Portland Planning and Sustainability Commission Tuesday, January 27, 2015 3:00 p.m. Meeting Minutes

Commissioners Present: Andre' Baugh, Karen Gray (arrived 6:25 p.m.), Don Hanson, Mike Houck (by Skype), Gary Oxman, Michelle Rudd, Katherine Schultz, Howard Shapiro, Chris Smith, Teresa St Martin, Maggie Tallmadge

Commissioners Absent:

BPS Staff: Joe Zehnder, Eric Engstrom, Deborah Stein, Michelle Kunec-North, Bill Cunningham, Barry Manning, Marty Stockton, Julie Ocken

Chair Baugh called the meeting to order at 3:01 p.m. and gave an overview of the agenda.

Items of Interest from Commissioners

- *Commissioner Smith* noted he reached out to a number of Climate Action groups regarding the Terminal 6 rezoning project. He will let PSC members know if there are meetings set up with these groups if others would like to attend.
- Chair Baugh noted that Commissioner Houck is calling in via Skype for today's meeting.

Director's Report

- The SW Corridor Transit project is going before Council tomorrow morning.
- The CC2035 West Quadrant Plan is at Council on February 4 at 2 p.m. Time Certain. *Chair Baugh* and *Commissioner Schultz* will attend on behalf of the PSC.

Consent Agenda

• Consideration of Minutes from 1/13/15 PSC meeting

Chair Baugh asked for any comments for the consent agenda.

Commissioner Shapiro moved to approve the Consent Agenda. *Commissioner St Martin* seconded.

The Consent Agenda was approved with an aye vote. (Y10 — Baugh, Hanson, Houck, Oxman, Rudd, Schultz, Shapiro, Smith, St Martin, Tallmadge)

Comprehensive Plan Update

Work Session: Eric Engstrom

Documents:

- <u>Staff Report Using the Plan in Decision Making</u>
- <u>Staff Report Centers and Corridors</u>
- Staff Report Non-conforming Uses and Split-zoning
- <u>Staff Report Miscellaneous Consent List #1</u>
- Errata Memo #2
- List of topics pulled from consent by PSC members

Presentations:

- Introduction; Centers and Corridors
- <u>Mixed-Use Zones project update</u>
- Using the Plan and Balancing Decisions
- Non-conforming Uses and Split-zoning

Eric introduced the work session topics and flow for the PSC's discussion. He provided a reminder of the project timeline. Today is one of several work sessions for the Comp Plan. The next session is on February 10 at 12:30 p.m. with sessions continuing through March.

Each staff report has consent lists within it. Today's deliberations will result in tentative direction, based on what we know today. Staff reports dated January 14 are in response to testimony received before January 6, so there are other letters and comments we've received that will be reviewed as well.

The PSC is not endorsing specific strike-through and underline verbiage today. The next draft will include this and will be available the first week of April.

We have had about 2800+ comments about the draft plan so far. Written testimony for the Comp Plan is still open and will be open through March 13, 2015 at 5 p.m.

Using the Plan in Decision Making

Michelle walked through the six primary recommendations in the staff report about how the plan is used in decision-making. The report relates to items that track through the whole plan and pertain to the full plan. Today's recommendations are specific mostly to chapters 1 and 10 based on proposals developed by a multi-bureau staff workgroup (BPD, BDS, City Attorney). There are sections that aren't covered in today's chapter 1 and 10 discussion, including neighborhood plans. That will be discussed at a later work session.

(A) Scope of the Plan

Staff proposes that legislative (city-wide, broad) and quasi-judicial (individual property owners) amendments apply to elements of the Comprehensive Plan, supporting documents and certain implementation tools. The Zoning Map has a qualification to clarify that if the amendments conform to the Comp Plan Map, they "by default" conform. Regarding development agreements, those under ORS 94 are included.

Commissioner Hanson asked about amendments.

- Legislative amendments will continue to come through the PSC; quasi-judicial will go through the Hearings Officer.
- District Plans: we are trying to do refinements to area plans, and we'll try to focus on what you amend into the Comp Plan; but parts may be amendments to the Zoning, which are legislative.

PSC members approved the staff proposal for this work.

(B) Compliance with the Comp Plan

This is about defining a standard for compliance in the plan. Staff proposes that amendments must be evaluated against the Comprehensive Plan's Guiding Principles and applicable goals and policies and on balance be equally or more supportive of the Comprehensive Plan as a whole than the existing language or designation.

