co., rec'd. 10/6/14
  10. Appeal comment letter from Dana Krawczuk, Attorney for the applicant, rec'd. 10/8/14

11. Map of nearby businesses as provided to Council by staff during appeal hearing
12. Staff powerpoint presentation from Council appeal hearing



# ZONING



Site



Historic Landmark



This site lies within the:  
**CENTRAL CITY PLAN DISTRICT**  
**CENTRAL EASTSIDE**

File No. LU 14-125908 DZM AD

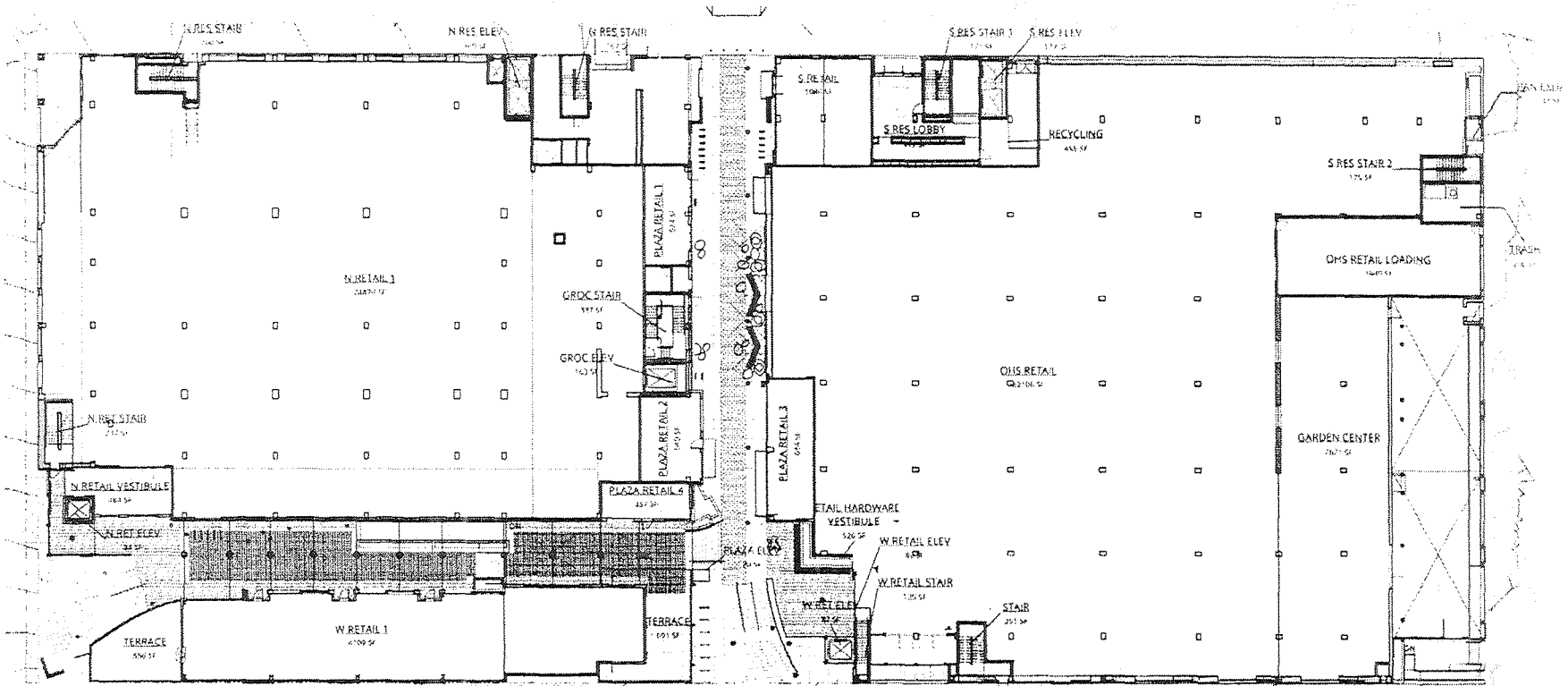
1/4 Section 3131

Scale 1 inch = 200 feet

State\_Id 1S1E02BD 2400

Exhibit B (Mar 12, 2014)

LU 14-125908 DZM AD



KILLIAN PACIFIC  
ANKROM MOISAN ARCHITECTS, INC.

