

Employment Zoning Project

EARLY IMPLEMENTATION OF THE 2035 COMPREHENSIVE PLAN

PROPOSED DRAFT – SEPTEMBER 2015



Planning and Sustainability Commission
Public Hearing October 27, 2015



Discussion Draft



Proposed Draft



Recommended Draft



Adopted Plan

September 2015
www.portlandoregon.gov/bps/employmentzoning



Bureau of Planning and Sustainability
Innovation. Collaboration. Practical Solutions.

City of Portland, Oregon
Charlie Hales, Mayor · Susan Anderson, Director



How can I provide feedback to decision-makers?

The Employment Zoning Project is implementing new directions proposed in the draft 2035 Comprehensive Plan on land use and land efficiency in Industrial and Mixed Employment areas. This report describes the project proposals for zoning code changes to Industrial and General Employment zones and draft zoning map changes to be applied at new Mixed Employment areas.

You may testify about proposed changes to the Planning and Sustainability Commission (PSC) in the following ways:

Testify in person at the PSC public hearing.

You may speak for 2 minutes to the Commission, and your testimony will be added to the public record.

PSC Employment Zoning Project Public Hearing

Tuesday, October 27, 2015 at 5:00 p.m.

1900 SW 4th Avenue, Room 2500, Portland, OR

To confirm the time and date, check the PSC calendar at www.portlandoregon.gov/bps/35452

Testify in writing between now and October 27, 2015.

Your full name and mailing address is required.

- Email: psc@portlandoregon.gov with subject line "PSC Employment Zones Testimony"
- U.S. Mail: Portland Planning and Sustainability Commission, Employment Zones Testimony, 1900 SW 4th Ave., Suite 7100, Portland OR 97201
- Map App: www.portlandmaps.com/bps/mapapp, click on the "comments" form and provide your testimony

Next Steps

Following the public hearing, the PSC will deliberate and vote on a recommendation to City Council. City Council will then hold additional public hearings and take formal public testimony on the PSC's Recommended Draft. The City Council may amend the Recommended Draft before they vote to adopt the plan. This will likely occur in Spring 2016.

For more information, contact Steve Kountz, Senior Economic Planner, at the Bureau of Planning and Sustainability, 503-823-4551 or steve.kountz@PortlandOregon.gov or visit the Bureau of Planning and Sustainability's website: www.portlandoregon.gov/bps/employmentzoning.

The Bureau of Planning and Sustainability is committed to providing equal access to information and hearings. If you need special accommodation, please call 503-823-7700, the City's TTY at 503-823-6868, or the Oregon Relay Service at 1-800-735-2900.

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1. Introduction

This project will implement new directions for industrial and employment land uses proposed in Portland’s draft 2035 Comprehensive Plan. These land use changes address the City’s prosperity and equity goals. They also help fill 20-year land needs for job growth while protecting neighborhood livability and watershed health. Expected outcomes include code changes to Industrial (IH/IG) and General Employment (EG) zones and zoning map changes to be applied at new Mixed Employment (ME) areas.

The Employment Zoning Project is one of eight projects underway that will help implement the new Comprehensive Plan. These “Early Implementation” projects are the final stage in the state-required periodic review of Portland’s Comprehensive Plan.

Project Summary

The number of people and jobs in Portland will continue to grow significantly over the next 20 years. The City of Portland is expected to accommodate approximately 141,000 new jobs between 2010 and 2035 — a 26-percent share of regional job growth. The draft 2035 Comprehensive Plan proposes a range of strategies to meet forecast market demand in Industrial and Mixed Employment areas, where 42,000 new jobs are projected. Most of these strategies will be implemented gradually; new brownfield redevelopment tools and freight investments that encourage industrial land intensification will be developed along with interrelated strategies to improve watershed health in what are largely the same geographies. In addition, this project and similar Early Implementation projects (e.g., Mixed Use Zones Project, Campus Institutional Zoning Update) will develop and apply more immediate zoning changes through the draft 2035 Comprehensive Plan.



Current examples of major construction in Portland’s industrial and employment areas include this half-million square foot warehouse near Portland International Airport and Daimler Trucks headquarters on Swan Island.

Proposed Zoning Code amendments:

- Prohibit quasi-judicial conversion of prime industrial land
- Reduce non-industrial use allowances in Prime Industrial areas

- Reduce retail allowances and prohibit residential uses in General Employment zones
- Reduce outdoor activity allowances in General Employment zones
- Set rezoning standards for private golf courses in the airport area
- Expand the area allowing Industrial Office uses in the Central Eastside

Proposed Zoning Map amendments to General Employment:

- Development opportunity sites in East Portland (e.g., Rossi farm sites)
- Industrial/residential transition areas (e.g., NW Vaughn, N Columbia at Denver)
- Land use change from General Commercial (e.g., 11 blocks of SE 82nd, N. Hayden Meadows Dr.)
- Land use change from Central Employment (e.g., Central Gateway, Freeway Lands, SE Ochoco)
- Land use change to accommodate campus institutional capacity (McCormick and Baxter site)

Why is this important?

Equity and affordability — Industrial and mixed employment areas serve important equity and affordability roles in the community; they are a primary source of middle-wage jobs for the majority of the workforce that does not have a 4-year college degree. Industrial area growth balances the more polarized wage levels of low- and high-wage occupations found in the city’s commercial areas. Job growth in Industrial and Mixed Employment areas supports Portland Plan and Comprehensive Plan objectives for social and economic diversity and reduction of racial and neighborhood income disparities.

Oregon’s industrial center — As Oregon’s largest industrial center and freight infrastructure hub, Portland has distinct economic development and job growth opportunities for the traded-sector (i.e., businesses that compete in markets outside the region). Industrial land uses near freight access support regional prosperity by bringing income into the region and lowering transport costs for Pacific Northwest producers and consumers.

Multiple goals — Proposed development concepts from this project will address multiple goals, including neighborhood compatibility, habitat protection and enhancement, and improved access to public open space.

Growth management — This project will implement plan map and policy changes needed to meet growth-capacity shortfalls in the Portland Harbor, Columbia Corridor, Dispersed Employment areas, and Central City Industrial areas.

What’s in this report?

The *Employment Zoning Project Proposed Draft* consists of Zoning Code changes to Industrial and General Employment zones and draft Zoning Map changes to be applied at new Mixed Employment areas. The audience is the Planning and Sustainability Commission and the general public, including stakeholders, inter-governmental partners, implementers, and interested others. Project stakeholders include property owners, businesses, employees, residents, neighbors, business district and neighborhood associations, underrepresented and underserved groups, environmental groups and other community groups. Implementers include the real estate industry, development review staff and others who use the Zoning Code.

Your feedback on the Proposed Draft should be directed to the Planning and Sustainability Commission (PSC). You may testify about the proposed changes in person at the PSC public hearing on October 27, 2015, or testify in writing before the public hearing (see information about how to provide feedback on the inside cover of this report).

This report consists of seven parts:

- **Section 1** introduces the project and related background information.
- **Section 2** describes how the proposed zoning changes relate to the draft Comprehensive Plan policies and map.
- **Section 3** summarizes public and stakeholder involvement activities that have helped shape and inform this project. These activities are further explained in Appendix A.
- **Section 4** describes the analysis of proposed zoning concepts, including related policy directions, implementation issues, and rationale.
- **Section 5** specifies the proposed code language, along with code commentary pages that clarify expected implementation.
- **Section 6** shows proposed map changes, including base zones (General Employment 1 or 2) to implement the new Mixed Employment areas designated on the updated Comprehensive Plan Map and subdistricts where associated code changes apply.
- **Section 7** summarizes additional implementation tools, beyond zoning changes, proposed through the project.

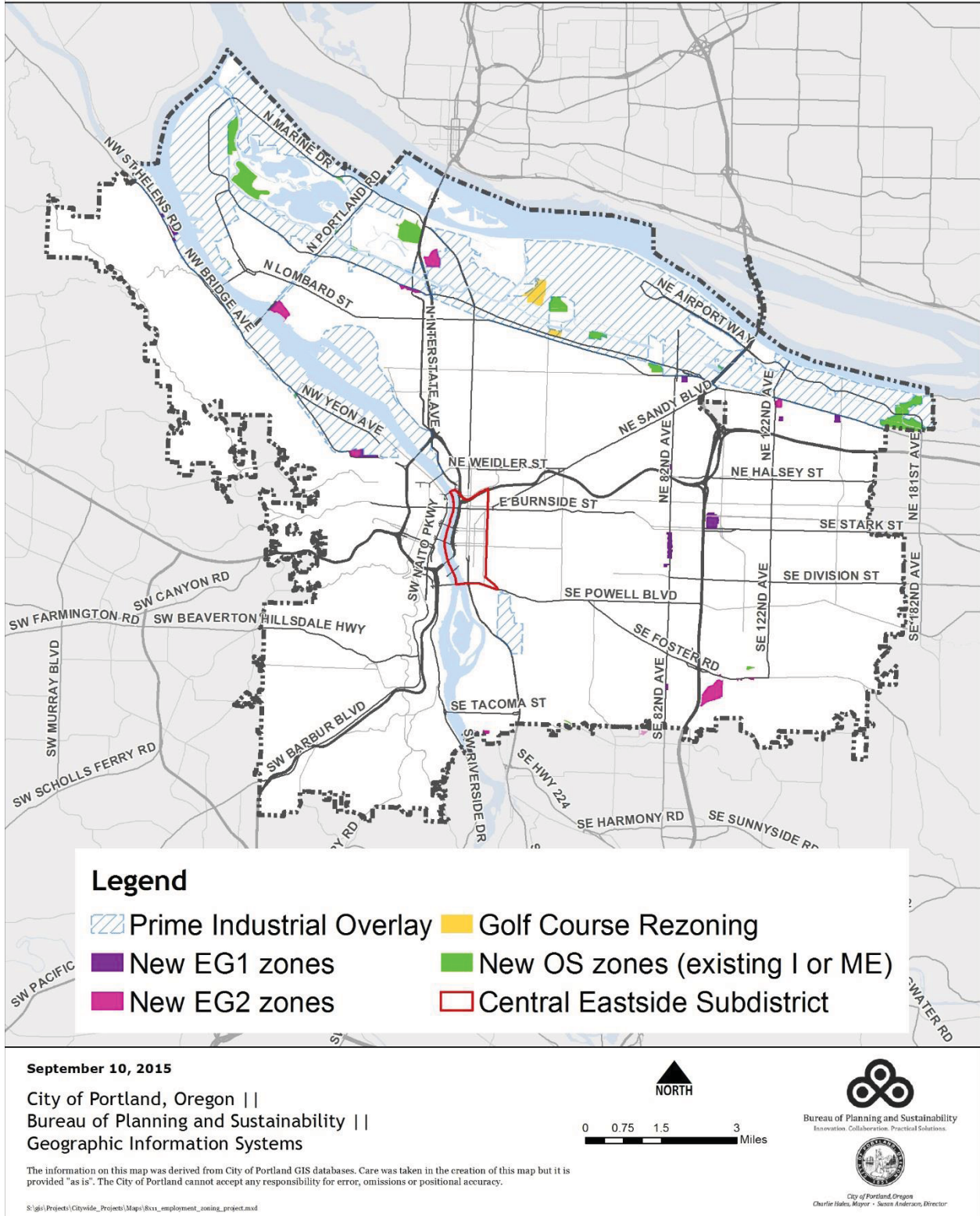
Where are new Prime Industrial and General Employment zones proposed?

Figure 1 shows a citywide context map of the proposed Prime Industrial Overlay Zone, new General Employment Zones, and new Industrial designations at private golf courses in the airport area where rezoning standards are proposed.



The Prime Industrial Overlay Zone fosters long-term retention of freight-hub industrial districts that would be difficult to replace in the region, supporting growth in facilities like the Vigor shipyard shown here.

Figure 1. Citywide Project Map



2. Relationship to Comprehensive Plan

Section 2 describes how the proposed zoning changes relate to the relevant policies and map of the draft 2035 Comprehensive Plan.

Early implementation project of the Comprehensive Plan

The Employment Zoning Project is one of the Early Implementation projects of the Comprehensive Plan Update. These projects are tasks that cities need to complete as part of a 20-year comprehensive plan update (also called “periodic review”) under Oregon’s statewide planning program. Among these tasks are to plan for adequate developable land capacity to accommodate expected housing and employment growth over the next 20 years. This project implements the land use changes proposed in the updated Comprehensive Plan to provide adequate growth capacity in Portland’s Industrial and Mixed Employment areas, where 42,000 new jobs are projected by 2035.

The Economic Opportunities Analysis prepared for the plan update identified a 360-acre shortfall of existing capacity in these areas, equivalent to 20% of forecast demand. Most of the strategies proposed to fill this gap will be implemented gradually, such as development of new brownfield redevelopment tools and freight investments that encourage industrial land intensification. In contrast, this project and similar Task 5 zoning projects (e.g., Mixed Use Zones Project, Campus Institutional Zoning Project) will develop and apply more immediate zoning implementation of land use changes designated in the draft 2035 Comprehensive Plan.

Guiding principles of the Comprehensive Plan

The Comprehensive Plan sets five Guiding Principles, which encourage balanced, integrated multi-disciplinary approaches in plans and investments that must comply with the Plan. The Employment Zoning Project is consistent with the Guiding Principles because it promotes major benefits toward equity and prosperity, supportive benefits toward human health and resilience; and a balanced approach that integrates environmental health.

Economic prosperity

Guiding Principle: Support a low-carbon economy and foster employment growth, quality education and training, competitiveness, and equitably-distributed household prosperity.