We had used the verb "comply" in others ways in the plan, so to avoid confusion, we are proposing "consistent" for other areas of the plan versus "comply" in this definition.

Commissioner Rudd asked about the definition of "comply" that includes the phrase "on

balance". What does "on balance" mean? The Court of Appeals' has said that if one policy leads you to a no answer (veto) words, that policy overrides the others regardless of the number of supportive policies.

(D) Verbs

The intent of the "on balance standard" is that we have multiple policies that say different things. This is meant to be guidance for when the full optimal decision that incorporates all applicable policies can't be made. We weigh components of the proposals and make a recommendation based on balance and weight of all those factors. We also intend to use and define a consistent set of verbs throughout the plan. Some are actions the City has significant control over, so we can use stronger verbs. We didn't intend to create a hierarchy of verbs, but sometimes it feels like there is one.

Staff proposes: Describe how verbs are intended to be used in the "About the Plan" section and define them in the Glossary. In decision-making, it's tied back to the "on balance" factors, based on the situation at hand.

Commissioner Rudd noted the comment that the intent wasn't to create a hierarchy. "Prevent" and "prohibit" versus "strive to" are different levels in the definitions. We need to be very clear within the Plan itself that none of the words are veto words. If there is a guidance document we can rely on for legislative decision in the future it needs to be part of the plan to have weight. The word "prohibit" using the LCDC definition has been held to require de minimus impact, and they aren't allowed to do "balance" there... which isn't what we want.

Chair Baugh noted "on balance" is to look at policies and balance them in decision-making. The concern is that if I'm weighing, for example, two neighborhoods, "on balance" could put the advantage to the neighborhood that is already more complete.

- This "on balance" standard is intended to mean that the decision-maker reviews the applicable policies and, in different situations, the policies may be balanced in different ways.
- If you look at the policies that you're applying in doing the balancing, we do have a path of policy to allow us to prioritize one area of the city over another. We could bring forward these specific policies to show how in a given decision parts of the plan acknowledge the differences in areas of the city. And we do have the equity policies overlaying decisions.

Commissioner Houck said he has no concern about the term "on balance" as it conveys all policies in the Comp Plan are taken into account. But is concerned about the use of "encourage" in that while staff says that "encourage" may include ways of achieving a particular policy, in practice, I've experienced that people who don't understand that definition will literally use it to mean merely encourage an action or policy, and not include regulatory approaches.

• We should expand the definition that's in the Glossary to include City regulations reference.

Commissioner Shapiro noted that "on balance" is a squishy word.

• Commissioner Rudd is not comfortable about the words right now. We need to include a statement that no verbs, despite the language used, are veto words. We have to also look at the policies in a timeline frame and context. If we are prohibiting at the front end but have flexibility later, we may not get to that flexibility on the ground at the time of development.

Commissioner St Martin first understood and liked the definition of "on balance". But if "on balance" means equilibrium, that doesn't work if we are trying to, for example, bring up neighborhoods that are less complete.

Commissioner Oxman asked about the implementation and if there is anything that speaks to how staff will be educated about what "on balance" means. This is important even though staff doesn't make decisions.

Chair Baugh is interested in what the intent is. Balance does not mean equal, and I'm concerned about the intent.

• This is clear in the Comp Plan. Staff can bring some examples forward to the PSC. The one that is puzzling is the concern about averaging versus seeing the balance.

If we can describe balance not as "to average", that is what's important. The intent of "on balance" is well described in the staff report, page 4, under the definition of "comply". The URA discussion that the PSC recently had is a good example of how the PSC can make these recommendations balanced.

Commissioner Houck noted that goals and policies need to be stated as strongly as possible so we know where we want to go.

Commissioner Rudd was not comfortable with any veto words in the plan.

Recap: There is comfort with the proposal with the inclusion of thinking about how we institutionalize into staff practices. And how the "on balance" statement is applied to the use of verbs. Be clear there is not a statement that trumps any other (unless we want to signify that very clearly).

• *Commissioner Hanson* noted this is very important since the PSC may not be the decision-maker.

Commissioner Smith reiterated: on balance standard creates an envelope instead of being a mandate to find a center point.

