

Portland Planning and Sustainability Commission

Tuesday, February 10, 2015

12:30 p.m.

Meeting Minutes

Commissioners Present: Andre' Baugh, Karen Gray (arrived 12:45 p.m.), Don Hanson, Mike Houck, Gary Oxman, Michelle Rudd, Katherine Schultz, Howard Shapiro, Chris Smith, Teresa St Martin, Maggie Tallmadge

BPS Staff Presenters: Susan Anderson, Eric Engstrom, Tom Armstrong, Roberta Jortner, Steve Kountz

Chair Baugh called the meeting to order at 12:34 p.m. and gave an overview of the agenda.

Items of Interest from Commissioners

- *Commissioner Houck* noted the 13th Annual Urban Ecology and Conservation Symposium yesterday at PSU. Bureau of Environmental Services staff gave presentations, including one about Riverview Natural Area restoration, which was purely an ecological objective. The Bureau of Environmental Services' tree planting program, on the other hand, is focused on addressing focuses on under-served and under-canopied communities and addresses both ecological and equity. I would like to have updates at the PSC when we have more time in our schedule.
- *Commissioner Oxman* and neighbors have been putting together a Climate Forum for the neighborhood that will include neighborhood-specific interventions and adaptations in preparation for climate changes.

Director's Report

- We took the West Quad Plan to Council last week. The hearing will continue, with comments due by this Friday, 2/13. It will be back at Council on 2/25 for more discussion, amendments from Council members. Council and staff are appreciative of the PSC's work.

Consent Agenda

- Consideration of Minutes from 1/27/15 PSC meeting

Chair Baugh asked for any comments for the consent agenda.

Commissioner Houck moved to approve the Consent Agenda. *Commissioner Shapiro* 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, Tom Armstrong, Steve Kountz, Roberta Jortner

Documents:

- [Annotated Agenda](#)
- [Testimony Memo](#)

- [Economic Development Report](#)
- [EOA Briefing Document](#)
- [EOA Section 1](#)
- [EOA Sections 2-3](#)
- [EOA Section 4](#)
- [EOA Appendix C](#)
- [Comp Plan Chapter 7 Memo](#)
- [Updated Annotated Agenda](#)
- [Items Pulled from Consent List by PSC Members](#)
- [Supplemental Memo dated February 10: Industrial Land Capacity Proposals](#)

Presentation: <http://efiles.portlandoregon.gov/Record/7213683/File/Document>

Chair Baugh and Eric provided an overview of the flow for today's work session.

This is the second "marathon" work session for the PSC – thank you for the Commissioners for your continued work.

February 24 is a work session (Community Involvement and David Douglas School District) and a hearing on the Transportation System Plan (TSP). Staff will send documents for this meeting to Commissioners tomorrow.

Eric introduced other BPS staff, Tom, Steve and Roberta, who are presenting today's work session materials. He provided an overview of the [documents](#) Commissioners received and have before them for today's session. The Economic Opportunities Analysis (EOA) is a draft, which will be updated prior to the EOA hearing at the PSC in April.

Staff met with *Commissioner Houck* earlier today to discuss some of his questions and clarifications. *Commissioner Smith* confirmed that the transportation policies in the chapters relating to today's work session will instead be included in the TSP hearing.

Today's recommendations, as at the first work session, are tentative in direction to staff. The PSC will continue to receive written testimony through March 13, so there may be edits to the current recommendations before any final recommendation to Council.

Economic Opportunities Analysis and Buildable Lands Inventory

Tom gave an overview of the EOA, which is a foundation document, and is part of Task 2 of Periodic Review. A previous version was adopted but challenged in 2012, so we voluntarily withdrew it for revisions. Today's document is the next draft with changes that reflect a revised jobs forecast from Metro and some updated Buildable Lands Inventory (BLI) information. What's new is Section 4, the reconciliation and analysis of the policies, investments and map changes in the Proposed Comp Plan and what this means for our employment land base versus forecasted demand.

This is the third version of the EOA, and we'll probably have 3 more: a March version based on what we hear today and updates to the BLI based on the CPS and TSP. Then based on the PSC's final recommendation, staff will update the analysis prior to Council, and then Council may have final edits before they adopt the report.