Major benefit – The project implements land use policies and map changes that expand industrial and employment land supply to meet forecast job growth. Doing so supports equitably-distributed household prosperity by creating more opportunity for middle-wage jobs in industrial areas that counter-balance the job-polarization trends of low- and high-wage occupations in commercial areas. The project also supports economic competitiveness by fostering the retention and growth of traded-sector businesses that compete in markets outside of the region.

Human health

Guiding Principle: Avoid or minimize negative health impacts and improve opportunities for Portlanders to lead healthy, active lives.

Supportive benefit – Income level is a primary socioeconomic determinant of positive health outcomes. The project supports positive health outcomes by expanding self-sufficient wage opportunities for low- and middle-income households and stimulating region-wide prosperity through traded sector business retention and growth. Public health risks within industrial districts are managed by safety and environmental quality regulations, prohibition of household living in industrial zones, perimeter buffering, and technological improvements (such as emissions reduction). The project also proposes prohibition of household living in General Employment zones, which will limit the number of households living in close proximity to industrial areas.

Environmental health

Guiding Principle: Weave nature into the city and foster a healthy environment that sustains people, neighborhoods, and wildlife. Recognize the intrinsic value of nature and sustain the ecosystem services of Portland's air, water and land.

Balanced approach – Portland's industrial districts are concentrated along the rivers and are regionally significant locations for both environmental health and economic prosperity. This project implements parts of the integrated package of Industrial Land / Watershed Health (IL/WH) Strategies to improve both watershed health and industrial growth capacity proposed in the draft Comprehensive Plan. The project also proposes new development standards for ecologically beneficial design in future industrial zones at private golf courses in the airport area.

Equity

Guiding Principle: Promote equity and environmental justice by reducing disparities, minimizing burdens, extending community benefits, increasing the amount of affordable housing, affirmatively furthering fair housing, proactively fighting displacement, and improving socio-economic opportunities for under-served and under-represented populations. Intentionally engage under-served and under-represented populations in decisions that affect them. Specifically recognize, address and prevent repetition of the injustices suffered by communities of color throughout Portland's history.

Major benefit - The project implements land use policies and map changes that support expanding income self-sufficiency, reducing income disparities for people of color, and expanding family-wage jobs in East Portland. Industrial and mixed employment areas serve important equity and affordability roles as a primary source of middle-wage jobs for the majority of the workforce that does not have a 4-year college degree.

Resilience

Guiding Principle: Reduce risk and improve the ability of individuals, communities, economic systems, and the natural and built environments to withstand, recover from, and adapt to changes from natural hazards, human-made disasters, climate change, and economic shifts.

Supportive benefit – The project supports resilience to economic shifts by accommodating continued growth as a diverse economy. The proposed Prime Industrial overlay also supports resilience to climate change through energy-efficiency advantages of conserving industrial land around Portland's multimodal freight infrastructure system.

Goals and policies specifically implemented in this project

A variety of Comprehensive Plan policies address industrial and employment areas. The proposed zoning changes in the project are implementing the following specific policies.

Overall project direction – This project is being completed within the early implementation phase of the Comprehensive Plan in order to provide adequate 20-year growth capacity in Portland’s Industrial and Mixed Employment areas, implementing Policy 6.13 and Statewide Planning Goal 9 *Economic Development*. Industrial and mixed employment areas also particularly advance the income self-sufficiency and traded-sector competitiveness objectives prioritized in the Portland Plan’s Economic Prosperity and Affordability Strategy, which correspond to Policies 6.28 and 6.21.

Policy 6.13 Land supply. Provide supplies of employment land that are sufficient to meet the long-term and short-term employment growth forecasts, adequate in terms of amounts and types of sites, available and practical for development and intended uses. Types of sites are distinguished primarily by employment geographies identified in the Economic Opportunities Analysis, although capacity needs for building types with similar site characteristics can be met in other employment geographies.

Policy 6.28 Income self-sufficiency. Expand access to self-sufficient wage levels and career ladders for low-income people by maintaining an adequate and viable supply of employment land and public facilities to support and expand opportunities in Portland for middle- and high-wage jobs that do not require a 4-year college degree.

Policy 6.21. Traded sector competitiveness. Align plans and investments with efforts to improve the city and regional business environment for traded sector and export growth.

Prime Industrial land retention – The project proposes a Prime Industrial overlay zone implementing Policy 6.39.

Policy 6.39 Prime industrial land retention. Protect the multimodal freight-hub industrial districts at the Portland Harbor, Columbia Corridor, and Brooklyn Yard as prime industrial land (see Figure 6-1 – Industrial and Employment Districts) that is prioritized for long-term retention.

6.39.a. Protect prime industrial lands from quasi-judicial Comprehensive Plan Map amendments that convert prime industrial land to non-industrial uses, and consider the potential for other map amendments to otherwise diminish the economic competitiveness or viability of prime industrial land.

6.39.b. Limit conversion of prime industrial land through land use plans, regulations, or public land acquisition for non-industrial uses, especially land that can be used by river-dependent and river-related industrial uses.

6.39.c. Limit regulatory impacts on the capacity, affordability, and viability of industrial uses in prime industrial area while ensuring environmental resources are also protected.

6.39.d. Strive to offset the reduction of development capacity as needed, with additional prime industrial capacity that includes consideration of comparable site characteristics. Offsets may include but are not limited to additional brownfield remediation, industrial use intensification, strategic investments, and other innovative tools and partnerships that increase industrial utilization of industrial land.

6.39.e. Protect prime industrial land from siting for parks, schools, and large-format

retail sales.

6.39.f. Promote efficient use of freight hub infrastructure and prime industrial land by limiting non-industrial uses that do not need to be located in the prime industrial area.

New Mixed Employment areas and land efficient employment zones – The project proposes zoning map and code amendments that provides for 20-year land supply needs in the Dispersed Employment Areas addressed by Policy 6.44. Proposed zoning map amendments implement new Mixed Employment areas designated on the Comprehensive Plan Map. Proposed code amendment improve land efficiency in EG General Employment zones by limiting large-format retail and residential uses that these small dispersed employment areas are not intended to accommodate.

Policy 6.44 Dispersed employment areas. Provide small, dispersed employment areas for a flexible and affordable mix of office, creative services, small scale manufacturing, traded sector and distribution, and other small-format light industrial and commercial uses with access to nearby freeways or truck streets.

Compatibility in residential settings – The project proposes more stringent limitations on exterior activities in EG1 General Employment zones to be more consistent with commercial zones. For example, draft code changes would limit outdoor storage to no more than 20% of the site area and no longer allowing exterior display of industrial goods such as heavy equipment. These code changes are intended to improve residential compatibility of new Mixed Employment Areas, consistent with Policy 4.30.

Policy 4.30 Land use transitions. Improve the interface between non-residential uses and residential uses in areas where commercial or employment uses are adjacent to residentially-zoned land.

Golf course rezoning – The project proposes new development standards for ecologically beneficial design in future Industrial zones at private golf courses in the airport area, implementing Policy 6.51.

Policy 6.51 Golf course reuse and redevelopment. Facilitate a mix of industrial, natural resource, and public open space uses on privately owned golf course sites in the Columbia Corridor that property owners make available for reuse.

Central City industrial zoning – The project expands the area allowing Industrial Office uses in the Central Eastside Subdistrict, providing for 20-year land supply needs in Central City Industrial areas addressed by Policy 6.35.

Policy 6.35 Central City industrial districts. Protect and facilitate the long-term success of Central City industrial districts, while supporting their evolution into places with a broad mix of businesses with high employment densities.

3. Public and stakeholder involvement

Section 3 summarizes public and stakeholder involvement activities that have helped shape and inform this project. These activities are further explained in Appendix A of this report.

What have we heard leading up to this project?

Portland Plan – This project and related Comprehensive Plan policies substantially implement the 5-year Action 68 *Industrial Growth Capacity* recommended in the Portland Plan (2012). The Industrial and Mixed Employment areas addressed in this project particularly advance the income self-sufficiency and traded-sector competitiveness objectives prioritized in the Portland Plan’s Economic Prosperity and Affordability Strategy. The Portland Plan was developed through extensive public involvement, including more than 20,000 comments and ideas for the plan.

Comprehensive Plan Policy – Industrial land policies were one of the most discussed topics in the Economic Development chapter of the Comprehensive Plan. These policies to support industrial land capacity were directly addressed by two Comprehensive Plan advisory committees. The Economic Development Policy Expert Group met from June 2012 through September 2013 to advise on draft policies and map changes. The Industrial Land / Watershed Health Working Group met from November 2012 through December 2013 to help develop an integrated package of strategies to advance watershed health and industrial growth capacities in the industrial districts. Tensions between economic development, environmental protection and neighborhood livability outcomes were a continuing theme, and the proposed policies are intended to provide a balanced, integrated, multidisciplinary approach. Several presentations and discussions with business and community groups were also held addressing the Economic Opportunities Analysis and draft policies and map changes.

Comprehensive Plan Maps – Draft map changes for new Mixed Employment and Industrial areas were widely distributed electronically through the Map App and were shared with affected property owners, neighbors and interested parties at a number of public meetings. Proposed map changes drew extensive comments. For example, many local residents opposed proposed map changes to Mixed Employment at the Rossi farms sites, instead favoring a single-family residential designation on these sites. Similarly, many testifiers opposed proposed map changes to Industrial at airport area golf course sites, favoring an Open Space designation there. Objections were also expressed in testimony on other proposed Mixed Employment areas, including at SE 82nd, Central Gateway, NW Vaughn, and NE Sandy. East Columbia and Linnton Neighborhood Associations also requested map changes to existing industrial zones. Favorable comments were also received from labor unions, business groups, and equity groups supporting proposed industrial and employment policies and map changes.

The Planning and Sustainability Commission considered these comments and recommended the draft map amendments, citing public interest tradeoffs, growth capacity needs, equity, and job growth objectives. Taking the recommended Comprehensive Plan map as a starting point, this project proposes code changes that respond to several of the concerns and comments heard in public meetings and expressed in public testimony. Examples include greater restrictions on outdoor activities in EG1 (General Employment) zones, new development standards for ecologically beneficial design of industrial

reuse at golf course sites, and eased restrictions on non-conforming existing uses in EG zones.

Public involvement activities in this project

Public involvement in the policy and map direction being implemented in this project took place primarily in the earlier phases of the Comprehensive Plan Update. The public outreach activities conducted in this project focused more on the implementation issues of draft zoning code and map amendments.

A Discussion Draft of the proposed zoning code and map changes was published in July 2015 and circulated to a wide range of affected groups, including neighborhood associations, business associations, environmental and recreation organizations, equity and community organizations, property owners of larger zone-change sites, real estate professionals, and intergovernmental partners. The Discussion Draft had an approximately 6-week public comment period ending on August 28th. Written comments were received from a mix of stakeholders and several revisions were incorporated into the Proposed Draft in response. Meetings to discuss proposed zoning changes were also held with business associations, neighborhood associations, interagency partners, advisory committees, property owners, and other stakeholder representatives.

Public involvement in concept development for the project consisted primarily of four stakeholder focus groups, which were held in April and May 2015. These focus groups were not intended to discuss policy direction, but instead to identify implementation issues on a variety of preliminary draft code changes on land use and development standards in industrial and employment zones, generally filling gaps in previous outreach. The results of these focus groups are summarized in Appendix A. The focus groups highlighted the range of stakeholder perspectives and interests concerning the proposed zoning changes.

Inter-governmental coordination

An In-House Draft Report was circulated to inter-bureau partners in June 2015, and their comments have helped to shape and inform the Discussion Draft and Proposed Draft, particularly addressing code administration, environmental services, parks, and transportation. Additionally, the Bureau of Parks and Recreation, Bureau of Environmental Services and Metro staff have raised specific concerns about the proposed reclassification of Parks and Open Areas as a limited use in the Prime Industrial overlay zone. These and other stakeholder concerns are summarized in Section 4 below.

4. Concept analysis

This section of the report describes the proposed zoning change concepts by topic area, including the related policy directions, implementation issues, and rationale for the proposed zoning changes. Specific code and map changes are detailed later in Sections 5 and 6 of the report.

Prime industrial land retention

Policy direction to be implemented (Policy 6.39): *Protect prime industrial land from conversion to non-industrial uses through quasi-judicial Comprehensive Plan Map amendments.*

Code change concept: Designate Prime Industrial Land as a new overlay zone where quasi-judicial comprehensive plan map changes will be prohibited.

Implementation issues raised:

- Effective control of conversion trends – Approximately 400 acres of industrial land conversion has occurred in Portland’s prime industrial districts through comprehensive plan map amendments since 1990. Those land use changes occurred through both legislative and quasi-judicial projects (mostly the former). A common theme of public comments addressing industrial growth-capacity has been that we should start with land retention, because Portland has limited options for expansion of industrial districts and because other options to add capacity through more brownfield redevelopment and more intensive industrial development are expected to require major public investments. The estimated 20-year growth capacity in the Economic Opportunities Analysis has not accounted for allowing the continuation of this conversion trend of Prime Industrial areas through plan map changes and greenspace acquisition. Continuing conversion of prime industrial land would also undermine efficient use of freight-hub infrastructure that characterizes the proposed Prime Industrial overlay.
- State and regional compliance – Designation and protection of prime industrial land implements direction set in Statewide Planning Goal 9 (Economic Development), along with the generally equivalent regional direction in Metro’s Title 4 to protect Regionally Significant Industrial Areas (RSIAs). The Goal 9 Administrative Rule defines Prime Industrial Land as land suited for traded-sector and supportive industries and possessing characteristics that are difficult or impossible to replicate in the region. The proposed Prime Industrial Overlay map is intended to match the RSIA map, and BPS will ask Metro to update the Title 4 RSIA map upon completion of the Comprehensive Plan Update.
- Flexibility for site opportunities and market change – Real estate industry representatives suggested a more granular approach with flexibility for small map changes on constrained sites and at advantageous locations for more intensive development. Options to add flexibility could moderate detrimental impacts on the industrial district through size limitations (e.g., less than 5 acres) and by limiting map changes to Mixed Employment designations only. On the other hand, Portland’s industrial zones already allow site flexibility for limited commercial development, while reserving these areas primarily for

industrial building types that reflect development trends and forecast demand. Also, proposed brownfield and land intensification incentives are expected to facilitate industrial development on constrained and underutilized sites.

