

Portland Planning and Sustainability Commission

Tuesday, October 21, 2014

4:00 p.m.

Meeting Minutes

Commissioners Present: Andre' Baugh, Karen Gray (arrived 4:10 p.m.), Don Hanson, Mike Houck (by phone), Gary Oxman, Katherine Schultz, Howard Shapiro, Chris Smith, Teresa St Martin, Maggie Tallmadge

Commissioners Absent: Michelle Rudd

BPS Staff Present: Susan Anderson, Joe Zehnder, Alisa Kane, Karl Lisle, Mindy Brooks, Kathryn Hartinger, Debbie Bischoff

Other Presenting Staff: Mauricio Leclerc, PBOT

Chair Baugh called the meeting to order at 4:06 p.m.

Items of Interest from Commissioners

- *Chair Baugh* noted that the hearing for the Comp Plan Update is still open. The next Comp Plan hearing is Tuesday, October 28 at PCC Southeast Campus, beginning at 5 p.m.
- *Commissioner Houck* is calling in to today's meeting.

Director's Report

Susan Anderson

- The start time for the November 18 PSC Comp Plan work session is 4 p.m.
- As a continuation of the PSC's discussion on short-term rentals, the Mayor put together a task force to deal with short-term rentals in multi-dwellings. The hearing is at Council on November 19 at 2 p.m.
- Congratulations to *Chair Baugh* and *Commissioner Gray* for being winners of this year's Spirit of Portland Awards. The Spirit of Portland Awards recognize local individuals and organizations who have demonstrated an outstanding dedication to positive change in our community. Karen and Andre have absolutely shown that leadership. The City of Portland will recognize the award winners at Legacy Emanuel Medical Center on Thursday, November 6.
 - *Chair Baugh* noted that it is about the full PSC and all the work each individual on the Commission does. Thanks to staff as well.

Consent Agenda

- [R/W #7750](#) – proposed vacation of SE Gideon Street East of SE Milwaukie Ave

Chair Baugh asked for any comments on the Consent Agenda.

Commissioner Smith moved to approve the Consent Agenda. *Commissioner Shapiro* seconded.

The Consent Agenda was approved with an aye vote.

(Y10 – Baugh, Gray, Hanson, Houck, Oxman, Schultz, Shapiro, Smith, St Martin, Tallmadge)

City Green Building Policy Update

Briefing: Alisa Kane

Documents:

- [Green Building Policy briefing memo](#)

Presentation:

http://efiles.portlandoregon.gov/webdrawer.dll/webdrawer/rec/7022123/view/GreenBuilding_presentation.PDF

This policy is specifically for the buildings that the City owns. Environmental performance is a priority for the City for the buildings we own and maintain.

The first City GB policy was passed in 2001. It was based on LEED certification, and since the first version of the policy, the certification standard was strengthened to LEED Gold (Silver for PDC investments) in the 2005 update.

The City looks at renewables, managing stormwater, and operations and maintenance in its buildings' performances. Alisa walked through the features of each of the 11 LEED-certified buildings in the City portfolio.

A requirement of the Policy is ecoroofs. There are over 60,000 square feet of ecoroofs on City facilities. BPS developed guidelines that all bureaus use.

Each bureau has staff assigned to working on the policy update, and we currently have a "75 percent draft" of the updated policy. New items in this update include:

- Earth Advantage certification option (instead of LEED) for buildings under 20,000 square feet and/or with a total construction budget under \$5M.
- Bird-friendly design check-sheet.
- Enhanced commissioning (LEED has a criteria about this too) so feedback can be given as work is being constructed.
- Guidance to relocate, deconstruct and/or reuse building materials when demoing.
- Salmon-safe certification for all bureaus. PP&R has gone through this process, and now other capital improvement bureaus will be asked to do the same.
- Water Sense, the EnergySTAR of the water world.

This policy maps to and mirrors many other City policies and plans including: Portland Plan, Climate Action Plan, Neighborhood Economic Development and the We Build Green Cities / export strategy.

Commissioner Schultz was pleased to see the requirements for LEED Gold buildings. What about LEED Platinum, Living Building Challenge, etc? I'd encourage you to look at the bigger and better.

- We did add an option that buildings could choose LEED Gold and/or go for the Living Building Challenge. We left the policy at Gold because LEED has changed enough and gotten more difficult to achieve. Going the extra step for Platinum was partly a budget-related too.
- We will be reporting on energy use and EUI via the EnergySTAR Portfolio Manager in the future. The City already scores well, but we do need to make our energy use known to the public.