The results of the employment forecast and resulting demand for development land are reported by ten employment land geographies, which are subareas of the city that represent types of business districts. The employment geographies allow development assumptions to vary across the city and provide more detail in describing job growth trends and forecasts together with associated building and anticipated land acreage needs.

We are looking at how we accommodate 142,000 new jobs by 2035. This is a 26 percent job capture rate, which is similar to Portland's historic capture rate compared to the rest of the region. The biggest growing job sector is our campus institutions, which include universities and hospitals covering more than 10 acres each.

We also look at the traded sector facilities that are land extensive but don't have high job densities: airports, rail yards and marine terminals. One of the key changes in this EOA is that we have lowered the marine terminal demand forecast to be at the low end of the forecast range.

We need about 3000 acres of employment land.

On the supply side, the BLI process is to identify vacant land and what land is likely to redevelop. After that base capacity, we apply a number of constraints based on the difficulty to develop the specific land areas (for example, physical, infrastructure and regulatory constraints).

Commissioner Houck noted the difficulty of creating land with the industrial sanctuary zoning and then adding the environmental overlay zone. What about mapping environmental zones up front and then have a conversation about if we could/should add industrial land here? We may think differently about how we do our inventories in the future.

- Yes, that is similar to the process that cities on the edge of the region do when looking at adding land.
- For Portland, we have a different challenge in dealing with a built-out city with an established development pattern.

Based on the supply and demand for employment land, we find:

- The Central City has a surplus of capacity, but the Central Eastside and Lower Albina districts have a shortfall of about 25 acres, especially for cheaper, Class B office space that account for about 50 percent of the employment growth. We expect the SE Quadrant Plan to propose the zone changes that will fill this gap.
- In the Industrial areas, overall there is about a 100 acre surplus, but there is a small 33 acre shortfall in the Harbor Access Lands that we need to be proactive to help meet.
- The Commercial areas have a surplus of capacity. Neighborhood commercial districts, town centers and Gateway.
- Institutions have strong demand but current master plans and zoning accounts for only 80 percent of the demand. We are working on a zoning code proposal that will provide the needed development capacity.

If property is zoned for industrial use, we can look on the demand side and limit the retail use (which is allowed in industrial areas in Portland). For Commercial Mixed-Use where we allow a 4-story building, we can look at where it would be located, and then assume use/density based on location. We also discounted commercial space in East Portland because we have not yet seen the market at that level. Staff has also proposed to shift some capacity in the maps before the PSC today. Commercial uses are inefficient in these areas, and there could be more intensity of land use.

The major change from the 2012 EOA is a slight lower employment land demand due to: a) the 2012 Metro forecast of 5,400 fewer jobs; and b) selecting lower marine cargo forecast to roughly match the available capacity in the Portland Harbor.

We think we have reasonable assumptions about development trends, and we are staying fairly conservative with these estimates. Unlike where we've been, we don't see this as a "set it and forget it" type of process for the EOA. Metro updates their forecasts every six years, and our proposed policies suggest the City can make adjustments to the assumptions to respond to

these updates. The City is engaged with Metro so that Portland, which has different objectives and commitments than other cities, advises Metro on how to do their numbers. We do make sure their assumptions and view for Portland is what the City also expects.

The next version of the EOA will be published in early March, with a public hearing at the PSC on April 14. The recommendation from the PSC will go to Council and then to DLCDC and LCDC for their acknowledgement.

Commissioner Oxman asked about the value added versus falling jobs situation.

- We'll continue this discussion as part of today's work session.

Staff can send the PSC members background about how accurate forecasts have been in the past. Our residential numbers back to the mid-90s is pretty much spot-on with forecasts.

Chapter 6: Economic Development

Issue A: Economic Equity

Tom reviewed the Economic Equity chart: the 2012 wage quartile comparison of Portland's employment based on area (slide 17). This asks us what we can do to boost the middle quartiles, especially for people without college degrees.