Rationale for proposed change:

1. Prohibition of quasi-judicial plan map amendments would set a clear land use direction to restrict future conversion of prime industrial land.
2. Even small, incremental map amendments would be inconsistent with policy direction to maximize use of the multi-modal freight hub infrastructure in this area, which is the primary basis of the Prime Industrial designation.
3. Forecast 20-year demand for small sites at every size interval (even less than one acre) exceeds the current supply of vacant and underutilized land at those sizes in Portland.

Prime Industrial land efficiency

Policy direction to be implemented (Policies 6.39.e and 6.39.f): *Protect prime industrial land from siting for parks, schools, and large-format retail sales. Promote efficient use of freight hub infrastructure and prime industrial land by limiting non-industrial uses that do not need to be located in the prime industrial area.*

Code change concepts: Prohibit or limit land-intensive non-industrial uses in order to improve land efficiency in prime industrial overlay zones (I-overlay):

- Change Parks and Open Areas from an allowed use to a limited use in the prime industrial overlay.
 - Adjust the Prime Industrial overlay boundary to exclude all existing parks in the City parks inventory, including undeveloped parks and parks without designated use types.
 - Allow trails and allow parks and open areas not larger than two acres, accommodating small-scale needs for boat launches, trailheads, and parks serving employees and residents in the prime industrial overlay.
 - Allow off-site mitigation for natural resource impacts, including mitigation related to the Portland Harbor Superfund cleanup.
 - Allow stormwater facilities as defined by BES as “basic utilities.”
 - Prohibit other parks and open areas larger than two acres. Larger parks and open areas would require a Comprehensive Plan map amendment to Open Space.
 - Clarify expectations through intergovernmental agreements for how to implement this code change in property acquisition processes and development permitting (see Section 7 of this report).
- Prohibit major-event entertainment, outdoor recreation larger than 20,000 square feet, and self-service storage in the I-overlay.



Typical land use patterns in the Prime Industrial overlay zones consist of large-scale industry served by a mix of railroad, harbor, airport, or truck infrastructure, such as in the Northwest Industrial District shown here.

Implementation issues raised:

- Regional restriction on new parks in industrial areas – Metro’s Title 4 rules for Regionally Significant Industrial Areas, which apply to over 90% of Portland’s designated Industrial Sanctuary land, prohibit the siting of parks intended to serve people who do not reside or work in the industrial area and public assembly facilities larger than 20,000 square feet. Metro staff commented that this Title 4 prohibition applies to developed parks and not to undeveloped natural areas. The draft code changes are more protective of industrial land than Title 4, proposing to also limit new natural areas, in order to implement Comprehensive Plan policies intended to address local conversion trends described below. In Portland, “park and open areas” are currently an allowed use in Industrial zones and all other zones. The zoning code does not distinguish between parks used as developed recreational space or natural area as separate primary uses, which can be difficult to do on a site-by-site basis. Most of Portland’s city parkland is managed as natural area.
- Industrial conversion trend to open space – The draft Comprehensive Plan map is proposing amendments on over 600 acres of land from Industrial Sanctuary or Mixed Employment to Open Space, acknowledging sites that have been acquired by public agencies and are now managed as protected open space—primarily natural areas. While most of that converted land consists of large, undevelopable wetland areas (e.g., Four Corners), much of it is also brownfield or other developable land (e.g., St. Johns Landfill, Thomas Cully Park, and portions of other public open

space sites), where prior land use decisions have determined that these sites should be managed as open space.

- Parkland service level needs – Portland Parks and Recreation staff recommended that Parks and Open Areas be allowed in Prime Industrial areas where deemed necessary to meet service needs by the Parks Director, consistent with Policy 8.88 to provide for adequate parkland to meet citywide needs. However, such an exemption would be specifically inconsistent with Metro’s Title 4 and with Comprehensive Plan Policy 6.39.d on parks in Prime Industrial areas (included in Section 2 of this report).
- Map change option for new parks and open areas – Under the proposed prohibition for parks and open areas larger than two acres, a pathway is still in place to add needed parkland through a legislative comprehensive plan map amendment. In addition to parkland considerations, a comprehensive plan map amendment would also be required to consider Goal 9 industrial land needs and obtain a regional amendment of the Title 4 map to remove the RSIA designation. The proposed policies and zoning regulations are designed to set up a public decision-making process to make a determination as to the best use of the City’s limited Prime Industrial Land resources, rather than just allow conversion to non-industrial uses with a finding by the Parks Director.
- Natural areas acquired as basic utilities for stormwater management – Portland Bureau of Environmental Services (BES) staff recommended allowing for natural areas that are acquired as stormwater facilities and serve stormwater management functions. BES acquisitions of stormwater facilities in the last five years have been minimal, and conservation easements in riparian areas are expected to be more widely used as an alternative to open space acquisition. Moreover, BES consultations with BPS at the time of acquisition could be initiated to clarify associated prime industrial capacity at the site and explore options to divide and sell upland portions of the site as development parcels that are not needed as stormwater infrastructure.
- Land use enforcement when no development is proposed – Land use limitations are typically enforced through development applications, so it is unclear how to limit natural areas as a land use where development might not occur. Generally, acquisition of a site as open space is the point at which it would no longer be available for industrial use, but land sales are not reviewed for land use compliance. To support effective administration of land use requirements, development of formal inter-agency coordination procedures are recommended to address open space acquisition of prime industrial land (see Section 7 of this report). The purposes of coordination at the time of acquisition decisions are to inform the acquisition agency of zoning requirements, encourage any resulting loss of prime industrial land capacity to be offset, and to move that cost into the property acquisition decision.
- Allow off-site mitigation – Wide agreement was expressed among project focus groups that the proposed open area restrictions should not preclude site acquisition for off-site mitigation of natural resource impacts in prime industrial areas. Off-site mitigation allowances are expected to improve the efficient use of industrial zoning capacity, as well as accommodate protection of larger habitat sites along with on-site natural resource conservation at industrial sites along continuous habitat corridors.
- Limit prime industrial land conversion by requiring capacity offsets? – The Discussion Draft of this project included preliminary draft code changes that classified new natural areas (excluding stormwater facilities and off-site mitigation) as a limited/conditional use, requiring that any

resulting loss of prime industrial development capacity be offset with equivalent capacity gains. Capacity could be calculated by the Buildable Lands Inventory (BLI) methodology. That draft concept to offset lost capacity also included a fee option for a fund to cleanup medium/high cost brownfields where it is otherwise unlikely to occur, estimated at \$8 per square foot. The fee could also be used for freight investments that support industrial land intensification. However, this offset and pricing mechanism to address capacity losses introduced code complexities and challenges, including implementation at the development permitting stage rather than at acquisition, codifying BLI results, adding a fee-in-lieu option for programs that do not yet exist, and others. Instead, the proposed code includes a prohibition of new park and open areas larger than two acres (except for stormwater facilities and off-site mitigation). Large new natural areas could be established in prime industrial areas through a comprehensive plan map amendment (described above), if approved by City Council, rather than by offsetting capacity losses through a development permitting process. For example, the North Reach River Plan identified a combination of optimal sites prioritized for natural resource restoration and industrial development. Either code option (capacity offset or prohibition) could potentially be applied to implement the Comprehensive Plan policy on prime industrial land retention.

- Should industrial-office uses be more widely allowed? – Real estate industry representatives recommended that industrial use allowances should better accommodate potential market changes, including emerging synergies of industrial and related office uses. For example, Industrial Office uses are allowed in an expanding area of the Central Eastside. Overall, Portland’s mix of industrial and mixed employment zones appears to be responsive to the range of industrial and related commercial land demand within the city’s diverse industrial areas, including demand for marine-related industry, heavy industry, and large-scale warehouses, small-scale industry, flex space, industrial office space, and office-oriented business parks, as analyzed in the Portland Economic Opportunities Analysis.

Rationale for proposed change:

1. The proposed code changes make Prime Industrial areas more land-efficient to accommodate intended uses and forecast growth, through limiting land-intensive non-industrial uses that do not need to locate in these industrial districts.
2. The proposed code changes are anticipated parts of the integrated Industrial Land / Watershed Health strategies proposed in the updated Comprehensive Plan and Economic Opportunities Analysis.
3. The proposed limitation of Parks and Open Areas implements regional growth management rules in Regionally Significant Industrial Areas, which are equivalent to designated Prime Industrial Land.
4. In addition to code changes, follow-up efforts are expected to develop more formal inter-agency coordination procedures to address open space acquisition of prime industrial land.

Land-efficient employment zones

Policy direction to be implemented (Policy 6.44): *Provide small, dispersed employment areas for a flexible and affordable mix of office, creative services, small scale manufacturing, traded sector, and distribution, and other small-format light industrial and commercial uses with access to nearby freeways or truck streets.*

Code change concepts in EG zones:

- Change housing from a conditional use to a prohibited use.
- Reduce the retail allowance from 60,000 to 20,000 square feet per site.
- Increase the floor area ratio (FAR) allowance for office development from 1:1 to 3:1.
- Allow expansion of non-conforming houses in EG zones up to 500 square feet without a non-conforming situation review.



Office parks and flex space as shown here are typical building types in dispersed employment areas. Land uses in these areas differ from larger industrial districts and neighborhood commercial corridors.

Implementation issues raised:

- Substantial housing development in EG zones – Despite existing conditional use limitations, approximately 400 housing units have been developed on 110 sites in EG zones since 1997. This trend is inconsistent with the description of General Employment zones in the zoning code, which calls for a wide range of employment opportunities without potential conflict from interspersed residential uses.
- Substantial retail development in EG zones – Recent large-scale retail development in the Cascade Station and Hayden Meadows areas of the Columbia Corridor (both designated Mixed Employment on the draft Comprehensive Plan map) have been pointed out as prominent examples of conversion to non-industrial use in Prime Industrial districts. These retail areas primarily serve markets outside of the surrounding industrial districts.
- Existing non-conforming residential uses – Concentrated areas of existing housing were removed from Mixed Employment areas on the draft Comprehensive Plan Map and changed to Residential or Mixed Use designations. However, some dispersed residential sites were retained in Mixed Employment areas. Proposed new Mixed Employment areas in Gateway and along SE

82nd Avenue also include several existing residential sites. To reduce the regulatory burden of “non-conforming use” status, proposed code changes would allow expansion up to 500 square feet without a non-conforming situation review.

- Impacts on housing affordability – Neighborhood and equity representatives questioned the effect of restricting housing in EG zones on housing affordability. Portland’s existing and proposed residential and mixed-use zones provide a substantial surplus of housing development capacity relative to forecast demand, while demand for Mixed Employment areas exceed their existing development capacity. Moreover, affordability is substantially affected by both changing income distribution and housing markets, and Dispersed Employment Areas are a source of middle-wage jobs in neighborhoods that expand affordability.
- Accommodation of existing large-format retail – Much of the proposed map change area to Mixed Employment along Hayden Meadows Drive is developed as large-format retail, exceeding the proposed 20,000 square feet limitation. And there are other dispersed examples of large format retail businesses in existing and proposed EG zones. These existing large-format retail businesses would be “conforming land uses” under the proposed conditional use allowance for retail exceeding 20,000 square feet. Their further expansion would be reviewed as a conditional use and consider impacts on freight system capacity and nearby industrial uses.

Rationale for proposed change:

1. The proposed code changes make EG zones more land-efficient to accommodate intended uses and forecast growth, through limiting large-format retail and residential uses that are not intended to be provided in these small, dispersed employment areas.
2. The proposed code changes are anticipated parts of the industrial-land capacity strategies proposed in the updated Comprehensive Plan.

Compatibility in residential settings

Policy direction to be implemented (Policy 4.30): *Improve the interface between non-residential uses and residential uses in areas where commercial or employment uses are adjacent to residentially-zoned land.*

Code change concept: Require industrial-related activities to be concentrated indoors in EG1 zones to be consistent with Commercial Employment zones (currently called “General Commercial”).

- Limit outdoor storage to no more than 20% of the site area.
- Prohibit exterior display of industrial goods, such as heavy equipment for sale or rent.

Implementation issues raised:

- Residential compatibility of Dispersed Employment Areas – Common reactions of neighborhood associations and residents to the proposed new Mixed Employment areas included skepticism or opposition. Neighborhood compatibility impacts of Mixed Employment areas in residential settings are primarily limited through mapping, in that these areas typically buffer more intensive uses (such as freeways and industrial districts) and/or are relatively small areas (typically less than 20 acres). Landscape buffers and building height setbacks are also currently required in EG and I zones abutting R zones.