Commissioner Houck noted this is about City facilities. This is great to show that the City is leading by example. I look forward to being able to expand a policy to the whole city in the future. I am particularly pleased to hear that ecoroofs and bird friendly design is included in this work.

Commissioner Gray echoed *Commissioner Houck's* comments. Having just built a 140,000 square foot LEED Gold building, I know it's not easy to achieve. It's much more difficult than the previous LEED Gold certification.

Commissioner Shapiro commented about benchmarking. Plans were made years ago that not only do we talk about LEED and how it's going, but that we need to make it worth something. We don't want LEED to become just another acronym.

Commissioner Tallmadge asked about the noted ecoroof exemption. Also, what are some of the Portland Housing Bureau policies that are being updated?

- Stormwater management manual kicks in at 500 square feet and above. It seemed a bit of a stretch that, if you don't have to manage stormwater, it would be unnecessary to include an ecoroof on, for example, a 100 square foot roof.
- The greening affordable housing guidelines are somewhat out-of-date. Once this City policy gets passed, we'll work with PHB and affordable housing partners to develop a policy that makes sense, which likely will be in calendar year 2015.

Commissioner Hanson commented that this could be a great public education piece. The building list is so diverse in terms of functions and tenants. It's important to communicate that LEED can apply to all different types of buildings.

Alisa can give a short briefing to the PSC prior to the updated Green Building Policy going to Council in early 2015.

CC2035 West Quadrant Plan

Work Session: Joe Zehnder, Sallie Edmunds, Karl Lisle, Mindy Brooks, Kathryn Hartinger, Nicholas Starin, Mauricio Leclerc

Documents:

- [Packet and preparation documents](#)
- [Commissioner Houck comments and input](#)
- [Work Session Packet](#)

Presentation:

http://efiles.portlandoregon.gov/webdrawer.dll/webdrawer/rec/7024841/view/WQuad_presentation.PDF

Public testimony for the CC2035 West Quadrant Plan was closed on October 1. There are hard copies of all testimony received in the room this evening. Today is about giving staff further direction prior to the December 9 work session and recommendation.

Karl introduced the session. We're working through issues that PSC members asked staff to highlight and propose amendments to the original draft plan. In addition to the original packet from a couple weeks ago, there is the new packet for today that staff will walk through. Partner bureaus' staff is here if the PSC has specific questions for other bureaus as well.

Joe shared the presentation about building height. This includes visuals of the proposed height amendments, and a reminder/overview of the Central City Height Principles (slide 4).

The Central City is unique in its role in the city and the region. How we think about density and height here reflects that. Portland has 200x200 foot blocks, which is quite different from other cities we may compare ourselves to. 40 percent of the land in the West Quad is in the public right-of-way, which is very high and makes the area distinct.

Heights

Proposed height changes are within six areas:

- Old Town / Chinatown
 - Height and density on the transit line is a good plan.
 - Stair steps and height are mid-block, which is intentional if we take this approach.
 - Height transfers: Can we target where the transfer goes? In this case, the Chinatown district is very small. We could make it so that it's only contributing structures. Do we think the height idea has some merit, or do we take it off the table?
 - We're also looking at 3 blocks instead of just 1 to have extra height on existing buildings that can be traded.
 - PSC members may want to add some specific direction around the 150' policy.
 - Regarding historic preservation, is there a requirement to fix up some of the historic area before we start doing things to the area? This was part of testimony from the neighborhood association. The idea of approaching this set of sites is ok to explore, but it is a risk too. A specific set of design guidelines is called for in the plan for this historic district. New development would then have something to respond to. We also need to update the nomination so we can be clear if changes in allowed heights would affect this historic status... and if this is acceptable. This would be a greater reassurance that the right things would be done in the district.
- Bridgeheads
 - There is a desire to bring more activity to the waterfront and bring the Central City density and economic activity to the waterfront as well.
 - If the public market gets built under the Morrison Bridgehead as currently proposed, it would not need the proposed additional height. But the developer did submit testimony saying they may want the additional height anyway.
 - Morrison Bridge: there is a possibility of a ramp configuration change. The "clover sites" are Multomah County property (bridge owners).
 - Staff will explore the viability of bonuses in all parts of the proposed plan, looking at the public benefit in exchange for height and if the balance is worth the transfer. What about how we can bonus housing, especially workforce housing, near the bridgeheads?
 - What's the value of height at the bridgeheads versus other areas of the Central City? In the bonus study, we are trying to get a sense of this. It's difficult to price, but where the view is protected, it is likely very valuable.
 - The potential to create a block of tall buildings on 1st and 2nd avenues is radically different from what's there now. Technically there is this height potential, but to get there, it would have to be a tall and skinny building.
- South Transit Mall and South Auditorium District
 - The SAC was interested in additional FAR in addition to height here, but staff needs to check the transportation impact. Staff did not include this in the proposal because of transit and traffic capacity.
 - There is much redevelopment potential in parking lots... but food carts exist on many of these sites. There is an action calling for a strategy in the Plan to work on where carts could as the lots are redeveloped.
- South Pearl District and Pearl District Waterfront
 - The proposed plan raises height limits from 175 feet to 250 feet in return for (a) transfer from historic buildings and/or (b) public waterfront improvements.
 - There are character buildings that aren't historic, but they're valuable to the area. We may want to include these as sending sites as well.
 - This is in part to address Centennial Mills and the potential to enhance the public realm along the waterfront via a transfer/bonus system.