(C) Guiding Principles

In the Plan, we added the Guiding Principles that indicate key priorities from the Portland Plan and Climate Action Plan and recognize the big-picture intentions of the plans that are carried forward over time. But we had some comments that reflected concern over how the Guiding Principles would be applied.

Staff proposes:

- Clarify that Guiding Principles are applied to legislative amendments to Plan elements, supporting documents, and implementation tools.
- Clarify that Principles are considered on balance.
- Create and maintain a separate guidance document to provide "instructions" for staff that would be shared with the public.

Commissioner Houck: what is the reason to not adopt this with the Comp Plan?

- Practices are rapidly improving, and we thought it would be better to have a more flexible document that we update as we gain more knowledge and practices improve.
- This will be a guidance document that matches with the principles. We are recommending that it be adopted outside the Comp Plan and memorialized in another way.

Commissioner Rudd noted the Guiding Principles are "encourage" words. The document could include examples of how you could promote some of these examples, not exclusive ways of how to achieve principles. Given that the guidance document would just relate to "encourage" policies, *Commissioner Rudd* was ok with that document not being incorporated into the Plan.

Joe gave an example of the City budget process and the requirement to put the add asks through an equity lens. The science of equity and health assessments is evolving. Guiding Principles are all about bringing the Portland Plan into the Comp Plan.

Commissioner Tallmadge: In terms of environmental justice, would you take these recurring ideas out of the Comp Plan and put them into the manual?

• EJ policy right now is buried. Rather than bury it at end of chapter 10, we propose to move it into the equity guiding principle and move principles in chapter 10 into a policy of their own.

Commissioner Oxman likes the statement in C3, implementation guidance, in terms of what we're trying to accomplish. Why would we want quasi-judicial decisions to be exempt? Can there be a process where the PSC can review the implementation guidance for consistency? [yes]

- A quasi-judicial request for Comp Plan Map Amendment would have to make findings against the applicable goals and policies but not against the Guiding Principles. This is because the Guiding Principles are expressed throughout the goals and policies; it's also a practicality issue as an ask from a quasi-judicial applicant.
- If the legislation and goals and policies are done well, that already includes the Guiding Principles, so the applicant would by default meet the Guiding Principles.

Staff is proposing to leave the Guiding Principles in the plan to apply to legislative processes.

Commissioner Houck agrees that the state planning process tends to create boxes instead of being multi-objective. I'm fine with the process staff has described but I would like the guidance document elevated so it has some legs and importance. I strongly support memorializing and elevating it in some way.

The PSC asked to modify the staff recommendation with today's comments to determine how to elevate the Guiding Principles and have them reviewed by PSC. Upon adoption of the Comp Plan, we will create the book of practices to implement and will be reviewed by PSC.

(E) Organizing the Plan (Chapters 1 and 10)

These recommendations have come about because of the iterative process of creating the Comp Plan.

Staff recommends to reorganize Chapters 1 and 10 to improve clarity and readability.

- Chapter 1: The Plan, its implementation and administration.
- Chapter 10: Comprehensive Plan Map's land use designations and application of zoning.

In doing this, we will make a new specific policy around environmental justice.

PSC members confirmed this direction.

(F) Metrics and Targets

The Portland Plan 12 Measures of Success and the Growth Scenario Report include a variety of measures related to land use choices.

Staff proposes to add more information to the Plan describing specific numerical targets or goals. This would include a metrics page in the About the Plan section.

Commissioner Houck commented on greenhouse gas emissions and vehicle miles travels metrics. We have an adopted Climate Preparation Strategy and a soon-to-be updated Climate Action Plan. There are other issues related to climate change that also need metrics. What does the existing Comp Plan include regarding metrics that might be appropriate to bring into the new plan?

- There are metrics embedded in policy statements in the current plan. They have mostly been changed and integrated in the update.
- Use of metrics in the current Comp Plan is spotty. We want to get more systematic about it.

Commissioner Smith noted that if we have a metrics document, it needs to be a living document. Like in the Portland Plan process, the best way to do this is to tie into the Portland Pulse work.

• Commissioner Houck noted that the Portland Pulse recently removed all the environmental indicators. We spent two years developing those metrics and they have simply been taken out of the Portland Pulse process. So I would not rely on this; we need to look at every opportunity including the Comp Plan to include more metrics around resiliency, green infrastructure, etc. Are there metrics in the current Comp Plan that can be carried forward in the updated plan? I'd like to see whether that is the case.