Regarding Policy 6.27, staff added subpolicies to limit negative impacts on middle/high-wage job growth and to recognize the middle-wage and disparity-reduction roles of industrial land. And a new proposed Policy 6.1 Diverse, Growing Community is suggested as an overall policy for the document as proposed by the Office of Equity and Human Rights.

Commissioner Oxman noted this is how we view this from a planning perspective – how we use the land to create industrial-wage jobs. But there is a cultural and education aspect as well.

Commissioner Smith asked about the wage level chart and overlaying it with job density per acre in each job type.

Commissioner Rudd: If we perform this mapping the mapping should also show the secondary and tertiary jobs that result from that industrial job.

- *Commissioner St Martin* shared her quick math on this equation. There is a big spread between the different land areas.
- *Commissioner Oxman* did further math, and looking at the ratio of how much area it takes to create a job. Industrial jobs require about 16x as much as a Central City job.
- But what is bringing income to the region? This is what the industrial lands offer, so it's not just one job in one location; there is a huge multiplier affect with traded sector jobs.

Chair Baugh asked about the Neighborhood Commercial designation, where there are many low-wage jobs. With growth in the corridors, how do we change the dynamic about who gets the higher wages in the developing corridors?

- It is a mix in the corridor, and you balance it with the opportunity for small business ownership and wealth creation for small business owners.
- If we were a suburban community, we would have a mall instead of the corridor category. It would be interesting to compare small business ownership versus franchises and chains.

PSC members confirmed the recommendation for a new Policy 6.1 and proposed edits to Policy 6.27.

Issue B: Industrial land and watershed health policies

The work Watershed Health and Environment and Economic PEGs developed five main strategies on the industrial land and watershed health strategy:

- Retain and protect prime industrial land
- intensify and reinvest
- develop brownfields
- map changes
- manage capacity

Commissioner Rudd asked about the University of Portland's request to rezone the part of their property on the Willamette River.

- We are proposing to change this to Campus Institution with Mixed-Employment zoning instead of Industrial as it is currently.

When we look at the proposed changes and how they play out in terms of generating capacity, we get a huge lift from more aggressive brownfield redevelopment and industrial land intensification. Details are in the supplemental memo provided to PSC members today.

Policy 6.17 Regulatory Climate is a proposed policy that garnered lots of comment and discussion, especially around subsections a and e.

- *Commissioner Rudd* is supportive of subsection b, but would like to keep the "avoid" statement. She wants a check for new policies to verify that additional review by the City adds value, given the resulting delay in project development, jobs online and drain on staff resources.
- *Commissioner Houck* noted that in the past, it was argued that the City shouldn't have jurisdiction over some areas (e.g. things that the Federal and State governments regulate), but the City should retain its authority since we often have higher standards.

PSC members confirmed this policy with the change from *Commissioner Rudd* for Policy 6.17e.

Commissioner Houck has significant issues with 6.17a. It is like creating a race to the bottom. We shouldn't base our decisions on how little other jurisdictions are doing versus Portland's priorities. Why do we even need this in the Comp Plan? We don't need to peg our aspirations to what other cities may or may not be doing; it should be on our radar, but we make decisions more broadly.

- This is an issue that comes up regularly, for example when setting System Development Charges (SDCs). We've heard these issues, and instead of using "ensure", we could use the phrase "maintain our financial competitiveness...".
- *Commissioner Smith* proposed the word "understand".
- *Commissioner Shapiro* asked about our being cost competitive in the region and *Commissioner Houck's* comment. There is a whole range of considerations that relates to our competitiveness with other cities, including quality of life, environmental health, access to parks and natural areas. Corporations base their decision on locating here to attract high quality workers.
- *Commissioner Schultz* supports the policy how it is written today because we need to know what's going on and compare it to other cities. We need to keep the full picture.
- *Commissioner St Martin* noted this is piece is specifically to the regulatory environment, but we can't ignore the environmental goals.
- *Commissioner Hanson* agrees with *Commissioner Schultz* about keeping regulatory cost-competitiveness on the radar. We need to know what other jurisdictions are doing to stay competitive. Other cities' requirements have become more stringent, which is promising and different from in the past.
- *Commissioner Smith* noted that SDCs are a provision of infrastructure. "Understand" implies we're conscious of other cities' plans. *Commissioner Rudd* and *Commissioner*

Hanson agree with this word choice. “Maintain” implies we already know where we are. “Understand” explains we will be aware of the financial implications of the decisions.