- Impacts from outdoor activities – The proposed code changes apply more stringent regulation of exterior activities in EG1 zones to match the requirements in existing CG General Commercial zones. This change would no longer allow exterior display activities in industrial categories, but commercial exterior activities that are typical of general commercial areas in a residential setting would continue to be allowed. This change would also limit exterior storage to 20% of lot area.
- Why just EG1 zones? – Limiting the change to EG1 would minimize displacement of existing industrial service uses that have outdoor activity, which are common in EG2 zones. In contrast, industrial service uses with outdoor storage and display areas are rare in existing EG1 zones that currently apply to only about 60 acres citywide. The small-lot patterns of EG1 areas can be more vulnerable to off-site impacts of exterior activities. The change would also improve residential compatibility at the new ME Mixed Employment areas at SE 82nd, Central Gateway, and Rossi farms, where EG1 zoning is proposed.
- Incompatible uses in EG1 zones – The proposed changes would require most industrial activities to occur indoors in EG1 zones. As a result, new industrial service uses with extensive outdoor activity, such as auto wrecking yards and heavy equipment rental, would be effectively precluded from locating in EG1 zones. These changes are expected to make the character of EG1 zones more compatible in a residential setting and more attractive for office development and higher employment density.
- Noise regulations – Neighborhood association representatives pointed out that EG and I areas are currently treated the same in city noise regulations, allowing up to 75dB. A potential follow-up effort could consider adjustment of noise regulations in EG1 zones.



The combination of low buildings, lack of outdoor storage, and masonry walls with landscaping can provide a relatively effective buffer along zoning boundaries between residential and industrial uses.

Rationale for proposed change:

1. Proposed code changes are intended to provide a balanced approach that improves neighborhood compatibility and accommodates job growth at Dispersed Employment Areas.

-
2. In contrast to most of the existing EG zones that function as a buffer between Residential zones and freeways or Industrial zones, most of the proposed new EG1 areas are standalone locations rather than transition areas. Proposed EG1 code changes raise the compatibility standards for exterior activities in these EG1 areas to generally match Commercial Employment zones.

Golf course rezoning

Policy direction to be implemented (Policy 6.51): *Facilitate a mix of industrial, natural resource, and public open space uses on privately owned golf course sites in the Columbia Corridor that property owners make available for reuse.*

Code change concept: Add requirements to the PDX Airport Plan District addressing the privately owned Riverside and Broadmoor golf course sites. Limit industrial rezoning to IG2 only, which requires a minimum landscaped area and is subject to Title 11 Tree Preservation Standards. Apply development standards for ecologically beneficial design in IG2 zones at these golf course sites, including the following:

- Require a minimum 20% landscaped area (rather than the 15% standard in IG2 zones);
- Require that 75% of required landscaped area use native plants;
- Allow ecoroofs to be counted toward the 20% minimum landscaped area as an incentive for ecoroof development;
- Eliminate the standard allowance that one-third of the required landscaped area can be met by hardscape for active or passive recreation use;
- Require that at least 1/3 of required trees be native conifers for their year-round stormwater benefits;
- Require planting of a 25-foot buffer area abutting the open space and residential zones;
- Restrict exterior lighting to limit light pollution and avoid impacting habitat areas.

Implementation issues raised:

- Divergent perspectives on golf course rezoning – Several neighborhood and environmental representatives have opposed the potential loss of open space at private golf course sites. Other neighborhood and equity representatives supported rezoning criteria to leverage community benefits with new development. Business association and real estate industry representatives objected to singling out industrial rezoning for additional requirements that constrain middle-income job growth and shift industrial growth capacity to the edge of the region. Riverside Golf Club representatives objected to the proposed Comprehensive Plan map change and rezoning at the site, emphasizing their priority for continued use and success of the site as a golf course.
- Public benefits of the map change – Public objectives for the proposed map changes are identified in the Comprehensive Plan, including new development capacity to meet forecast industrial job growth, natural resource benefit through additional protection and enhancement, and expanded public access to open space through a trail or park. The draft Comprehensive Plan also proposes a combination of map changes from Open Space to Industrial and from Industrial to Open Space. Map designations at the Broadmoor and Riverside sites propose 215 acres as Open Space and 112 acres as industrial.

- Legal and fairness limitations on reuse criteria – A preliminary code concept was considered that would add rezoning criteria to partly mitigate for the loss of open space functions. Criteria could require designation of a conservation easement, trail, or ecological site design. However, such reuse criteria would be inconsistent with current code requirements that zoning map changes which implement the comprehensive plan map will be approved if adequate public services are available to the zone-change site. As such, requiring property owners to mitigate for a land use change proposed on the Comprehensive Plan map raises fairness considerations. Also, since rezoning requirements would be limited to the site of the zone change, it is unlikely that rezoning criteria could call for additional natural resource protection, enhancement, and public access on the OS-designated portions of the golf course sites. Additionally, federal case law requires that open space dedication and exactions must meet legal tests for a nexus to specific public purpose and that requirements be roughly proportional to expected development impacts.
- Ecologically beneficial design standards – Comprehensive Plan policies call for incorporating natural and ecosystem services into the design of buildings and development sites for all land use types and public infrastructure. In addition, the golf courses are parts of the newly mapped urban habitat corridors. Policies also call for improvement of the regulatory business climate and maintaining market competitiveness of city employment land with respect to cumulative regulatory impacts. The proposed development standards are intended to provide substantial ecological benefit through development design in these habitat corridor sites while maintaining location competitiveness and financial feasibility for development. The Parks Bureau recommended that ecoroofs should be an option, not a requirement, at larger sites like golf courses, where it may not make functional or financial sense. BES recommended consideration for developing a program to promote green building and site design in industrial areas through technical assistances and/or incentives.



Wide swales, native landscaping, and downward-shining exterior lighting can improve stormwater and habitat functions, like shown here on industrial sites near PDX Airport.

Rationale for proposed change:

1. The draft code change concept implements proposed policy and map direction at these golf course sites. These sites are an integral part of the industrial-land capacity strategies proposed in the updated Comprehensive Plan.
2. The draft code change concept is intended to provide a balanced approach that supports industrial growth and watershed health.

Central City industrial zoning

Policy direction to be implemented (Policy 6.35): *Protect and facilitate the long-term success of Central City industrial districts, while supporting their evolution into places with a broad mix of businesses with high employment densities.*

Code change concept: Expand the area allowing Industrial Office uses in the Central Eastside Subdistrict to all IG1 (General Industrial) zones. Adjust the size limitations on retail and services and traditional office uses to no more than 5,000 square feet on sites up to 40,000 square feet in size and no more than 12.5 percent of the site area on sites larger than 40,000 square feet.

Implementation issues raised:

- Job-growth potential – The Employment Opportunity Subarea (EOS) of the Central City Plan District has been very successful at increasing employment densities, especially those in industrial office space, while not resulting in displacement of existing industrial operations. During the “Great Recession” between 2007 and 2010 over 1,000 new jobs were created in the EOS that contributed to the district’s 7% annual employment growth. More recent analyses shows continued growth in the district between 2010 and 2013, when approximately 150 industrial, 1,000 industrial office, 270 traditional office, and 240 retail and food services jobs were added.
- Central City Industrial growth capacity – The Economic Opportunities Analysis projects that the Central City Industrial areas (Central Eastside and Lower Albina) will need to accommodate 10,600 new jobs by 2035. However, the existing development capacity of vacant and underutilized land under the current (previous) Comprehensive Plan meets only 72% of that forecast growth. The proposed code change to expand the area allowing industrial-office uses will accommodate this shortfall and provide adequate 20-year growth capacity in the Central City Industrial areas.
- Industrial office definition – The Bureau of Development Services recommended strengthening the definitions of both Industrial Office and Traditional Office, if the subarea allowing industrial offices is expanded. This issue has been discussed in the SE Quadrant Plan process. Refinements to these definitions may be proposed in the next phase of the Central City Plan Update, along with design standards for industrial office development.

Rationale for proposed change:

1. The draft map/code change concept is recommended in the Southeast Quadrant Plan Proposed Draft of the Central City Plan Update.
2. These map/code changes are an integral part of growth-capacity strategies proposed in updated Comprehensive Plan for the Central City Industrial area.
3. The draft code change concept is intended to provide a balanced approach that supports continued job growth and industrial retention.

North Cully Plan District

No code change is proposed to amend the North Cully Plan District in this project at this time. A preliminary code concept proposed amending the plan district to facilitate development of brownfield and vacant land (approximately 50 acres) in this Mixed Employment designated area. Optional concepts included either removing requirements for Type III review of development or sunsetting the 1992 plan district in lieu of updated zoning, land division, and public service requirements adopted in the meantime that implement plan district objectives. Comments from the Cully neighborhood and equity representatives recommended retaining the North Cully Plan District as an existing mechanism to leverage community benefits that support equity objectives.

A citywide project is under consideration to explore requiring community benefits agreements that address displacement and equity considerations. If such a citywide approach is developed, reconsideration of the option to amend or sunset the North Cully Plan District is recommended at that time, in order to facilitate development of vacant and underutilized land in this area and its associated job growth.

Rezoning at new Mixed Employment areas

Comprehensive plan map amendments to be implemented: The draft Comprehensive Plan proposes a variety of map amendments to Mixed Employment designations, including the following:

- Development opportunity sites in East Portland (e.g., Rossi farm sites)
- Industrial/residential transition areas (e.g., NW Vaughn, N Columbia at Denver)
- Land use change from General Commercial (e.g., 11 blocks of SE 82nd, N. Hayden Meadows Dr.)
- Land use change from Central Employment (e.g., Central Gateway, Freeway Lands, SE Ochoco)
- Land use change to accommodate campus institutional capacity (McCormick and Baxter site)

Map change concept: Apply zoning map changes to General Employment 1 or 2 (EG1 or EG2) at each of these new Mixed Employment sites. Section 6 of this report shows maps of the proposed zone changes, along with the surrounding context of proposed Comprehensive Plan map designations and truck route access. Several of the code changes proposed in this section are intended to address implementation issues of applying these map changes.

5. Zoning code changes

This section of the report specifies the proposed code language, along with code commentary pages that are intended to help clarify expected implementation. The section is formatted to facilitate readability, showing proposed code changes on the right-hand pages and related commentary on the facing left-hand pages.

Commentary

33.140.100.B.3 The amendments to this paragraph are intended to address efficient use of land in the General Employment zones. The amendments reduce restrictions on Office uses in the EG zones, and increase restrictions on Retail Sales And Service uses in the EG zones.

Ample development capacity for retail sales and personal services businesses are provided in neighborhood commercial corridors and centers that have MU or C zoning. Retail sales and personal service businesses are the predominant employment use in these neighborhood commercial areas, where customers typically come to the site. In contrast, EG zoning is applied in small, dispersed employment areas within larger neighborhood or industrial settings. EG zones are intended to provide for a flexible and affordable mix of office and small-format, light industrial businesses that are the predominant uses. Typical building types in EG zones are office buildings, flex space, and small general industrial buildings.

Office uses will become an allowed use in EG1 and EG2, thereby increasing the floor area ratio (FAR) allowance for office development from 1:1 to 3:1.

The threshold that triggers a conditional use review for Retail Sales And Service uses will be reduced from 60,000 square feet to 20,000 square feet.

33.140.100.B.17 In order to reduce non-industrial uses in Industrial zones (IG1, IG2, IH) and preserve Industrial zones for industrial uses, Commercial Outdoor Recreation will be limited to no larger than 20,000 square feet.

Language to be added is underlined
 Language to be deleted is shown in ~~strikethrough~~

33.140 Employment and Industrial Zones

33.140.100 Primary Uses

- A. Allowed uses.** [No change]
- B. Limited uses.** Uses allowed that are subject to limitations are listed in Table 140-1 with an "L". These uses are allowed if they comply with the limitations listed below and the development standards and other regulations of this Title. In addition, a use or development listed in the 200s series of chapters is also subject to the regulations of those chapters. The paragraphs listed below contain the limitations and correspond with the footnote numbers from Table 140-1.
- 1.-2. [No change]
3. ~~EG commercial~~ Retail Sales and Service limitation. Theis following regulations applies to all parts of Table 140-1 that have a [3].
- a. Limited uses.
- (1) ~~Office uses are allowed if the FAR is not more than 1:1 per site, except for historic landmarks. On sites with historic landmarks, the FAR may be up to 2:1.~~
- (2) ~~Retail Sales And Service uses are allowed if the floor area plus the exterior display and storage area is not more than 620,000 square feet or the FAR is not more than 1:1 per site, whichever is less, except for historic landmarks. On sites with historic landmarks, Retail Sales And Service uses are allowed if the floor area plus the exterior display and storage area is not more than 620,000 square feet or the FAR is not more than 2:1 per site, whichever is less.~~
- b. Conditional uses.
- (1) ~~Retail Sales And Service uses where the floor area plus the exterior display and storage area is more than 620,000 square feet, or the FAR is more than 1:1, are a conditional use, except in historic landmarks. In historic landmarks, Retail Sales And Service uses where the floor area plus the exterior display and storage area is more than 620,000 square feet or the FAR is more than 2:1 per site, are a conditional use.~~
4. – 16. [No change]

Commentary

Table 140-1 Employment and Industrial Zone Primary Uses

The amendments to this table reflect several changes that support efficient use of Employment and Industrial zones, and reduce impacts on employment and industrial area from incompatible uses:

- Residential uses will be prohibited in EG zones;
- Office uses will be allowed outright with no limitation in EG zones;

Language to be added is underlined
 Language to be deleted is shown in ~~strikethrough~~