The metrics we're suggesting are based on the Portland Plan measures. On the issue of climate and resiliency, we can look if we need to add indicators. City Council reviews the Measures based on the budget process, but they don't fully review them annually because they don't necessarily move/change every year. A Portland Plan progress report will get more into the details.

Commissioner Oxman asked about how adding metrics improves accountability. What leadership will embrace this and make sure measures are achieved?

• Full ownership of the metrics is with the PSC and our work on the Comp Plan.

Commissioner Houck: The Climate Preparation Strategy came after the Portland Plan was adopted, so this is an area we should review.

Commissioner Schultz: I generally support metrics. But in the list of goals and policies, are you stating those in chapters 1 and 10 are the only goals in policies in the plan? This seems like a very short list.

• The intent initially was to not include metrics or targets but to include them where there is a specific application to the policy. What will be in the Plan is the next iteration of what's in the staff report.

Chair Baugh noted the issue of accountability versus just having a matrix available. We have the opportunity to be accountable and take a look at the measures on a regular schedule.

Joe suggested that staff will flesh out the set of metrics to see if it makes sense for the PSC to track progress of the Comp Plan. In doing this, will look at how we might keep the information in front of the PSC on a regular basis. We will include a review of the Climate Adaptation Plan to include components as applicable.

Commissioner Tallmadge: Metrics are numerical, but what about goals and targets that are less quantifiable?

Commissioner Rudd asked about how the metrics will be used. Could an applicant use them to show that their project/proposal moves the metrics forward/on balance furthers the Comp Plan? [yes]

Seeing the next iteration will be helpful for PSC members.

Commissioner Oxman asked about the environmental justice item on the consent list. Staff will

remove this item (#5) to discuss at a later work session.

PSC members confirmed the staff direction.

Centers and Corridors

(A) Urban Design Framework

- Is the proposal to allocate residential growth 30 percent to Central City, 50 percent to Centers and Corridors, 20 percent Residential neighborhoods the right approach?
- Are the correct Centers and Corridors identified on the diagram (figures 3-2 and 3-3)?

Eric illustrated some of the high-level changes in the proposed diagram.

Commissioner Oxman asked about the recommendation for the Central City growth scenario proposal.

• This scenario does better on things like transportation and carbon emissions than the other models do. There is a limit to how much we can affect behavior, which is just a few percentage points different for the 25 year time period. For growth to make a big difference in the performance measures, we have to grow more.

Commissioner Tallmadge asked about metrics of affordability.

• We looked at affordability to different types of households. They all squeezed to the bottom end of the spectrum, and land use by itself cannot solve the affordability concerns. This will be discussed in the upcoming affordability work session more fully.

Commissioner Shapiro noted that the Central City may be growing faster than projections.

- The growth projection is a continuation of last 20 years of Central City growth and upping it a little bit. This is a success of the last plan to grow in the Central City. We're also seeing more growth in the corridors than in the last plan.
- The goal is to get 30,000 more households in the Central City over the next 20 years.

Commissioner Hanson supports the percentage mixes. They support housing diversity and place the density where our infrastructure is best.

Commissioner Smith is generally supportive of this strategy. Is the 20 percent dispersed development too much? Do we have enough centers, or are there opportunities to create more to bring more people into the 20-minute radius.

- Regarding household types we project in the future, we've shifted lots toward multifamily, but we do still have a need for single-family development, especially at the affordable end. The 20 percent includes ADUs. We would caution to go too far against the 20 percent recommendation.
- The Portland Plan goals was to have 80 percent of Portland in a complete community. There are some geographies where it isn't cost-effective to build at a higher density. The updated scenarios report will provide more details.

Commissioner Rudd asked about student housing. Is this part of the 30 percent?

• Staff will get back about this.

Chair Baugh is in favor of the proposal, but it ties into the housing strategy being critical. Downtown housing policy will be a big fight. And when I look at transit, the TSP needs to support a transit-rich environment.

• The whole inner area/Central City also has variable transit and service options.

Commissioner Rudd: Do K-12 existing resources support the split?

• As a district, Portland Public can handle the scenario, though some schools may have a

threshold issue. David Douglas will be at a future work session to discuss their concerns.

Commissioner Smith noted Linnton, as it is an interesting case: they have tried to develop a community plan, they want to be more complete, and we aren't giving them an avenue to get there.