PSC members confirmed “understand” is the verb choice for Policy 6.17a.

Policy 6.36 Prime industrial land retention.

Chair Baugh asked why BES and PP&R are against this policy.

- We have 550 acres of industrial being rezoned to Open Space due to acquisitions. This policy would be a pause for consideration for future acquisitions. It could be seen as a constraint, but BPS sees it more as a question or consideration about impact on the industrial land capacity when making these types of decisions.

Commissioner Houck asked about the nature of these lands. They are purchasing natural areas.

- Some of these lands could have developable upland that could be for employment. Out of the 550 acres of previous acquisitions, we estimate that there is only 53 acres of employment capacity, but it’s at least worth asking the question what the impact is.
- The 53 acres in lost capacity has been factored in the updated EOA from those. Going forward, we would ask about offsetting this loss and if it’s possible to partition the land to make available the non-resource/developable portion of the site. This is theoretically feasible.
- *Commissioner Houck*: There is a difference between asking the question versus not being able to acquire land. The combination of upland and wetland habitat may be significant, so we shouldn’t consider all upland as buildable. I support the objective of this, but when it comes to making a decision where the Natural Resources Inventory (NRI) indicates there is additional land that needs to be protected, I don’t want to get into a situation where we want to acquire land for conservation, but can’t because the policy says “limit”.
- *Chair Baugh*: This policy is a step in a process to understand the balance.
 - If we can’t figure out how to offset the reductions, as part of the decision we would factor this in and need to take an exception to Goal 9. We’ll have to do that whether we include this policy or not.
- *Commissioner Rudd* is supportive of the concept but not the specific language. Additional work needs to be done related to the words “protect”, “limit” and “strictly limit”. “Limit” is defined as maintained. She would also like to see when the map changes come back, the implications of carving off the developable parts of the Open Space conversion acreage and discuss requiring as part of these changes, contribution of the owners to some sort of offset of the loss of industrial lands, such as contribution to a fund for brownfield remediation. *Commissioner Rudd* also noted that there were errors in the Staff Report where it indicated a letter had been submitted by the Stoel Rives law firm when in fact it was submitted by the Perkins Coie law firm.

Part of this policy implication plays out in how it gets interpreted in the Zoning Code implementation. Staff will check about the use of the word “prohibit” in 6.36a; “limit” in 6.36b is to limit non-industrial uses in prime industrial areas.

Commissioner Oxman is supportive of the policy, but asked if there been discussion of it being more broadly used (e.g. inner SE conversation from industrial to housing). Should the principle of protecting industrial land be expanded?

- There are other policies, especially Central City industrial policies and the EOA, that get to this concept.

The PSC is supportive of the policy, but required staff to update/edit language.

Golf Course Rezoning

There are three privately-owned golf courses by the airport that have a mix of potentially developable land and environmentally-sensitive land. Colwood got approval for a Comp Plan amendment to convert 49 acres to industrial and 100+ to remain as Open Space. Based on this model, staff looked at Broadmoor and Riverside as potential options to do the same to add to industrial land capacity. The Colwood process was quite laborious, so the Comp Plan map update would create a more streamlined process to allow for industrial uses on these areas. Between the two properties, we'd have about 105 acres of Industrial and 220 of Open Space lands.

In the last few weeks, we have received one letter from the Northeast Coalition of Neighborhoods (NECN) opposing this map change and the loss of Open Space. Riverside also has provided a letter objecting to the proposal because they plan to continue operating as a private golf course in the foreseeable future. In terms of the map edit, no changes are proposed. There is a policy that supports the conversion of golf courses. The next step is to change the map but not the zoning, which can be done in the future at the owner's discretion. We can add this statement about discretion to the policy.

- *Commissioner Houck*: That would still allow the City to count the acreage as Industrial land.
- We currently have 113 acre surplus of industrial land based on all our assumptions. If we take away the 90 acres on Riverside, we're then close to the minimum necessary to demonstrate an adequate supply.