**Table 140-1
 Employment and Industrial Zone Primary Uses**

Use Categories	EG1	EG2	EX	IG1	IG2	IH
Residential Categories						
Household Living	CU <u>N</u>	CU <u>N</u>	Y	CU [1]	CU [1]	CU [1]
Group Living	CU <u>N</u>	CU <u>N</u>	L/CU [2]	N	N	N
Commercial Categories						
Retail Sales And Service	L/CU [3]	L/CU [3]	Y	L/CU [4]	L/CU [5]	L/CU [6]
Office	Y <u>[3]</u>	Y <u>[3]</u>	Y	L/CU [4]	L/CU [5]	L/CU [6]
Quick Vehicle Servicing	Y	Y	N	Y	Y	Y
Vehicle Repair	Y	Y	Y	Y	Y	Y
Commercial Parking	CU [15]	CU [15]	CU [15]	CU [15]	CU [15]	CU [15]
Self-Service Storage	Y	Y	L [7]	Y	Y	Y
Commercial Outdoor Recreation	Y	Y	Y	CU	CU	CU
Major Event Entertainment	CU	CU	CU	CU	CU	CU
Industrial Categories						
Manufacturing And Production	Y	Y	Y	Y	Y	Y
Warehouse And Freight Movement	Y	Y	Y	Y	Y	Y
Wholesale Sales	Y	Y	Y	Y	Y	Y
Industrial Service	Y	Y	Y	Y	Y	Y
Railroad Yards	N	N	N	Y	Y	Y
Waste-Related	N	N	N	L/CU [8]	L/CU [8]	L/CU [8]
Institutional Categories						
Basic Utilities	Y/CU [12]	Y/CU [12]	Y/CU [12]	Y/CU [13]	Y/CU [13]	Y/CU [13]
Community Service	L [9]	L [9]	L [10]	L/CU [11]	L/CU [11]	L/CU [11]
Parks And Open Areas	Y	Y	Y	Y	Y	Y
Schools	Y	Y	Y	N	N	N
Colleges	Y	Y	Y	N	N	N
Medical Centers	Y	Y	Y	N	N	N
Religious Institutions	Y	Y	Y	N	N	N
Daycare	Y	Y	Y	L/CU [11]	L/CU [11]	L/CU [11]
Other Categories						
Agriculture	L [16]	L [16]	L [16]	L [16]	L [16]	L [16]
Aviation And Surface Passenger Terminals	CU	CU	CU	CU	CU	CU
Detention Facilities	CU	CU	CU	CU	CU	CU
Mining	N	N	N	CU	CU	CU
Radio Frequency Transmission Facilities	L/CU [14]	L/CU [14]	L/CU [14]	L/CU [14]	L/CU [14]	L/CU [14]
Rail Lines And Utility Corridors	Y	Y	Y	Y	Y	Y

Y = Yes, Allowed
 CU = Conditional Use Review Required

L = Allowed, But Special Limitations
 N = No, Prohibited

Commentary

33.140.245 Exterior Display, Storage and Work Activities

The amendments to this section are intended to reduce impact from dispersed employment areas located near residential neighborhoods. The amendments limit exterior display and storage activities in EG1 zones. Reducing exterior display and storage will improve the compatibility of the employment and industrial uses.

The small-lot patterns of EG1 areas can be more vulnerable to off-site impacts of exterior activities. Additionally, most of the proposed new EG1 areas are standalone locations, in contrast to most of the existing EG zones that function as a buffer between Residential zones and freeways or Industrial zones. Proposed EG1 code changes raise the compatibility standards for exterior activities in these EG1 areas to generally match Commercial Employment zones. Limiting the change to EG1 would minimize displacement of existing industrial service uses that have outdoor activity, which are common in EG2 zones.

Language to be added is underlined
 Language to be deleted is shown in ~~strikethrough~~

33.140.245 Exterior Display, Storage, and Work Activities

- A. Purpose.** The exterior development standards of this section are intended to assure that exterior display, storage, and work activities:
- Will be consistent with the desired character of the zone;
 - Will not be a detriment to the overall appearance of an employment or industrial area, and exterior activities in the EG1 zone will be limited to a similar level as exterior activities in the Commercial Employment zone;
 - Will not have adverse impacts on adjacent properties, especially those zoned residential; and
 - Will not have an adverse impact on the environment.
- B. Exterior display.**
1. Employment zones. Exterior display of goods is allowed as follows. The setback and landscaping standards for exterior display areas are stated in Table 140-6:
 - a. Exterior display of goods is allowed in the EG1 zone except for uses in the industrial categories. Exterior display of goods is not allowed for uses in the industrial categories in the EG1 zone.
 - b. Exterior display of goods is allowed in the EG2 zone.
 - c. Exterior display of goods is not allowed in all of the E and I zones except the EX zone. The setbacks and landscaping standards for exterior display areas are stated in Table 140-6.
 2. Industrial zones. Exterior display of goods is allowed in the I zones. The setback and landscaping standards for exterior display areas are stated in Table 140-6.
- C. Exterior storage.**
1. Employment zones. Exterior storage is allowed in the EG1 zones but is limited to 20 percent of the site area for all uses except lumber yards and other building material stores. Exterior storage is allowed in the EG2 zones. Exterior storage is not allowed in all of the E and I zones except the EX zones. The setback and landscaping standards for exterior storage areas are stated in Table 140-6.
 2. Industrial zones. Exterior storage is allowed in the I zones. The setback and landscaping standards for exterior storage areas area stated in Table 140-6
- D.-E.** [No change]

Commentary

33.236.030 Houseboats

Chapter 33.236 regulates Floating Structures. The reference to the EG zone is being deleted from the section. The amendment to this section reflect the fact that residential uses will be prohibited in EG zones.

Language to be added is underlined
 Language to be deleted is shown in ~~striketrough~~

Table 140-6 Exterior Development Setbacks and Landscaping [1]				
	EG1, IG1	EG2, IG2	EX	IH
Exterior Display Abutting a street	5 ft. / L1	10 ft. / L1	Not Allowed	5 ft. / L1
Abutting a C, E, or I zone lot	0	0	Not Allowed	0
Abutting an R or OS zone lot	5 ft. / L3	10 ft. / L3	Not Allowed	10 ft. / L3
Exterior Storage Abutting a street [2, 3]	5ft. / L3, or 5 ft./ F2 + L2	10 <u>25</u> ft. / L3, or 10 <u>25</u> ft. / F2 + L2	Not Allowed	5 ft. / L3, or 5 ft./ F2 + L2
Abutting a C, E, or I zone lot	0 / F1	0 / F1	Not Allowed	0
Abutting an R or OS zone lot	5 ft. / L4	10 ft. / L4, or 25 ft. / L3	Not Allowed	10 ft. / L4, or 25 ft. / L3

33.236 Floating Structures

33.236.030 Houseboats

Houseboats and houseboat moorages are classified under the general use category of Household Living. An individual houseboat outside of a houseboat moorage is considered a single-dwelling use of the upland lot. A houseboat moorage is considered a multi-dwelling use. Generally, an individual houseboat outside of a houseboat moorage is allowed only where a single dwelling use would be allowed on the upland lot, and a houseboat moorage is allowed only where a multi-dwelling use is allowed on the upland lot.

In the ~~EG~~ and I zones, houseboats and houseboat moorages are a conditional use.

Commentary

33.258.050 Nonconforming use

Expansion of non-conforming household living uses by up to 500 square feet is being allowed in EG zones without non-conforming situation review, reducing the process burden and cost for small-scale changes to housing for which the non-conforming review considerations are less applicable. Generally, the half-block or larger areas of existing housing were changed from Mixed Employment to Residential designations on the draft Comprehensive Plan map. However, some dispersed residential sites were retained in existing and proposed Mixed Employment areas.

Language to be added is underlined
 Language to be deleted is shown in ~~striketrough~~

33.258 Nonconforming Situations

33.258.050 Nonconforming Uses

A.–B. [No change]

C. **Expansions.** [No change]

1. OS and R zones. [No change]
2. C, E, and I zones. The standards stated below apply to all nonconforming uses in C, E, and I zones.
 - a. No change.
 - b. In EG1, EG2 and I zones, expansions of floor area for nonconforming Household Living uses, when proposed within the property lines as they existed two years before the use became nonconforming, are allowed if all of the following are met:
 - (1) The expansion will not increase the floor area by more than 500 square feet over the floor area that existed when the use became nonconforming.
Expansions that increase the floor area by more than 500 square feet over the floor area that existed when the use became nonconforming may be requested through a nonconforming situation review;
 - (2) The expansion must comply with development standards of the base zone, overlay zone, and plan district; and
 - (3) The addition of new dwelling units is prohibited.
 - c. In E and I zones, expansions of exterior improvements for nonconforming Household Living uses are allowed if they comply with the development standards of the base zone, overlay zone, and plan district.
 - d. Expansion of floor area or exterior improvements, when proposed beyond the property lines as they existed two years before the use became nonconforming, is prohibited, except in the following situation:
 - (1) The property proposed for expansion is abutting at least one of the property lines of the nonconforming use as they existed two years before the use became nonconforming; and
 - (2) The property proposed for expansion was in the same ownership as the property holding the nonconforming use when it became nonconforming; and
 - (3) The zoning regulations on the property proposed for expansion would have allowed the use at the time the existing situation became nonconforming; and
- (4) The expansion is approved through a nonconforming situation review.

Commentary

33.475 Prime Industrial Overlay Zone

The Prime Industrial overlay zone implements the Prime Industrial Areas policy and sub-policies in the Comprehensive Plan. The policy (6.36) is intended to help maintain the 20-year growth capacity for forecast job growth in these areas. Substantial industrial-conversion trends in the Portland Harbor and Columbia Corridor areas in recent decades have included Comprehensive Plan map amendments, public acquisition for non-industrial uses, and other land use actions that reduce industrial development capacity. The overlay zone restricts conversion of Prime Industrial land in order to preserve industrial development capacity. Designation and protection of prime industrial land implements direction set in Statewide Planning Goal 9, along with generally equivalent regional direction in Metro's Title 4 to protect Regionally Significant Industrial Areas. The description of Prime Industrial land in the purpose statement is drawn from the definition of Prime Industrial Land in the Goal 9 Administrative Rule.

The identified Prime Industrial Area prioritizes land for long-term industrial retention. The Industrial Sanctuary and Mixed Employment designations set land use direction within Prime Industrial areas. Industrial Sanctuaries provide areas primarily for manufacturing and distribution uses and a setting that encourages industrial growth. Mixed Employment areas provide primarily for office and light manufacturing uses within a more diverse mix of employment uses. Prime Industrial designations include Industrial Sanctuaries and internally located Mixed Employment areas, except that the relatively large retail areas at Cascade Station and Hayden Meadows Drive are not included.

The regulations in the new overlay zone:

- Prohibit quasi-judicial Comprehensive Plan Map amendments in the Prime Industrial areas; and
- Reduce non-industrial use allowances in the Prime Industrial areas.

Language to be added is underlined
 Language to be deleted is shown in ~~strikethrough~~

33.475 Prime Industrial Overlay Zone

475

Sections:

General

33.475.010 Purpose

33.475.020 Map Symbol

33.475.030 Applying the Prime Industrial overlay zone

33.475.040 Initiating a Quasi-judicial Comprehensive Plan Map Amendment

Use Regulations

33.475.050 Self-Service Storage

33.475.060 Commercial Outdoor Recreation

33.475.070 Major Event Entertainment

33.475.080 Parks and Open Areas Uses

General

33.475.010 Purpose

The purposes of the Prime Industrial overlay zone are to protect land that has been identified in the Comprehensive Plan as Prime Industrial, and to prioritize these areas for long-term retention. Prime Industrial Land is suited for traded-sector and supportive industries and possesses characteristics that are difficult to replace in the region. In Portland, Prime Industrial land consists of the Portland Harbor, Columbia Corridor, and Brooklyn Yard industrial districts. These freight-hub districts include Oregon's largest seaport, rail hub, and airport. Existing and potential multimodal freight access in these districts support interregional transport, exporting industries, and associated industrial businesses and activities. The regulations protect these areas by preventing, or requiring an off-set for, conversion of the land to another zone or use that would reduce industrial development capacity.

33.475.020 Map Symbol

The Prime Industrial overlay zone is shown on the Official Zoning Maps with the "I" symbol.

33.475.030 Applying the Prime Industrial overlay zone

The Prime Industrial overlay zone is to be applied to all land designated as Prime Industrial in the Comprehensive Plan.

33.475.040 Initiating a Quasi-judicial Comprehensive Plan Map amendment.

In the Prime Industrial overlay zone, an applicant is prohibited from initiating a quasi-judicial Comprehensive Plan Map amendment unless the amendment is from Mixed Employment to Industrial Sanctuary.

Commentary

33.475.050 Parks And Open Areas

Parks and Open Areas uses are currently allowed outright in the Industrial and General Employment zones. The proposed amendments change Parks and Open Areas uses from an allowed use to a limited use in the Prime Industrial areas. The intent of the amendments is to limit the conversion of Prime Industrial land to parks or natural area. Stormwater facilities as defined by the Bureau of Environmental Services are allowed as basic utilities.

Limited Parks and Open Areas uses:

- Any Parks and Open Areas that are 2 acres or less in size are allowed. Larger parks and natural areas would require a legislative Comprehensive Plan map amendment to Open Space.
- Recreational trails and boat launching areas as long as the accessory uses and facilities built in association with the trail and boat launch are not larger than 2 acres.
- Mitigation that is not accessory to a primary use on a site (i.e. off-site mitigation). In this case, the mitigation will be allowed outright as long as the mitigation is for development that occurs in the I-overlay, including mitigation related to the Portland Harbor Superfund cleanup.

The Prime Industrial overlay boundary has been adjusted to exclude all existing parks in the City parks inventory in 2015, including undeveloped parks and parks without designated use types

Bureau of Planning and Sustainability will coordinate with Metro, Portland Parks and Recreation, and the Bureau of Environmental Services to formalize public acquisition consultation procedures for parks and open areas in the I-overlay. The purposes of consultation at the time of acquisition decisions are to inform the acquisition agency of zoning limitations, options for legislative map amendments, and the estimated resulting loss of prime industrial development capacity of the site based on the Buildable Land Inventory (BLI) methodology. Consultation at the time of acquisition would facilitate consideration of prime industrial retention policy and zoning compliance in the property acquisition decision.