- Staff recommend against the size and growth Linnton has requested because there are significant environmental and topographical constraints. There is infill potential, but the opportunity for significant growth is small. We need to work within the limitations of the size it is today.
- Support making Linnton a more livable center, but we don't want to designate it as a full center. Safety on Highway 30 is something we will want to work on.
- They will continue to be eligible for programs around local planning initiatives. They a not currently a PDC area, but that doesn't rule them out from receiving resources.

Eric noted the testimony about Multnomah Village. It is currently a Metro Main Street (regional) designation. The City has never directly implemented the Metro designations until now. The proposed Neighborhood Center is basically a translation of the Metro designation. We don't want to take this designation because it could imply Multnomah aspires to be smaller than it is today, but we think of the designation as a village. It doesn't imply up-zoning necessarily.

Commissioner Smith noted the testimony was that they wanted to be designated a Corridor versus a Center.

- At the map level, this affects the type of zoning that would be put there. Services that go in hand with centers wouldn't necessarily be developed. A corridor would get the lowest density mixed-use zone, which is smaller in scale than Multnomah is currently.
- Up-zoning around centers is not required or necessarily expected.
- This is an area of focused community development and places people go to meet their service needs.

Commissioner Tallmadge asked about high capacity transit and "significant growth capacity": is this a projection?

- Connections that are region-wide that Metro has a plan for.
- Neighborhood Center and Town Center policy benchmarks are around 3500 households surrounding for Neighborhood Center, 7000 for a Town Center.

The Inner Southeast corridors have also received many comments, especially from Richmond, Sunnyside, Buckman and Kerns neighborhoods. There has been a range of ideas within each neighborhood about the size of the center they'd like to be. Opposition from Richmond, some positive testimony from Sunnyside initially and concern from Buckman about growth issues in general.

In this report, we have defined the Inner Ring more clearly and are suggesting a new Neighborhood Center in Kerns (Burnside and 28th). In looking at the 20-minute neighborhood map, Inner Southeast has good access district-wide. This is a good place for continued growth.

Commissioner Schultz noted Macadam. Do they not want to be a Center?

• We have left a Neighborhood Center in the John's Landing area. We did get testimony against that, but the TSP has a potential streetcar in this corridor, so we don't want to take that designation away.

Chair Baugh noted the dot at Hayden Island.

• This is to acknowledge that Metro still has the Columbia River Crossing on the regional plan, with a light rail station at Jantzen Beach with the train going to Vancouver. So we need to leave it as is until we discuss. It's tied to light rail and to the fact there needs

to be a second way off/on the island. There is a concern about growth and access from the community.

- Lots of people who opposed the CRC do still support the transportation updates.
- We could develop policy to attach a nuance to a particular location.

Commissioner Hanson asked if it makes sense to have a dot on Hayden Island if transportation doesn't go to Vancouver. We will talk about this with the TSP discussion.

(B) Comp Plan Map

• Does the Proposed Comprehensive Plan Map appropriately implement the intent of the growth strategy described in the UDF?

Eric provided background and orientation to the Zoning Map. The Comp Plan Map designates place type, not the nitty-gritty specifics of the zoning.

The Inner Ring concept affected designations. The inner-most locations have an Urban Center designation to acknowledge the form of the city being different in these locations.

Gateway and Central City have RX and CX designations. We did not change those designations in the proposal.

There are some places where we have a Neighborhood Center on a Civic Corridor. We were trying to reconcile the scale. Where a Center is on a Corridor, we gave it the Civic Corridor Comp Plan designation.

We also made some manual adjustments. In a few places, like Delta Park (currently commercial; would have moved to mixed-use), we made a recommendation to change it to Mixed Employment instead of Mixed Use due to its auto-oriented type.

Occasionally on a corridor, like in the Dekum Triangle in Woodlawn, we have changed the designation that notes it is a neighborhood place that is just adjacent to the corridor.

Eric walked through examples of specific recommendations/changes that are emblematic of proposed changes.