Commissioner Smith noted that we're going to run out of industrial land in the future anyway. In talking with staff, this is a balancing act with Metro. How will this play out in the future? The continued discussion about how close we are to the edge takes a tremendous amount of energy, and it's an ongoing issue.

- Over time, as development occurs, our future capacity will shrink. Our job in working with Metro is to balance these numbers. As the capacity shrinks, Metro will not assign as many jobs to Portland. On the demand side, we will review the industrial sectors and likely see they are growing slower than other sectors of the economy. So we will see a declining share that reflects the declining capacity. We will forever be on the edge in terms of trying to balance the declining share and the declining capacity.
- *Commissioner Rudd* likes to include the policy as it provides opportunities for middle-wage jobs.
- *Commissioner Houck* noted that Metro has recognized the land is not there. We don't want to get into a situation where Metro says we have to rezone, for example, Smith and Bybee Lakes.

PSC members confirmed the proposed map changes for the noted golf courses.

Issue E: Employment Land Map Changes

Commissioner Gray asked about concepts specific to East Portland regarding dispersed employment. The noted areas that are of interest include NE Sandy and 122nd/Shaver at Rossi Farms.

There is a high priority truck route proposed on Sandy, which is part of a Neighborhood Prosperity Initiative area (NPI), which is not attractive to have truck traffic going through. And it's important to have the opportunity for areas that have been historical farms to remain. And you not that we're adding 4000 jobs by adding 50 acres of industrial land to Gateway – how does that work out?

- In Gateway, we have 4000 jobs demanding about 50 acres; most of these jobs will be institutional, office and retail, so it is high job density employment. We are proposing to change what was formally a light industrial area, which was previously changed to high-density mixed use (EX), to go back to the mixed employment/business park zoning. We are trying to right-size the zoning to what was there and what we expect

- going forward.
- NE Sandy as a priority truck route: it is still in the TSP, so this can be a topic at the TSP hearing at the next meeting.

Rossi Farms: *Commissioner Smith* noted the PSC has been supportive of urban agriculture. What will the proposed zoning change do?

- There is no impact on this as a continuing use; this map change is strictly about what happens if the property owners want to change the use in the future, just like the golf course situation. The proposed change is to encourage more jobs in East Portland and dampen the residential and retail capacity.
- Mixed employment areas are about three-quarters development as business parks, class C office space... the lightest of light industrial zones.
- We have received testimony from the Rossi family and the Argay neighborhood opposing this change.
- *Commissioner Hanson* noted he has talked with Rossi, and it sounds like he'd like to have more of a flexible zoning on his land. And that is the direction we're going.

There are a number of other small map changes throughout the city going to Mixed Employment – Light Industrial use designation. We've gotten various comments and questions on most of these, particularly Rossi Farms and the Argay neighborhood.

Other areas include:

- Northwest Industrial District (Montgomery Park)
- North Portland (north of Kenton Park to Columbia)
- SE 82nd and Gateway
- SE 82nd and freeway lands
- North Hayden Meadows Drive

PSC members confirmed the direction for Issue E: Employment Land Map Changes.

Issue C: Harbor Access Lands

This is one of the issues that was a big debate at LCDC. We had previously approached this as a sub-area of the Columbia Harbor District. In this version of the EOA, we broke this out as a separate geography. We have the tightest land supply here and have a 33 acre deficit. Within this area there are a mix of jobs with some industrial and office space that is not dependent on river access that could move to the uplands areas in adjacent industrial areas.

The West Hayden Island proposal drives the rest of the discussion here. The proposal is to map it as Rural Farm / Forest, which is equivalent to what is there today. Policy 6.41 provides guidance for future annexation. The designation means we still have an annexation and a Comp Plan Map amendment review process. The subpolicies of 6.41 begin the framework to guide this discussion.

This policy serves to help the City maintain compliance with Metro plans, which direct the city to eventually annex WHI for a mix of open space and marine terminal development. The City is not permitted to adopt a Comprehensive Plan that is directly at odds with the Metro regional plan. We are not counting on WHI land to meet industrial land needs through 2035, but we acknowledge that under the Metro plan annexation may be considered at a later time. The PSC or Council may choose to remove this policy, but we believe that such removal may create conflict with Metro.