Commissioner Smith: What if we set the heights at 100 feet throughout the Central City? What does that do to the development capacity?

- There are lots of caveats, but we used our model based on FAR of new development to look at what it might do to overall capacity. New residential buildings under 100' tall in the Central City tend to achieve FARs of between 4 and 6:1, so we ran our development capacity model with reduced FAR assumptions. It appears that restrictive height limits would reduce development capacity for new housing units.
- It would probably create a shortfall of housing of between 4 and 10,000 units in the Central City. These could go to new, additional sites that we don't think of as buildable today. They could go other places in the city (other centers and corridors where there is capacity for additional development). And moving it out would take even more land. There could also be increased pressure on places where we have employment development aspirations. Housing costs in the Central City and inner neighborhoods might escalate more rapidly as well with less supply being built.
- *Commissioner Hanson:* Is this about a baseline? Yes.

Chair Baugh: I'm concerned about height of buildings near the water, specifically about shading. We should look to see alternatives about which sites are better than others, especially with County sites at the bridgeheads. Workforce housing is critical.

Commissioner Schultz is intrigued about transfers from historic resources and forcing the money back and saving that stock. Or could it go into an affordable housing pool? Energy retrofits? Things that add value back to the building in terms of reinvestments.

Commissioner Houck noted that he had discussed issues related to wind tunnel effect and how we could mitigate for that. This concern would be lessened if I knew we could require some of the mitigation approaches. He also reiterated his continued concern about step-downs to the river and making it more accessible versus potential negative impacts to the river.

Housing

Staff proposed a number of amendments in the packet. Much of this is terminology that has been updated to be consistent with the Comp Plan housing language, lining up income levels and categories.

There is a series of background information pieces to explain the lack of diversity in housing incomes in OT/CT. The pull-out table in the packet was created in response to comments that there wasn't lots about affordable housing in the Plan. Much of this is pulled into the Central City (overall) section.

We had a request to look at numerical targets by sub-districts compared to the Portland Plan target of 15 percent affordable housing units citywide. We are happy to work with PHB about target percentages for the Central City, but staff thought it might go too far to put specific percentages in for each district as a target for new affordable housing numbers.

We need a definition of what affordable housing means and what the percentages relate to. Staff will clarify this for the PSC.

Commissioner Schultz: Each neighborhood in the West Quad has specific goals, so we might need to target different types of housing in each area. Is there a metric to see what we're getting in today's stock, and then look at how can we shuffle throughout the area overall? We need to look at this as the Central City as a whole, and then we could (maybe) go back down to the smaller neighborhood policy level.

Chair Baugh: I have trouble with the policy of HN2 and HN3 where we call for zoning tools for moderate income people. We need to have a balance with these tools to get to the workforce

housing (80-50 percent MFI) population. By encouraging moderate income housing, we are saying that minorities cannot live in public housing downtown because they won't be able to afford it.

Susan: Something that could be helpful as a tool is direction from the PSC about what we do with limited resources. Do you put any into 80-120 percent MFI? All to below 80 percent? Or is it more like environmental and economic issues that are almost always in conflict, and they are also both in the plan. What's the nuance of splitting the resources/funds?

- *Commissioner Oxman*: One thing I see is the extreme concentration in OT/CT and West End in particular. This isn't going away any time soon. We need information about where subsidized housing fits into the mix.
- *Commissioner Shapiro* noted the limited resources. We also want to define our partners and their role who can support affordable housing opportunities.
- *Chair Baugh* noted the concentration of very low-income housing. But looking at the broad city center, how do we prioritize what the right mix of housing we want downtown to meet our goals?