- Upper Belmont: where is the cut-off from mixed-use? Change to Neighborhood Center.
- Refinement to boundaries of Lents Town Center: Designation is on a large swath and includes part of Woodstock. Recommend adding the Urban Center to 92nd and to remove Woodstock portion to keep focus on the center aspect.
- 82nd at Bybee: specific site used by a number of small business. Propose to change to mixed-use to maintain commercial uses there.
- Inner Powell: propose to change Urban Center to Civic Corridor. Discuss with TSP.
- Macadam: propose changing from Civic Corridor Urban Center along northern portions of this corridor. Discuss with TSP.
- NE Cully and NE Killingsworth: Adjust Mixed Use Neighborhood boundary to include Sugar Shack site and to encourage more active use on Killingsworth. This is in response to the Verde testimony. We will continue discussion on this site.
- OHSU designation: change to Campus Institutional designation but retain the current EX zoning.
- NE 21st and NE Multnomah: propose no change; keep Urban Center designation.
- SE 17th and SE Holgate: retain Mixed Employment designation to keep compatibility. Noise and disruption are large influences to this recommendation. TriMet would like to change to activate the station platform. This will be reviewed at the next work session as part of the employment discussion.

(C) Investment Strategy

Does the PSC support the investment approach described on page I-29 in the Plan?

Staff proposes to start with majority of investments to neighborhoods that need enhancements to accommodate growth. These neighborhoods include Rosewood, Jade District, Gateway, Lents and Midway.

Commissioner Smith asked about Macadam and West Portland dot/quadrant locations.

• The diagram is based on information from before. As we have developed the plan, it's possible that both of these locations would move farther into the top right quadrant.

Chair Baugh asked about how this chart and the policies tie to the evaluation matrix. We need to be able to evaluate what we've done.

• Yes, the metrics can be made more explicitly tied back to this chart and growth.

Commissioner Rudd asked about investing and leveraging investments part of responding to opportunities in strategy 3. If leverage is part of this strategy, should be explicit in this statement.

Commissioner Shapiro asked about the four quadrants and if they match PDC's goals.

- PDC funding is just one component. We are also including transportation and other investment needs. Staff has been working with PDC staff on their neighborhood economic development strategy.
- *Commissioner Schultz* sat in on the PDC strategic planning session, and it is very well tied to the Comp Plan.

Chair Baugh noted the tie to the TSP with these proposals is important.

• This is the lens through which BPS has been reviewing the TSP. You should see the relationship between this diagram and the List of Projects.

Commissioner Oxman: What is the unifying process to make sure the plan gets played out as it should be?

• In the CSP and TSP is where we'll see these implemented.

Commissioner Houck: I realize we are discussing investment strategies in the context of centers and corridors. That said, there are many investments that have no relationship to equity in that they are intended to protect or improve the city's environmental health across the city. Some investments may need to be made from strictly an environmental standpoint, for example BES's watershed and stormwater programs.

(D) Relationship to Mixed Use Zoning

Barry gave an update about the Mixed Use Zoning project. The project will come before the PSC in July/August for public hearings. Looking at consolidating the current nine zones into 4-5 zones.

Bonuses for community benefits is a key component in this project work. Staff is exploring options to incorporate options for a zoning bonus provision. The question is if we start from the height limits we have now or start at a lower point.

Commissioner Schultz asked if this is potentially down-zoning.

• We are trying to not do this and are looking at the economics and FAR value.

Commissioner Rudd noted that Bellevue is doing this in their downtown area, so that might be somewhere to look at for ideas.

Commissioner Gray asked about the term "community benefit". What is your formula for determining benefits for a specific community?

• There would be a specific menu for these provisions: affordability, open space, commercial space are examples that are citywide. This isn't a locally-defined benefit.

Commissioner Tallmadge asked about the height provisions the PSC forwarded in the Central City West Quad Plan.

• We are looking at the economics of a bonus system in the Central City. This will tell us options staff will bring back to the PSC. We are optimistic that a bonus would work in the Central City at least.

Commissioner Houck likes how staff is working forward on this.

Chair Baugh noted that some communities are expressing concern about lack of control to development in their neighborhoods.

Commissioner Rudd asked if Chair Baugh was referring to design review.

There will be a hearing on all the Mixed-Use Zones project this summer.

Does the PSC have enough information about the Mixed Use Zoning Project to proceed with the policy and land use mapping recommendations contained in the Proposed Draft? [generally yes.]