Commissioner Smith noted the historical context, which is that the land was designated industrial prior to Metro. The annexation question has been addressed a couple of times at the City, in dividing industrial and environmental. Can't we get to the point now where we say this is an environmental asset that should remain as Farm Forest / Open Space?

- *Commissioner Houck* noted that current calculations show we have a surplus of 113 acres of industrial, which doesn't include WHI, so why would designating WHI as Open Space be in conflict with Metro?
 - Metro designates WHI as prime industrial land. The regional plan doesn't say when we have to annex, and we are reaching a conclusion that we don't need to annex right now based on taking a low end of the commodity forecast, which allows us to meet the requirement without the acreage. But this doesn't exempt us from the Metro Urban Growth Management Functional Plan. We need to remain consistent with other Metro policies, not just the jobs forecast.
 - The other confusion is the County's zoning with the significant environmental overlay. We don't have a proposal to change the County zoning or overlay at this time.

Commissioner Schultz asked about the zoning.

- WHI is inside our urban service boundary, and the Comp Plan deals with all areas within even if we haven't yet annexed the land. Sometimes through an IGA with the County we have authority to zone, and sometimes we use County zoning - WHI is one of these areas. We have never changed the zoning, and it still sits with County designations until we make a decision on annexation and new City zoning.

The question for WHI is if we want to change the policy to be in conflict with Metro. We can leave the designation Farm / Forest, which is a rural zone, but we don't think we can change it so that doesn't include any industry is potentially in conflict with the Regional Plan.

Commissioner Gray noted this could be in conflict with City Council as well, which has designated the 300/500 acre split. Should the PSC take this stand against City Council?

- *Commissioner Houck* noted Council never adopted the PSC recommendation, but we could take this up with them.

Chair Baugh noted he is interested in leaving the staff recommendation as-is. There are lots of hurdles, and I'm not sure this is where we need to take issue.

- *Commissioner Hanson* confirmed; it was never annexed, and Council would have to take multiple actions to change anything.

Commissioner Houck stated that if Commissioner Smith made a motion to take WHI off the table he would second it. He said his second preference would be to attach the PSC recommended package, including the IGA to the Comp Plan amendment. He then noted that at a minimum, the amendment should spell out specific habitat types included in the IGA. He also noted that the staff report failed to mention that Metro's floodplain exemption was for balanced cut and fill, not floodplain ecosystem function. At a minimum the following habitats should be listed for full mitigation: floodplain, bottomland hardwood forests, wetlands, grasslands, sandy beach and shallow water.

Listing habitat types is something that can be included in the policy.

Commissioner Oxman would like staff to have a conversation with Metro about process implications to ask the question about removing WHI.

There was also discussion about moving jobs from Harbor Lands to other types of land.

Commissioner Rudd asked if moving the jobs would continue to provide jobs for people with AA or high school degrees. Staff confirmed that the jobs created would still serve this demographic

PSC members confirmed the policy with the inclusion of listing habitat types that would be mitigated, and staff will look at including more background/description from their 2013 WHI

recommendation.

PSC members would like a policy option that includes more detail from the IGA in the policy. PSC members would like a description of the process to change the Metro designation/policy to enable an OS map designation on the Comp Plan Map.

Harbor Access Lands

PSC members confirmed the staff direction.

Issue D: Freight System and Brownfields

We are assuming 15 percent of job growth will go into existing businesses and developed sites. There are a number of projects that are in the strategic freight investments that will need to be supported in the TSP to achieve this.

We have proposed aggressive policies and a new program for brownfield redevelopment as well as a need to solve the Portland Harbor Superfund to bring brownfield redevelopment back online. We need to have a City commitment of approximately \$1M annually to get to these increased brownfield performance numbers.

Commissioner Oxman likes the approach on brownfields. But “there are brownfields, and there are brownfields.”

- BPS did a good job with our brownfield assessment and evaluation that shows with a good program, 60 percent is an achievable target.

Commissioners Houck commented on channel deepening and the implications for what’s in the sediments, especially in relation to Superfund.