Commissioner Schultz asked how we can get the win-win and how to incentivize a certain type of housing for a specific area (e.g. via retrofitting an existing building). Los Angeles looked at how to reduce some financial impacts of upgrades and still have safe buildings for housing downtown.

Chair Baugh asked about the volume of jobs that will be in the 80-55 percent MFI range in the Central City. How many people can work and live in the Central City... and how many people are in the 0-30 percent? What does the housing stock look like in these scenarios?

Joe: Staff will put this discussion about future needs/demand for housing in Central City in the citywide context of the Comp Plan as well. Across the income profile, which types of housing are in short supply or harder to do in the Central City (and need an incentive to build)? But I'm not sure we can make the housing policy and resource allocation for the Central City since it's a citywide factor.

Commissioner Hanson noted that the land values are very high in the Central City. The purchase price of property often creates where different types of housing can be built.

Environmental / River

Staff's amendments have to do with the text, policy actions and the appendix. There's also a table to summarize where each policy fits throughout the Plan. Staff response memos to questions raised are also in the packet. Attachment 5 includes issues and potential solutions about Ross Island.

Commissioner Hanson asked about Ross Island not being in the Central City.

- It is at the northern edge of the South Reach River Plan. We are looking at the impacts of actions in the Central City on Ross Island.

Commissioner Houck is pleased with how staff has responded to issues/concerns raised by PSC members and public testimony. Regarding Ross Island, it has been largely ignored, and I'm concerned that the increased focus how increased access to the river will have very direct and indirect impacts on the South Reach. We need to be able to address these issues for this important natural resource, and I don't think we have as of yet. The Holgate Channel in particular is a mess right now with camping some of which is by homeless but mostly people who have simply chosen to camp on public lands and environmentally sensitive areas. We need to have a management plan for the full island.

Chair Baugh asked about ownership around Ross Island and some of the actions. How do we work around non-participants since Ross Island isn't fully owned by the City?

- There isn't yet a policy, but we would encourage the private property owners to participate.

Parking

Staff has provided more background for the Commissioners, information about the unique constraints and context about phasing out of legal uses of current parking lots.

In testimony we received, people on both sides found that the proposed plan policies work and that we don't need to do anything more with it right now.

Commissioner Smith asked what difference is in the new policies to trigger some action around surface lots.

- Attachment 1 includes actions that PDC, PBOT and BPS will work on together. One of the big changes is recognition that to allow lots to develop without negative impacts on current users, and we do need a shared district parking resource for OT/CT.
- The Citywide Parking Strategy is looking at specific areas in the Central City. We need to find new tools (e.g. district parking) that we'll then be able to explore. We are reviewing to clarify and make more flexibility to parking zoning code/rules.
- The Citywide Parking Strategy group is going already. The overall timeline will line up with the CC2035 Plan. Staff will come to the PSC with interim reports over the next year about the parking strategy and process.

Chair Baugh asked about RC2: are existing parking lots excluded?

- In general, new lots in buildings can only be used by residents in the building. Old, undedicated surface parking lots can be used universally, depending on the owner of the lots.

Parks / Green Loop / Bikes

Clarification were provided by staff including the bicycle connection idea to Broadway Bridge.

Commissioner Smith is supportive of the physical separation as a key definer of the loop. The idea of the hierarchy of streets and differentiating uses is positive. When do we start to define some of the parameters?

- We'd like to have this included in the final CC2035 Plan. It needs its own path forward, more specific maps, alignment, and discussion about how we build a campaign to create it with partnerships.

Recap and next steps

At the December 9 work session, it is the PSC's time to deliberate about specific changes and make a recommendation. We'll set the agenda based on what we've heard:

- Bridgehead heights discussion.
- OT/CT considerations about bonuses and transfers.
- Information about housing issues to be provided by staff prior to the work session.

PSC members should continue to share their thoughts and input with staff in preparation for the December 9 meeting.

The full CC2035 Plan, with proposed code provisions, will likely come together by late 2015.

Thank you to staff for the work so far and for incorporating staff's and the public's questions and ideas. Responses given today have helped to frame with the PSC needs to especially review in making a recommendation.

Adjourn

Chair Baugh adjourned the meeting 7:19 p.m.

Submitted by Julie Ocken