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Use Regulations

33.475.050 Self-Service Storage

Self-Service Storage is prohibited in the Prime Industrial overlay zone.

33.475.060 Commercial Outdoor Recreation

In the I and EG zones, Commercial Outdoor Recreation uses are limited to 20,000 square feet. More than 20,000 square feet in Commercial Outdoor Recreation use on a site is prohibited.

33.475.070 Major Event Entertainment

Major Event Entertainment is prohibited in the Prime Industrial overlay zone.

33.475.080 Parks and Open Areas

Parks and Open Areas are prohibited in the Prime Industrial overlay zone except for the following:

- A. Parks and Open Areas that are 2 acres or less in size are allowed;
- B. Recreational trails and boat launching areas are allowed. Trailheads, parking areas, bathroom facilities, educational kiosks and other development or facilities that are accessory to a recreational trail and boat launching areas are limited to 2 acres per site; and
- C. Off-site mitigation is allowed if the mitigation is for impacts that occur in the Prime Industrial overlay zone.

Commentary

33.510.113 Retail Sales And Service and Office Uses in the IG1 Zone

The Central City Plan District use allowances in the Economic Opportunity Subarea (EOS) are expanded to the IG1 zones in the Central Eastside Plan District. Industrial Office uses are allowed in this expanded area, and Retail Sales And Service and Traditional Offices uses are limited.

These changes are recommended in the Southeast Quadrant Plan of the Central City Plan Update. The changes are intended to provide a balanced approach that supports industrial retention and industrial office job growth. The EOS has been very successful at increasing employment densities, especially those in industrial office space, while not resulting in displacement of existing industrial operations. The changes are also intended to partially meet 20-year growth-capacity needs in the updated Comprehensive Plan for the Central City Industrial area.

These changes are intended to foster new multi-story building construction that accommodates industrial and industrial office uses.

These changes are also intended to encourage and allow the full interior of an existing building shell to be rehabilitated to allow industrial office uses. Some buildings in the district have multiple stories that easily can be used as industrial office space, whereas some have former industrial warehouse or production space where the ceiling is very tall and additional floors could be added within the shell of the building to create industrial office space. Further, in some cases it may be desirable for developers to add a penthouse to the roof of an existing building to serve as additional industrial office space or as space for accessory uses to the office use. These provisions are intended to address this desire.

Language to be added is underlined
 Language to be deleted is shown in ~~strikethrough~~

33.510 Central City Plan District

33.510.113 Retail Sales And Service and Office Uses in the IG1 Zone

A. Generally. [No change]

B. Historic resources. [No change]

C. ~~Employment Opportunity Subarea~~ Central Eastside Subdistrict.

1. Purpose. The regulations of this subsection are intended to broaden the mix of employment uses in the Central Eastside Industrial District in a manner that increases the vitality of the district without negatively impacting the viability of industrial uses and development. The additional uses allowed by the regulations are uses that build on the economic strengths, locational advantages and urban character of the Central Eastside~~promote the preservation of industrial land and development and support the vitality of industrial businesses while providing opportunities for a broad and diverse mix of employment uses that are compatible with industrial activities and that build on the economic strengths, locational advantages and urban character of the Central Eastside.~~
2. Where these regulations apply. The regulations of this subsection apply to sites zoned in~~the IG1 Zone in the Employment Opportunity Subarea of the Central Eastside Subdistrict~~ that are not subject to Subsection B.
3. Allowed uses.
 - a. Retail Sales And Service and Traditional Office uses.
 - (1) Sites up to 40,000 square feet in size. The following regulations apply to Retail Sales And Service and Traditional Office uses on sites that are 40,000 square feet or less in size:
 - Up to 5,000 square feet of the net building area plus the exterior display and storage area on a site may be in Retail Sales And Service use. More than 5,000 square feet in Retail Sales And Service use on a site is prohibited.
 - ~~b. Traditional Office.~~ Up to 5,000 square feet of net building area on a site may be in Traditional Office use. More than 5,000 square feet in Traditional Office use on a site is prohibited.
 - (2) Sites over 40,000 square feet in size. The following regulations apply to Retail Sales And Service and Traditional Office uses on sites that are more than 40,000 square feet in size:
 - Retail Sales and Service uses on a site are allowed but net building area plus exterior display and storage is limited to an amount equal to 12.5 percent of the total site area. More than 12.5 percent in Retail Sales And Service use is prohibited.
 - Traditional Office uses on a site are allowed but net building area is limited to an amount equal to 12.5 percent of the total site area. More than 12.5 percent in Traditional Office use is prohibited.

Commentary

Language to be added is underlined
 Language to be deleted is shown in ~~strikethrough~~

e.b. Industrial Office.

(1) Generally, Industrial Office uses are allowed but net building area plus exterior display and storage is limited to up to an amount equal to three times the square footage of the site. Unless allowed by one of the exceptions below, Industrial Office use in excess of three times the square footage of the site is prohibited.

(2) Exceptions.

- If the site is 20,000 square feet or less in size, up to 60,000 square feet of gross building area may be in an Industrial Office use. More than 60,000 square feet per site is prohibited.
- Industrial Office uses are allowed in buildings that existed on [insert adoption date]. In this case, 100 percent of the gross building area may be in an Industrial Office use including floor area added inside of the building as it existed on [insert adoption date]. In addition, up to 5,000 square feet of floor area added to the roof of the building as it existed on [insert adoption date] can be in Industrial Office use. Industrial Office use in more than 5,000 square feet of floor area added to the roof of the building is prohibited.

~~Up to 60,000 square feet of the floor area on a site may be in Industrial Office use.~~

~~4. Conditional uses.~~

- ~~a. More than 5,000 square feet in Traditional Office use on a site is a conditional use. More than 60,000 square feet in Traditional Office use on a site is prohibited.~~
- ~~b. More than 60,000 square feet in Industrial office use on a site is a conditional use.~~

Commentary

510 Maps

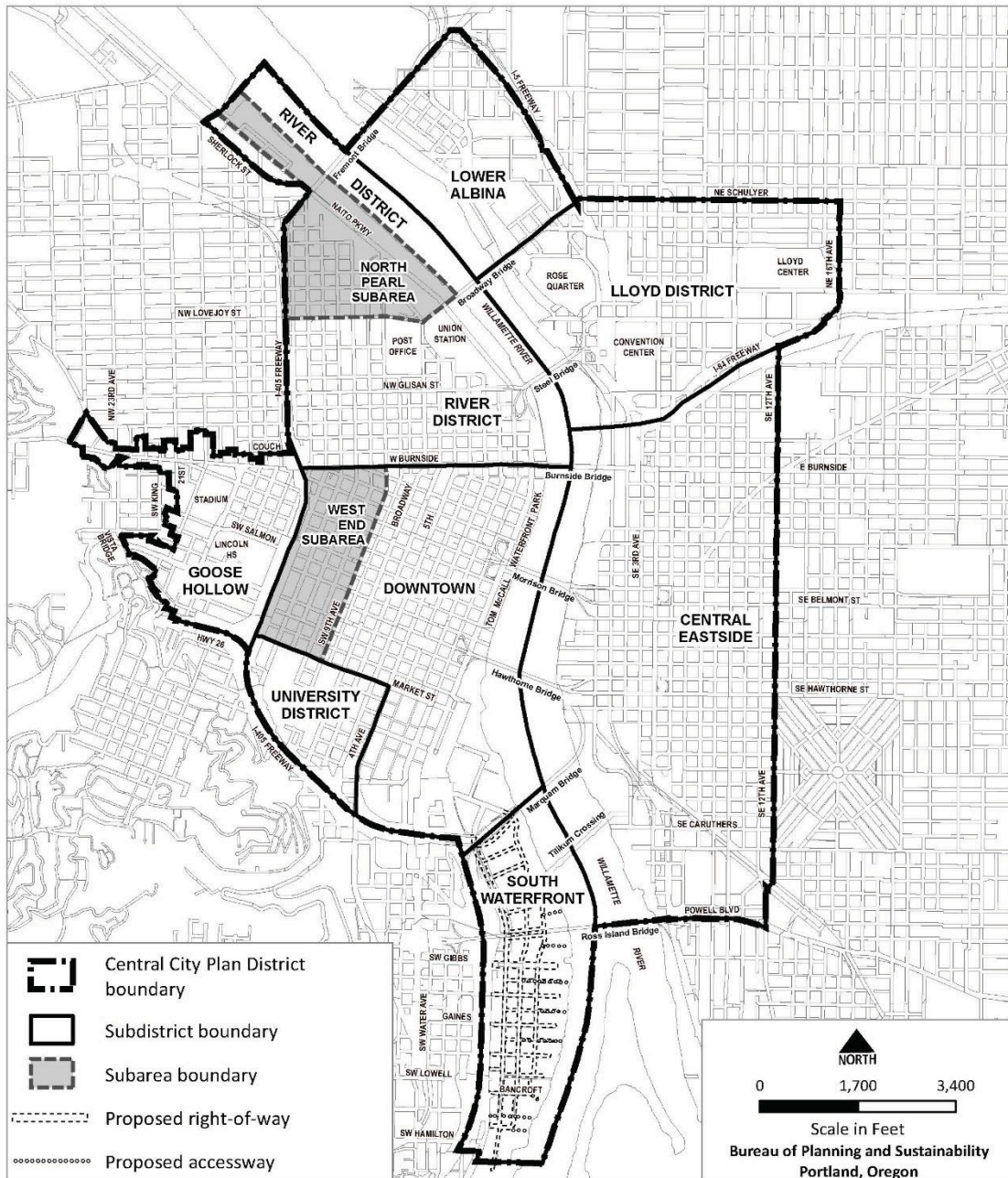
The following maps have been amended to remove the Employment Opportunity Subarea.

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Central City Plan District and Subdistricts

Map 510-1

Map Revised Xxxxx X, 2015



Commentary

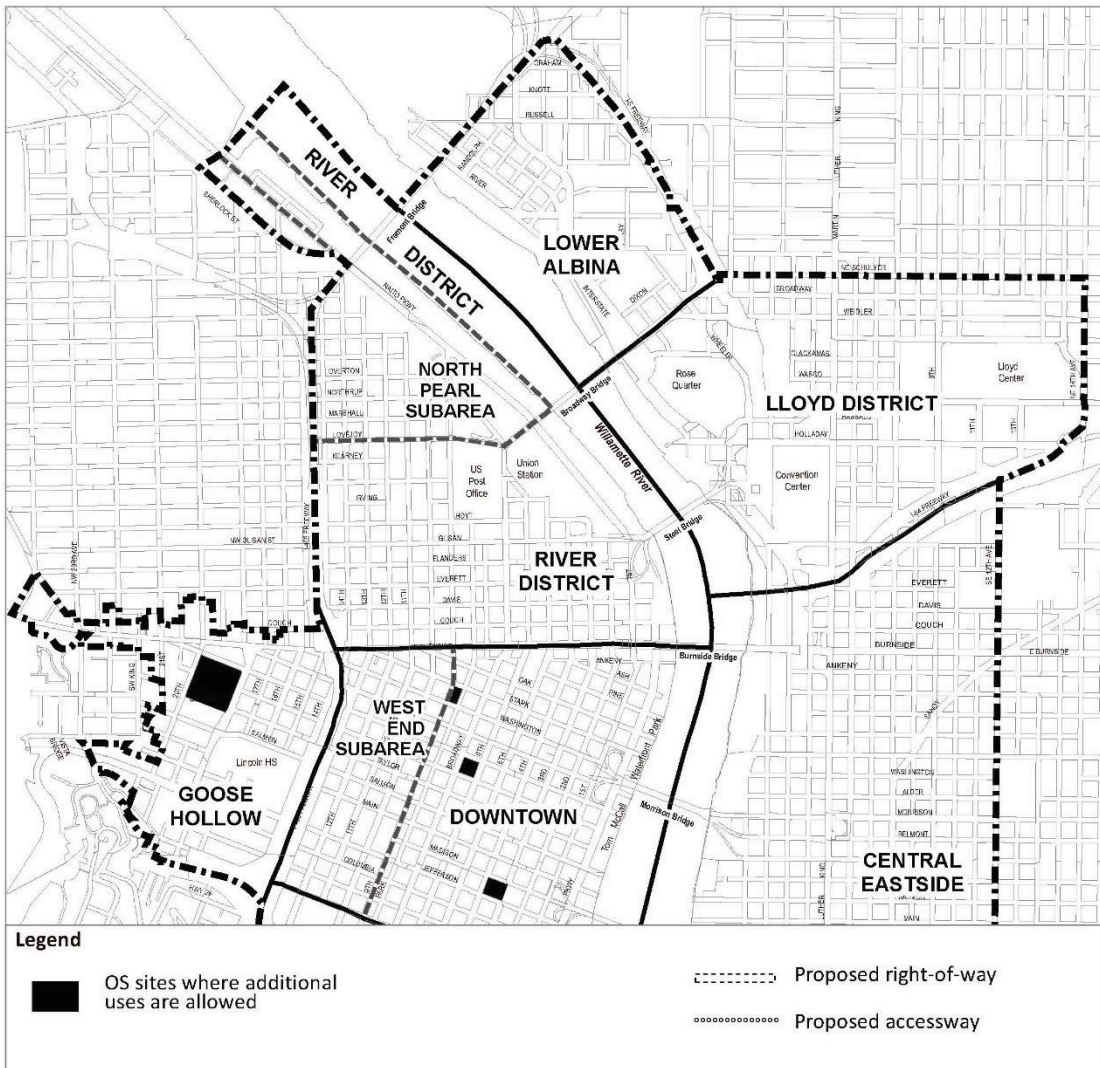
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Areas Where Additional Uses are Allowed in the OS Zone