- The Columbia River has been deepened (to 43 feet), and this is part of the equation about how we clean up the harbor.
- The project list associated with this Comp Plan emphasizes better using the existing harbor.

Commissioner Hanson noted a prioritization process to figure out which acres could come on faster if they aren’t as brown.

- The market would play into this factor, and it would depend on location, owner and clean-up costs involved.

Commissioner Smith appreciates staff’s work on incorporating comments from the public about brownfields. I am fully supportive of this policy. *Commissioner Houck* agreed.

Chair Baugh noted there was lots of testimony about brownfields. We are saying we’re going to come up with \$100M to do this work, but it needs legislative and other investment to support. Also, when we get to the TSP, we need to review freight decisions, and we need to rethink our process and financial implications to investing in brownfields and/versus other projects. We need to make brownfield redevelopment a priority at the legislature, Council and with partners.

- *Commissioner Houck* noted that leadership should come from Metro, too.
- *Commissioner Hanson* noted clean-up costs of \$900k/acre is a hard sell.

PSC members confirmed the staff proposals for Issue D.

Issue F: Campus Institutions

Staff met with OHSU to make one map designation change for Marquam Hill and retain the EX zoning.

PSC members confirmed the staff proposals for Issue F.

Consent List

Staff walked through items PSC members had requested to be pulled from the consent list and described and discussed.

Policy 6.64 Non-confirming neighborhood business uses.

- This sets direction to not displace existing neighborhood business.

Policy 6.20 Corporate Headquarters

Commissioner Smith asked about how this fits in tightening down things that shouldn't weigh in the industrial land.

- This policy refers to locating headquarters (e.g. Adidas).

Commissioner Tallmadge raised the question of environmental justice and is concerned about not connecting environmental justice and the environmental policies, especially in the introduction to Chapter 7. Her noted other comments on the chapter also focus on this issue.

- *Commissioner Houck* agrees. But as we go through this process, there are actions and investments that need to be taken purely for ecological reasons that are “human aside”.
- Director Anderson suggested that staff meet with Commissioner Tallmadge and come up with suggested changes to address the issue. Staff will report in a memo to the PSC.

PSC members confirmed this approach.

Planning for Natural Resources Protection

Commissioner Houck commented on the term “protection”. I would like to leave this in the title but go with what staff has proposed for the policies following.

- Staff will revisit the glossary definition for “protect” as well.

PSC members confirmed the staff proposal with “Protection” remaining in the section title.

Proposal to reorder Chapter 7 so the overarching policies come first then followed by guidance-related policies for environmental plans. We also want to move policies 7.1-.3 to the overarching section.

Commissioner Rudd noted Policy 7.1 Environmental Quality, and the need to include examples to further specify how protection of air, water, and soil quality might be achieved. Staff will also revisit “protect” in the glossary. She asked for examples and similar levels of specificity for Policy 7.4. Natural Resource Protection.

PSC members confirmed the staff proposal with this addition direction.

Policy 7.6 and 7.7: Staff propose to consolidate to one policy. *Commissioner Rudd* would like to see how the “cumulative impacts” phrase fits in.

PSC members confirmed as staff proposed.

Policy 7.8: Staff proposes to simplify and add the word “coordinated” to refer to the land acquisition program so that the City will look at how land acquisition affects other goals and programs (e.g. industrial land supply, housing).

- *Commissioner Houck* noted this needs to be just one tool. We passed two bond measures that resulted in the acquisition of 16,000 acres of natural areas, which is great. But, realistically, there will never be enough money to protect what needs protecting and restoring. We don't want to spin this as “we're going to go out and buy the land we need to protect”.

Policies 7.10 Regulatory hierarchy: Avoid, minimize, mitigate. Proposed change is to clarify language.

- *Commissioner Houck* requested addition of term “fully” mitigate - otherwise environment will continue to degrade.
- *Commissioner Rudd* expressed concern about adding “fully”, but okay to add it is clear that full mitigation does not have to be achieved on-site.
- *Commissioner Houck* suggested that adding the locational hierarchy will make it clear that off-site is an option.
- *Staff confirmed* that the proposal will prefer on-site but allow mitigation occur off site as well.