- *Commissioner Shapiro* noted the PSC will want to take a better look at the bonus proposal.
- *Commissioner Schultz* is generally supportive and extremely supportive of the Mixed-Use project work.
- *Commissioner Hanson* is supportive. Bonuses could be off-site in addition to on-site. We can fill in gaps in sidewalks; safety around the site. These may have more benefits than on-site items.
- *Commissioners Smith* asked about the neighborhoods who wanted more time to see the Mixed Use Zone proposals.
 - We know there will be more requests for more time, but we need policy before the code, so we're moving forward.
- *Chair Baugh* is supportive but is concerned about timing. This is key to the Comp Plan and what the neighborhoods will look like.

At the final Comp Plan deliberation, we will have a concept plan for these mixed-use items.

(E) Commercial Gentrification and Displacement: How are we addressing this concern? Are we on-track?

• These items will go on a future work plan agenda, likely March 24.

The policy items that are flagged at the end of this staff report: if there is a need to discuss any of these items, please let staff know via email.

• Items 1-14 and 1-15 are questions for Chair Baugh.

Non-conforming Uses and Split-zoning

- Non-conforming uses*: situations in which a current use (say, retail or office) occurs on a site that is designated or zoned for another purpose (say, residential use).
- **Split zones:** situations in which there is one lot divided by two different Comprehensive Plan designations and zones.

Deborah walked through how we are addressing commercial situations in these two categories in the Comp Plan. There are also residential issues that will be discussed at the March 10 work

session.

There are avenues for property owners to address these issues one-off, but a quasi-judicial review is quite expensive. Alternatively, non-conforming review can allow for the use to continue. This is onerous for a property owner to do on his/her own.

Through the Comprehensive Plan update, we have an opportunity to review individual nonconforming uses and determine whether these properties should be re-designated and rezoned so that the current commercial use (retail, restaurant, office, etc.) is allowed by the zone long-term. Similarly, we have an opportunity to adjust Comprehensive Plan designations to rectify split zone situations that may be inhibiting efficient redevelopment otherwise supported by policy.

We are addressing the situations we're aware of, but we know there are other situations we are not aware of. We are thinking about creating an ongoing process as a "catch-up" for cleaning up these situations so the property owners are not as burdened to request changes.

• *Commissioner Rudd* likes the idea of a system to come back to do these catch-up type processes.

Zoning map changes will come before the PSC as part of the Comp Plan Implementation work this summer. The decision about map changes comes in this project. The default is that the Comp Plan and Zoning Map designations are the same.

Non-conforming examples:

- *Commissioner Oxman* noted he was pleased to see most requests from testimony have been accommodated.
- It can be very difficult for a property owner with a non-conforming use to get a loan. Many non-conforming uses are done through building permits, and it's not easy to query these.
- The concept of a non-conforming use is that we want eventually to change the designation to fill isolated holes. We are looking at getting rid of non-conforming uses or update the zoning.

#1-3 / Buckman at 14th and Stark.

- The blue building is like a little warehouse/garage, so there is a question about why we'd change the designation for this property. We can keep the blue property R1. We didn't catch this because the documentation of the building has been through building permits.
- R1 is preferred by testimony from Buckman.
- *Commissioner Smith* asked about the non-conforming use for this property. The policy choice is about the neighborhood not wanting more intensity in the area.
- *Commissioner Rudd* noted that the existing zoning allows increased intensity at the site as of rite.
- We will continue the discussion on this property at a following work session.

#1-28 / Rose City Park: NE 53rd and Halsey.

- This is R5, and you could develop residential on the corner, so there is potential there even though it is operating as commercial. We should look to if this is a good location for commercial to help serve the neighborhood.
- Commissioner St Martin noted this site is a good use of the site and frequented by the neighbors.
- There are these types of places that are scattered, and if they stay occupied they can stay in those uses, but we are trying to simplify the use for the owners.
- This highlights the one-off type situations, and *Chair Baugh* is concerned about this. *Commissioner Shapiro* noted one-offs are not necessarily a bad idea.

- Commissioner Smith noted this contributes to the 20-minute strategy that we are trying to improve. Commissioner Houck agrees.
- The PSC is good with the staff policy recommendation, but they should keep this in mind when we return to the Centers and Corridors conversation.

#1-29 / SE Harold, just east of Lents.

- Currently retail, so any retail use can go in to the location. There can be some reconfiguration or expansion on-site if they can meet criteria (e.g. it won't create other impacts in terms of coming and going). These are compatibility standards.
- Recommendation is to leave this R5. PSC confirms.