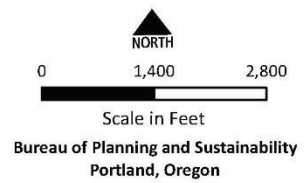
Map 510-10

Map 1 of 2

Map Revised Xxxxx X, 2015



- ⊞ Central City Plan District boundary
- ▭ Subdistrict boundary
- ⊞ Subarea boundary



Commentary

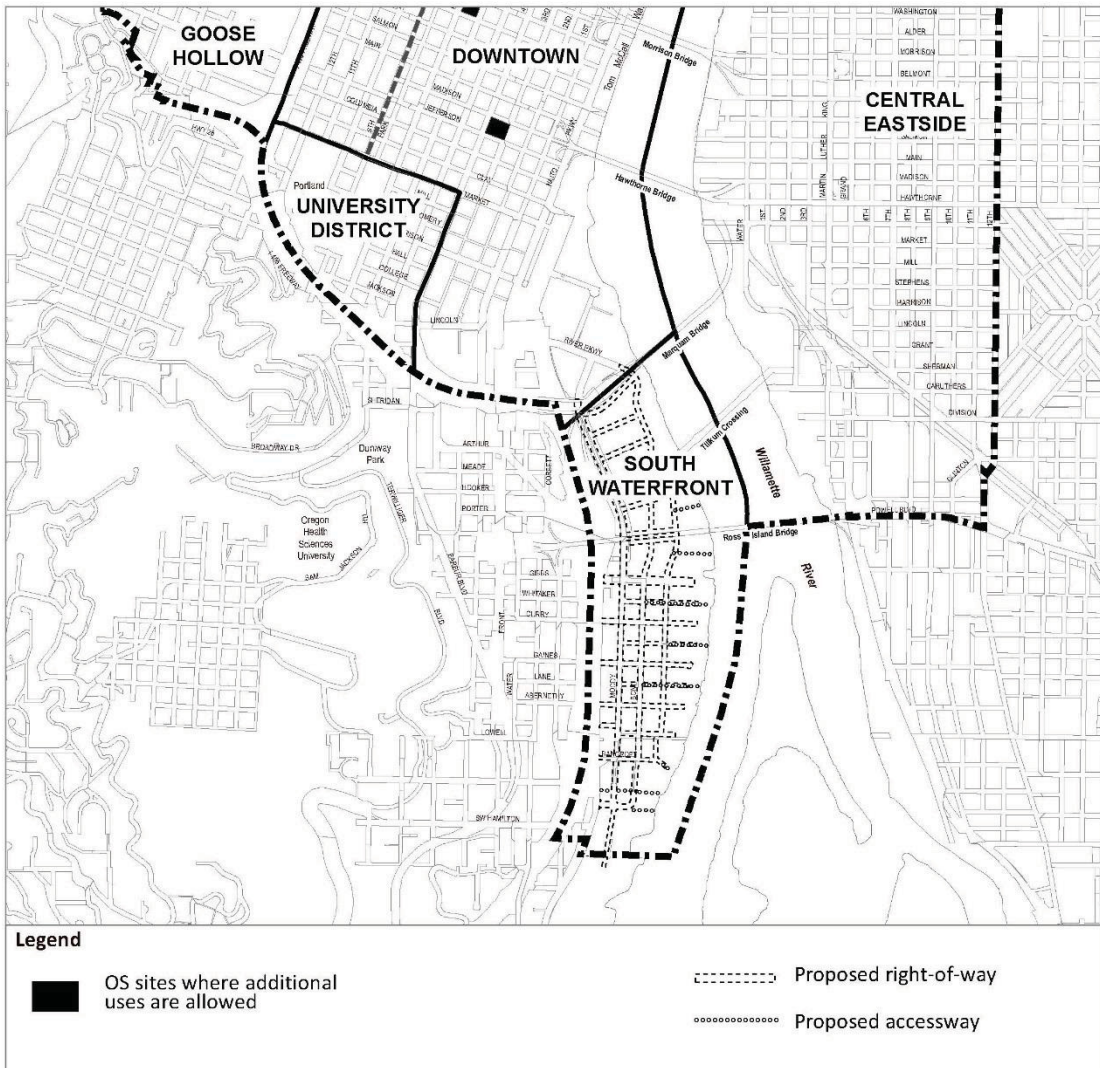
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Areas Where Additional Uses are Allowed in the OS Zone

Map 510-10

Map 2 of 2

Map Revised Xxxxx X, 2015



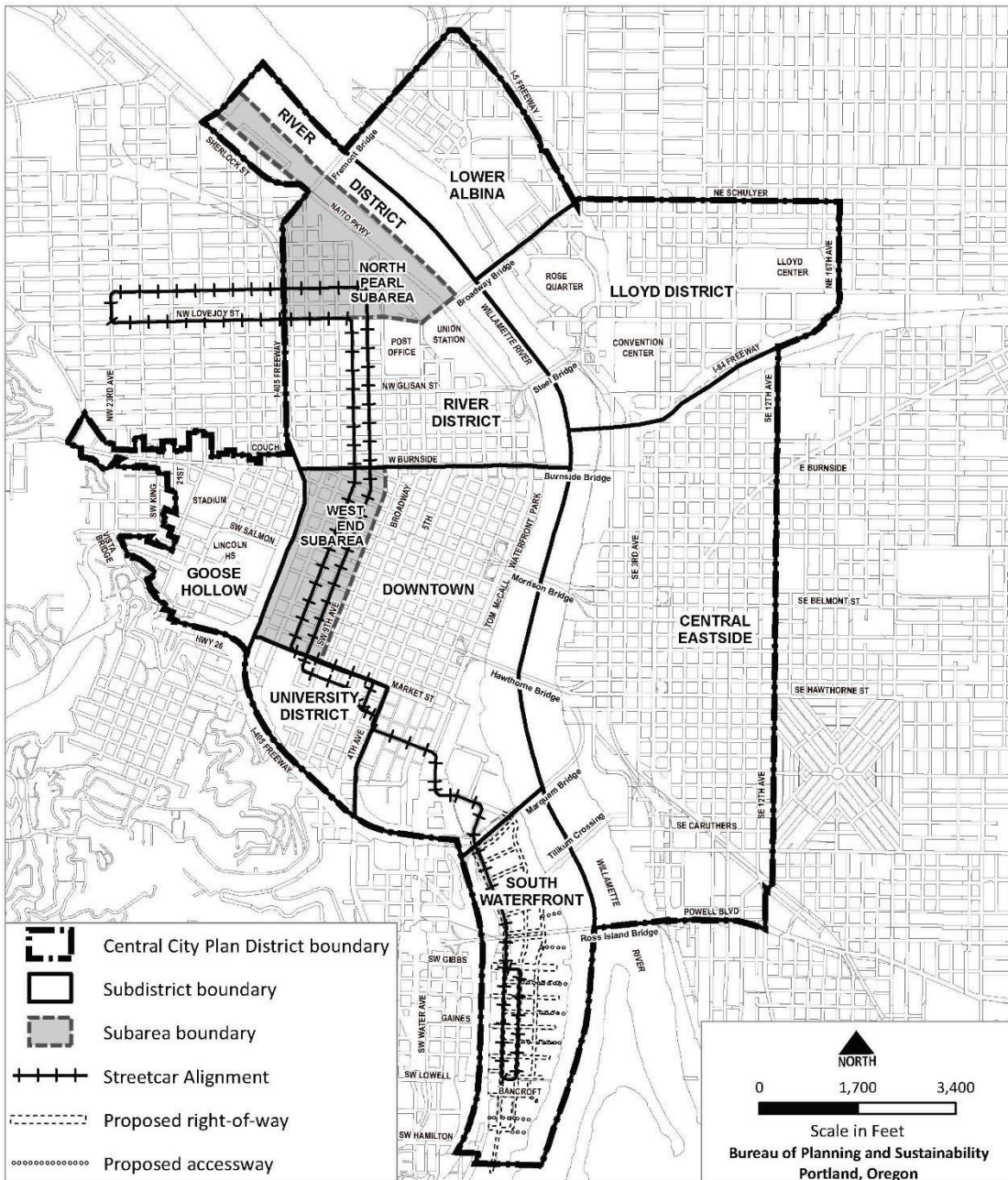
Commentary

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Streetcar Alignment

Map 510-12

Map Revised Xxxxx X, 2015



Commentary

Language to be added is underlined
 Language to be deleted is shown in ~~striketrough~~

33.526 Gateway Plan District

33.526.120 Retail Sales and Service and Office Uses

- A. On sites in the EX zone, Retail Sales And Services uses are allowed up to 5,000 square feet of floor area for each use.
- B. On sites in the EG1 zone, Retail Sales and Service uses are allowed up to 5,000 square feet of floor area for each use, up to a total of 20,000 square feet or 1:1 FAR per site.
- ~~BC.~~ On portions of sites zoned Institutional Residential, IR, and within 1000 feet of the Main Street LRT Station, Retail Sales And Service uses are allowed up to 10,000 square feet of floor area for each use. The Retail Sales And Service uses must be included in a Conditional Use Master Plan or Impact Mitigation Plan for the site. Retail Sales And Service uses larger than 10,000 square feet of floor area for each use are prohibited.
- ~~CD.~~ On sites in the RX zone, Retail Sales And Service and Office uses are allowed as follows. Adjustments to the regulations of this paragraph are prohibited.
 - 1. – 2 [No change]

33.560 North Cully Plan District

33.560.050 Approval Criteria

All North Cully Development review applications must meet the following approval criteria.

- A. – G [No change]
- H. In addition to the approval criteria listed above, development south of NE Killingsworth will meet the following approval criteria:
 - 1. – 2 [No change]
 - 3. Development will include a mixture of uses ~~such as housing and commercial or light industrial.~~

Commentary

Language to be added is underlined
 Language to be deleted is shown in ~~striketrough~~

33.565 Portland International Airport Plan District

565

Sections:

General

- 33.565.010 Purpose
- 33.565.020 Where These Regulations Apply
- 33.565.030 Relationship to Other Regulations and Agencies

Use Regulations

- 33.565.100 Additional Allowed Uses in the Airport Subdistrict

Development Regulations

- 33.565.110 Archaeological Resource Protection

Regulations in the Airport Subdistrict

- 33.565.200 Supplemental Application Requirement
- 33.565.210 New Airport Capacity
- 33.565.220 Landscaping
- 33.565.230 Pedestrian Standards for Specified Uses
- 33.565.240 Transportation Impact Analysis Review
- 33.565.250 Development and Availability of Public Services in the SW Quadrant

Special Notification Requirements in the Airport Subdistrict

- 33.565.310 Mailed Public Notice for Proposed Development
- 33.565.320 Posted Public Notice Requirements for Land Use Reviews

Regulations in the Middle Columbia Slough Subdistrict

- 33.565.400 Purpose
- 33.565.405 Zoning Map Amendments
- 33.565.410 Additional Development Standards

Environmental Overlay Zones

- 33.565.500 Purpose
- 33.565.510 Relationship to Other Environmental Regulations
- 33.565.520 Where and When These Regulations Apply
- 33.565.530 Measuring Setbacks
- 33.565.540 Exemptions
- 33.565.550 Development Standards
- 33.565.560 Special Procedures for Wildlife Hazard Management

Notice and Review Procedure for Permits Within Environmental Overlay Zones

- 33.565.600 Purpose
- 33.565.610 When These Regulations Apply
- 33.565.620 Procedure

Map 565-1 Portland International Airport Plan District

Map 565-2 Portland International Airport Plan District Areas of Archaeological Interest

Commentary

33.565.010 Purpose

The purpose statement is being amended to reflect the legislative intent behind the regulations being proposed for the Middle Columbia Slough subdistrict, and because the regulations for mitigation and enhancement in the Middle Columbia Slough subdistrict were moved to the Environmental Overlay Zones chapter as part of RICAP 6.

Language to be added is underlined
 Language to be deleted is shown in ~~strikethrough~~

33.565.010 Purpose

The regulations of this chapter implement elements of the Airport Futures Land Use Plan by addressing the social, economic, and environmental aspects of growth and development at Portland International Airport (PDX). PDX is a unique land use within the City and requires tailored regulations to address wildlife hazards and impacts to transportation and natural resources. The plan district provides flexibility to the Port of Portland—owner of PDX—to address a constantly changing aviation industry, while addressing the broader community impacts of operating an airport in an urban context.

The regulations of this plan district protect significant identified environmental resources consistent with the requirements of airport operations, while maintaining or enhancing the capacity of public and private infrastructure within and serving the district. Additionally, the regulations protect significant archaeological features of the area.

The plan district has two subdistricts: the Airport Subdistrict and the Middle Columbia Slough Subdistrict.

The Airport Subdistrict includes the airport passenger terminal, terminal roadway area, airfield, and other support facilities most of which are owned and operated by the Port of Portland. Also included are other airport-related uses which are generally tenants of the Port. Within the Airport Subdistrict are two unmapped areas known as airside and landside (See Chapter 33.910, Definitions). Airside includes an area defined by a perimeter security fence and the airside uses associated with the airfield which includes runways, taxiways, lighting, etc. The perimeter security fence is not mapped since the fence may move over time due to federal and operational requirements. An area outside the fence—the runway protection zone—is also part of Airside. The airfield and airside uses are also treated differently due to federal regulations. Landside includes the passenger terminal, airport access roadways, parking lots, aircraft maintenance facilities, cargo hangars, maintenance buildings, fire and rescue facilities, and other similar types of development. Also within the Airport Subdistrict is the SW Quadrant Subarea, shown on Map 565-1.