PSC members confirmed the staff proposal with addition of term “fully” mitigate, and specification that full mitigation does not necessarily have to be achieved on-site.

Policy 7.11 Mitigation effectiveness

- *Commissioner Houck* requested inserting a hierarchy specifying preferences for on-site mitigation before off-site, and for mitigating the same resource type before a different type. He had also requested in written comments that the policy require mitigation to occur only within the same sub-watershed and within city limits.
- Staff agreed that hierarchy, which is also in the current Comprehensive Plan, could be readily re-established in the policy. Staff recommended also retaining proposed new language calling for prioritization of mitigation within in the same watershed and the city urban services boundary. Staff emphasized that while the policy should call for mitigation to be proximate to the impact area, staff recommended not including an absolute prohibition on mitigation outside the city since this could have unintended consequences and would preclude mitigation on sites like Government Island, West Hayden Island, and mitigation banks. Staff will consult with BES, *Commissioner Houck* and Bob Sallinger in developing revised language.
- *Commissioner Hanson* agreed that the Comprehensive Plan should not prohibit mitigation outside the city – that there needs to be some flexibility.
- *Commissioner Shapiro* expressed appreciation for the proposal to change “encourage” to “require”.

PSC members directed modification of the policy to incorporate the addition of the locational and resource type hierarchy.

Policy 7.14 Air Quality, 7.16 Water Quality, and 7.22 Natural Hazards.

The proposal would remove the term “and especially for under-served and under-represented communities, and create a new policy focusing on reducing environmental disparities.

- *Commissioner Tallmadge* expressed concern about just having one policy addressing equity, separate from the issues - that it might get overlooked.
- Director Anderson noted that referring to equity in individual policies poses the risk that we’ll miss some policies, and is redundant. This is an issue in other report chapters too, and she would like to a single policy highlighting equity in each major section of the report.

PSC members confirmed as staff proposed.

Policy 7.24 Impervious surfaces. The proposed edits intended to focus more on outcomes and impacts rather than the specific action of limiting impervious surfaces, and would add “urban heat island” to the list of impacts.

- *Commissioner Houck* likes the focus on reducing impacts. But why can’t we say “limit impervious surfaces and reduce the impacts...”?
- *Commissioner Hanson* asked whether impervious surfaces is the cause of urban heat

- island.
- Staff recommended that if the current language is retained, that the policy should read “Limit and strive to reduce”, consistent with the Climate Action Preparation Strategy.

PSC members directed retention of current policy language, as modified to begin with “limit and strive to reduce” and adding “urban heat island”.

Policies 7.37-7.49: Staff will meet with *Commissioner Tallmadge* to discuss her suggestions to address cultural significance in these watershed-specific policy sections.

Add new policy for Columbia Slough watershed section to recognize protection and wildlife hazard in the PDX Plan District.

PSC members confirmed as staff proposed.

Commissioner Shapiro noted the importance of terms defined in the glossary and that they are very important for the PSC to see the next iteration of these terms.

Staff is getting close to filling the March 24 agenda, which is the “overflow” meeting.

Commissioner Schultz asked about the packets and maps. When the maps are not included in color, it’s difficult to review without having to go back and forth from the screen to the paper. Staff will print next maps/packets in color for PSC members.

Commissioner Rudd asked staff to confirm that none of the proposed map changes would allow rezones before the zoning code is updated. [Yes, correct.]

In the spring, the PSC will recommend the policy document and map to Council. Then the PSC will begin the hearing on implementation projects, but those zoning code changes won’t be implemented until after the new Comp Plan is confirmed by the State. The PSC’s recommendation will include the TSP.

The current TSP list is based on input from the fall 2014 hearings and the advisory committee discussions. This initial list can be flagged by PSC members after the February 24 hearing.

Susan reminded PSC members that will continue to get comments and testimony throughout the process, some of which content will have been discussed at a work session prior to the testimony is received. This is an iterative process, and we have time at the end to make sure we revisit issues that PSC members hear and want to raise. Written testimony is still open through March 13.

Adjourn

Chair Baugh adjourned the meeting 4:47 p.m.