Split-Zones examples:

#2-1 / Sellwood QFC on SE Milwaukie. The parking lot backs to single-family homes. Testifiers don't want this parking lot change to change. Applying a single Comprehensive Plan designation to cover the full site is desirable from a long-term perspective, to enable more efficient redevelopment in the future. Retaining the R5 zoning on the parking lot would not rectify the split-zone situation; however, this approach would enable current limits on hours of operation and outdoor storage to remain in place.

- Commissioner Hanson confirmed this is a good concept.
- PSC confirmed the staff recommendation.

#2-2 / 3500 block of SE Division to rectify split-zoning. We didn't hear testimony from neighborhoods about any concerns about the parking lot.

• PSC confirmed this recommendation.

#3-1 / Portland Nursery at SE 50th and SE Stark. Staff recommends retaining the current proposal, which applies MU-Dispersed to the northern portion of the site that fronts on Stark, where the current retail operation is located. The proposal expands the existing commercial zoning here, but doesn't encompass the full site. This change would partially but not completely address the non-conforming status of the nursery because the property owners' plans for expansion and site reconfiguration may be limited. Staff also recommends exploring options to allow nurseries in residential zones as a conditional use.

- Commissioner St Martin about how many nurseries there are in the city. 6-8 including some noted in the report. Some are slightly different situations (e.g. Tony's Nursery).
- *Commissioners Schultz* noted the conditional use concept makes lots of use to support a neighborhood in a low intensity way. Changing to commercial does make me a little concerned.
- *Commissioner Hanson* likes the staff recommendation for the northern portion of the property as commercial.
- *Commissioner Shapiro* commented that generally inner city agriculture is good. This recommendation is a good compromise.
- PSC confirms staff recommendation of the zoning change.

Staff can come back to discuss examples of where the staff recommendation doesn't match with the request from owners or community members.

Commissioner Schultz noted this ties back to the Mixed-Use Zones Project. We haven't talked about split blocks, and I'm still struggling with that. My challenge to staff is to give us pros and cons to why we should or shouldn't do this... not just "we've always done this". The transition issues are something the Mixed-Use Zones Project should address.

• Other commissioners had this question as well.

Commissioner Rudd asked about further discussion about non-conforming uses being allowed for more than 3 years, and if additional review should be based on ownership change.

Errata Memo #2

• PSC members confirmed they are good with these edits.

Consent List #1

These are miscellaneous recommendations that staff have that don't necessarily fit into the topics at each meeting. Today's list refers mostly to Chapter 8.

There is an active discussion around open source data and broadband that is being teed up for a future consent list. Staff will work on proposed text for items that commissioners don't have further discussion requests about. *Commissioner Smith* would like to review these concepts before they are shared.

This is another call for items for staff to have prepared for the March 24 "catch-up" agenda.

Commissioner Baugh asked about definitions of products and how we categorize them (item #3).

Commissioner Tallmadge asked about #6 and if it's about construction materials.

Commissioner Houck: What about retention of existing structures?

• There is a policy relating to this.

Commissioner Houck had pulled items #21-22. Not all trails are transportation facilities.

- The intent of creating a trails section outside of the Parks & Recreation section is to have a more complete policy section relating to trails.
- We are adding that some are transportation, but this is not exclusive.
- *Commissioner Houck* is fine with this confirmation from staff so long as it's explicitly understood that some elements of the trail system have nothing to do with transportation.

Commissioner Shapiro asked about #40, Policy 8.74, which directs PP&R to look at acquiring surplus property.

• We have been advised to keep this out of the Comp Plan but will pull out for discussion.

Commissioner Rudd asked to pull #20 as well for future discussion.

Joe thanked the PSC members for their work. The way we structured today's work session is how we'll provide information and discussion for the future work session. If you have feedback to help the PSC members be efficient in the process, please let us know.

Deborah reminded PSC members about the pre-work session discussions led by staff that PSC members should find useful. We are happy to answer questions off-line to help members better understand the concepts. The pre-work session in preparation for the February 10 PSC meeting will be next Wednesday, February 4 at 3:30 p.m. Please let Julie know if you plan to attend.

Chair Baugh thanked staff for their work.

The next batch of information, in preparation for the February 10 work session, will be emailed to PSC members tomorrow. All PSC members will also receive hard copies of the documents at the end of this week.

Adjourn

Chair Baugh adjourned the meeting 8:26 p.m.

Submitted by Julie Ocken