DESIGN REVIEW EXHIBITS

05.05.2014

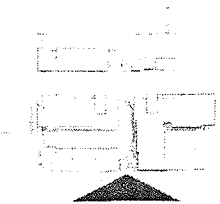
C.53 Overall Street Elevations - West

LOCA - THE GOAT BLOCKS / CENTRAL EASTSIDE - PORTLAND, OR



S.E. 10th Ave. Elevation - West Overall 1" = 32'-0"

LU 14-125908 02M AD



KILLIAN PACIFIC  
ANKROM MOISAN ARCHITECTS, INC.

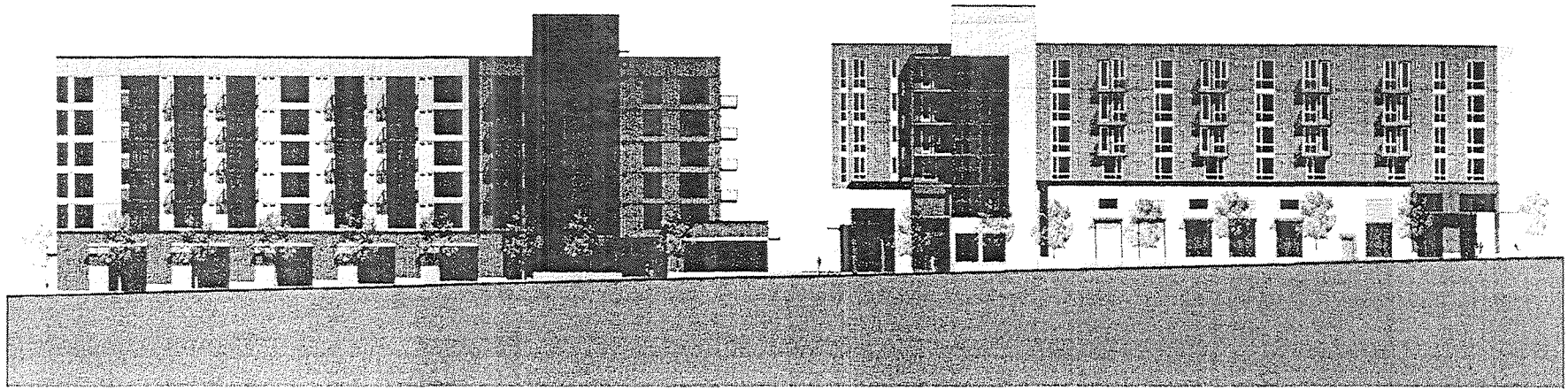
DESIGN REVIEW EXHIBITS

05.05.2014

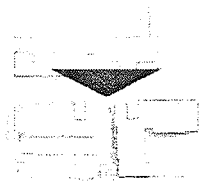


C.35 Overall Street Elevations - East

LOCA - THE GOAT BLOCKS / CENTRAL EASTSIDE - PORTLAND, OR



S.E. 11th Ave. Elevation - East Overall 11' - 32' 0"



U 14-125908 D2M AD



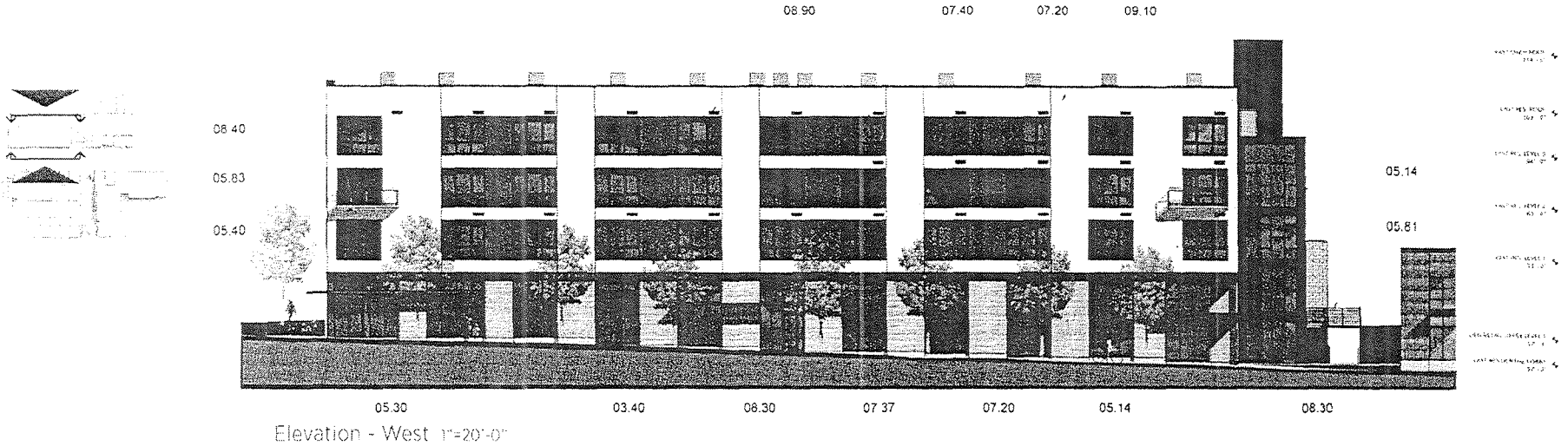
KILLIAN PACIFIC  
ANKROM MOISAN ARCHITECTS, INC.

DESIGN REVIEW EXHIBIT

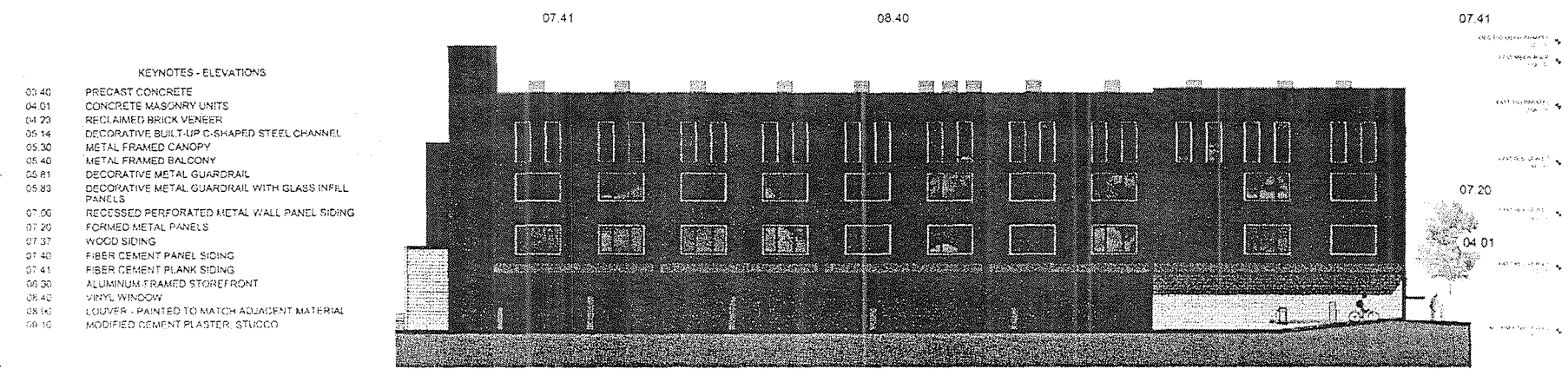
05.05.2014

C.73 OEG Building Detailed Elevations - West & East

LOCA - THE GOAT BLOCKS / CENTRAL EASTSIDE - PORTLAND, OR



Elevation - West 1"=20'-0"



Elevation - East 1"=20'-0"

KEYNOTES - ELEVATIONS

- 03.40 PRECAST CONCRETE
- 04.01 CONCRETE MASONRY UNITS
- 04.20 RECLAIMED BRICK VENEER
- 05.14 DECORATIVE BUILT-UP C-SHAPED STEEL CHANNEL
- 05.30 METAL FRAMED CANOPY
- 05.40 METAL FRAMED BALCONY
- 05.81 DECORATIVE METAL GUARDRAIL
- 05.83 DECORATIVE METAL GUARDRAIL WITH GLASS INFILL PANELS
- 07.06 RECESSED PERFORATED METAL WALL PANEL SIDING
- 07.20 FORMED METAL PANELS
- 07.37 WOOD SIDING
- 07.40 FIBER CEMENT PANEL SIDING
- 07.41 FIBER CEMENT PLANK SIDING
- 06.30 ALUMINUM-FRAMED STOREFRONT
- 06.40 VINYL WINDOW
- 08.10 LOUVER - PAINTED TO MATCH ADJACENT MATERIAL
- 09.10 MODIFIED CEMENT PLASTER, STUCCO

LU 14-125908 02M AD



KILLIAN PACIFIC  
ANKRUM MOISAN ARCHITECTS, INC.

DESIGN REVIEW EXHIBITS

05.05.2014