The remainder of the plan district is the Middle Columbia Slough Subdistrict. The primary purpose of the regulations for this subdistrict is to promote eco-industrial development on sites that transition to industrial use from golf course use~~address the unique circumstances related to mitigation and enhancement for development within the Environmental Overlay Zones.~~

33.565.020 Where These Regulations Apply

The regulations of this chapter apply to the Portland International Airport plan district. The boundaries of the plan district and subdistricts are shown on Map 565-1 at the end of this chapter and on the Official Zoning Map.

The regulations of Sections 33.565.010 through .030 and .110 apply to the entire plan district. The regulations of Sections 33.565.100 and 200 through .240 and 33.565.310 through .320 apply only in the Airport Subdistrict. Section 33.565.250 applies only to the SW Quadrant subarea of the Airport Subdistrict. Sections 33.565.400 and .410 apply only in the Middle Columbia Slough Subdistrict. Sections 33.565.500 through .560 apply in the Environmental Overlay Zones.

Because Federal regulation preempts local rules, development in the Airside portion of the plan district — other than new runways — is not subject to the regulations of this chapter.

Commentary

Regulations in the Middle Columbia Slough Subdistrict

These code changes implement Comprehensive Plan policy and map direction at these golf course sites. These sites are an integral part of the industrial-land capacity strategies proposed in the updated Comprehensive Plan. The draft code change concept is intended to provide a balanced approach that supports industrial growth and watershed health.

Language to be added is underlined
Language to be deleted is shown in ~~striketrough~~

Regulations in the Middle Columbia Slough Subdistrict

33.565.400 Zoning Map Amendments

The IG2 zone is the only zone that can be requested during a Zoning Map Amendment on the sites shown on Map 565-4. Requesting a zone other than IG2 is prohibited.

33.565.410 Additional Development Standards

- A. Purpose.** The following development standards promote ecologically beneficial design by requiring buffers and plantings that provide ecological function and contribute to ecosystem services such as multi-objective stormwater management, cleaning and cooling of air and water, wildlife habitat, biodiversity, and aesthetic values. The development standards help reduce future demands on infrastructure, and reduce adverse impacts from development both on and off-site. The standards also buffer industrial development from abutting residential development and open space uses, and provide a pleasant work environment for employees.
- B. Where the standards apply.** The standards in this Section apply to development in the IG2 zone on the sites shown on Map 565-4.
- C. Development standards.**
1. Minimum landscaped area standard. At least 20 percent of site area must be landscaped. Area improved for active or passive recreational use, or for use by pedestrians, does not count toward the required landscaped area. Other required landscaping, such as setbacks and parking lot landscaping, applies toward the landscaped area standard. Area covered by an eco-roof also applies toward the landscaped area standard.
 2. Native plants. At least 75 percent of all plants planted to meet Title 33 landscaping requirements must be native plants from the *Portland Plant List*.

Commentary

Language to be added is underlined
Language to be deleted is shown in ~~striketrough~~

3. Vegetated setback.
- a. All development must be set back 25 feet from a residential zone or open space zone. The area within the vegetated setback may be applied toward the required landscaped area standards;
 - b. Required plants and planting densities. One of the following standards must be met:
 - (1) One tree, three shrubs, and four other ground cover plants are required to be planted for every 100 square feet of setback area. Trees may be clustered. Plants must be native plants from the *Portland Plant List*; or
 - (2) One tree and three shrubs are required to be planted for every 100 square feet of setback area, and the entire setback area must be seeded with a native grass and forb seed mix at a ratio of 30 pounds per acre. Trees may be clustered. Plants and seeds must be native plants from the *Portland Plan List*; and
 - c. One-third of all trees planted must be native conifer trees from the *Portland Plant List*.
4. Exterior lighting. Exterior lights must be shielded and placed so that they do not shine upward or into environmental overlay zones, or into the vegetated setback area required by Paragraph C.3.

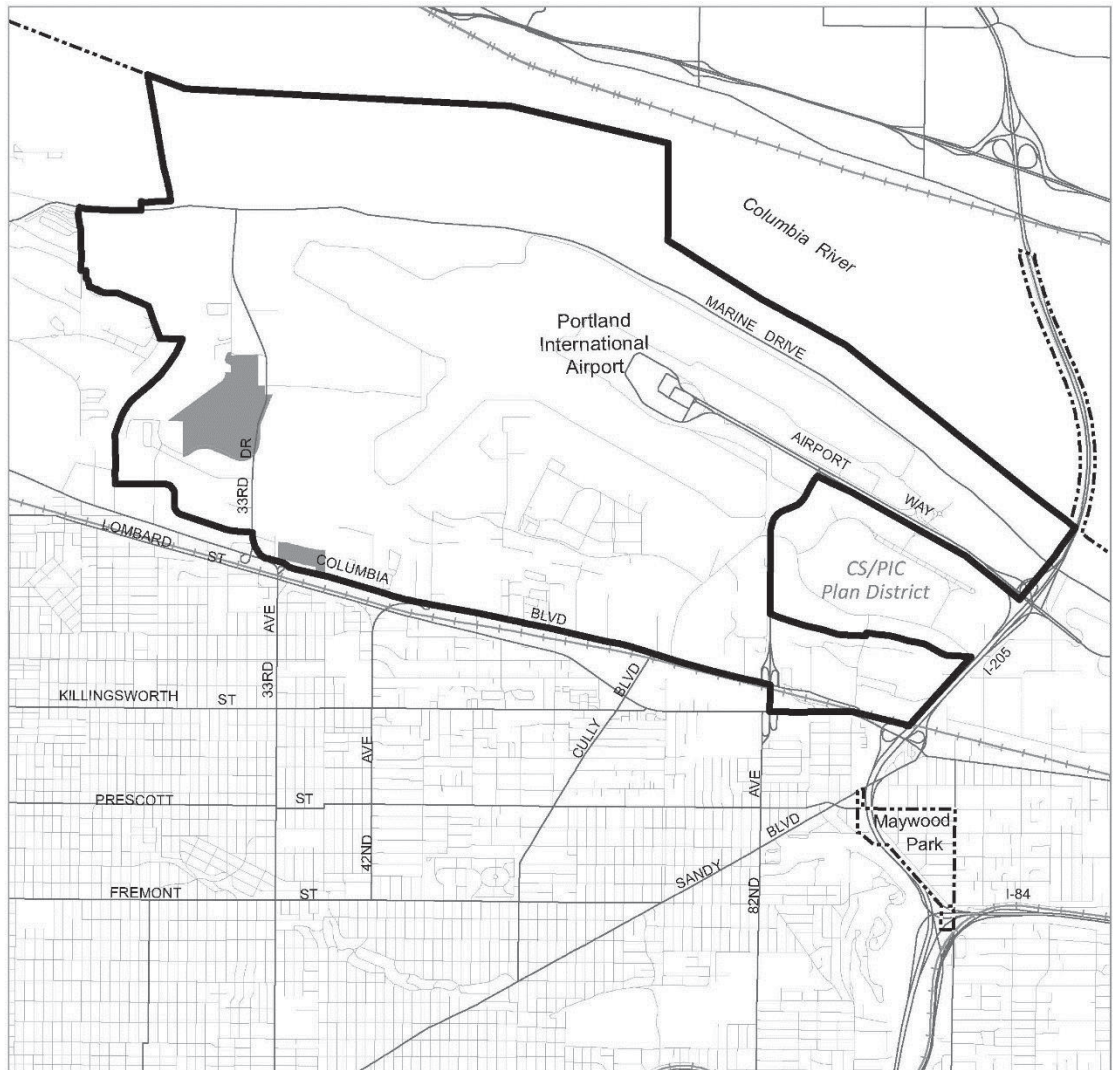
Commentary

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Portland International Airport Plan District Golf Course / IG2 Transition Area

Map 565-4

Map Revised Xxxxx X, 2015



- City Boundary
- Plan District Boundary
- Golf Course / IG2 Transition Area



Commentary

33.583.285 Additional Regulations in the Riverfront Subdistrict

Noise insulation standards are being applied to reduce the impact of railroad noise on new residential development in the Riverfront Subdistrict. Medium to high residential density is expected in this location, consistent with its Town Center and Mixed Use Urban Center designations in the draft Comprehensive Plan, in contrast to its currently predominant industrial use and EG General Employment zoning. Current and future use of the St. Johns Lead of the Union Pacific railroad that runs through the subdistrict includes train-assembly activity associated with nearby marine terminals that can have significant noise impacts.

Language to be added is underlined
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33.583 St. Johns Plan District

33.583.285 Additional Regulations in the Riverfront Subdistrict

- A. Purpose.** These regulations allow the Riverfront Subdistrict to continue to accommodate industrial uses, but foster the transition to an urban mixed-use area that is well integrated into St. Johns. Limiting some uses in the EG zones protects industry, and encourages development of housing and office uses only where appropriate.
- B. Where these regulations apply.** The regulations of this section apply to sites in the Riverfront Subdistrict, shown on Map 583-1.
- C. Prohibited uses in EG zones.** Residential and Office uses are prohibited in the EG zones.
- D. Minimum residential density in the EX zone.** Where all of the floor area on a site in the EX zone is in residential use, the minimum residential density is 1 unit per 1,000 square feet of site area.
- E. Noise insulation required.** All new dwelling units must be constructed with sound insulation or other means to achieve a day/night average interior noise level of 45 dBA. Reconstructed dwelling units where the total cost of improvements is 75 percent or more of the total assessed improvement value of the site must also meet this standard. Garages and similar accessory structures that do not include living space are exempt from this standard.
1. An engineer registered in Oregon who is licensed in acoustical engineering must certify that the building plans comply with the performance standard for sound insulation prior to the issuance of a building permit.
 2. The City of Portland will provide a list of at least three registered engineers knowledgeable in acoustical engineering.

Commentary

Language to be added is underlined
 Language to be deleted is shown in ~~strikethrough~~

33.815 Conditional Uses

815

Sections:

General

- 33.815.010 Purpose
- 33.815.020 How to Use this Chapter
- 33.815.030 Automatic Conditional Use Status
- 33.815.040 Review Procedures
- 33.815.050 Loss of Conditional Use Status
- 33.815.060 Development Standards for Conditional Uses
- 33.815.070 Sites With Split Zoning
- 33.815.080 Approval Criteria in General

Approval Criteria

- 33.815.100 Uses in the Open Space Zone
- 33.815.105 Institutional and Other Uses in R Zones
- 33.815.107 Short Term Housing in R Zones
- 33.815.110 Office and Retail Sales And Service Uses in the RX Zone
- 33.815.115 Specified Uses in Commercial Zones
- 33.815.120 Commercial Parking Facilities in the RX, CX, CG, and E Zones, Outside the Central City Plan District, the Columbia South Shore Plan District and the Cascade Station/Portland International Center Plan District
- 33.815.121 Commercial Parking Facilities in the RX, CS, and CX Zones, in the Hollywood Plan District
- 33.815.122 Nonresidential Uses on Specified Sites located in the RX Zone within the Central City Plan District
- 33.815.125 Specified Uses in Industrial Zones
- 33.815.126 Office Uses in the IG1 Zone in the Central City Plan District
- 33.815.127 Accessory Offices and Headquarters Offices in the IH Zone in the Guild's Lake Industrial Sanctuary Plan District
- 33.815.128 Retail Sales And Service Uses in the EG Zones
- 33.815.129 Office Uses in Specified Historic Resources in the Industrial Zones in the Central City Plan District
- 33.815.130 Residential Uses in the ~~EG1, EG2~~, IG1, IG2, and IH Zones
- 33.815.132 Office Uses in the IG1 Zone in the Employment Opportunity Subarea in the Central City Plan District
- 33.815.140 Specified Group Living Uses in the C and EX Zones
- 33.815.200 Aviation And Surface Passenger Terminals
- 33.815.205 Detention Facilities
- 33.815.210 Helicopter Landing Facilities
- 33.815.215 Major Event Entertainment
- 33.815.220 Mining and Waste-Related

Commentary

33.815.130 Residential Uses in the EG1, EG2, IG1, IG2 and IH Zones

In order to preserve employment land for employment uses, residential uses will be prohibited in the General Employment zones. The amendments to this section implement that change.

Language to be added is underlined
 Language to be deleted is shown in ~~striketrough~~

33.815.130 Residential Uses in the ~~EG1, EG2, IG1, IG2, and IH~~ Zones

These approval criteria promote the preservation of land for industrial uses while allowing residential uses in limited situations where they will not interfere with industry. Residential uses in these zones are only protected from nuisance impacts, including noise, to the same standard as uses allowed by right. ~~In the IG1, IG2, and IH zones, criterion A., B., C., and D. must be met. In the EG1 and EG2 zones, criterion A., B., and C. must be met and either D. or E.~~ The approval criteria are as follows:

- A.** The proposed use will not have a significant adverse effect on truck and freight movement.
- B.** The transportation system is capable of supporting the proposed use in addition to the existing uses in the area. Evaluation factors include street designations and capacity, level of service or other performance measures; access to arterials; connectivity; transit availability; on-street parking impacts; access restrictions; neighborhood impacts; impacts on pedestrian, bicycle, and transit circulation; and safety for all modes;
- C.** City-designated scenic resources are preserved; and
- D.** The proposal is for houseboats or houseboat moorages which will not interfere with industrial use of the waterway or with adjacent industrial uses; ~~or~~
- ~~**E.** The proposal is for new development where:

 - ~~1. The proposal can be designed and developed so that housing is buffered from potential nuisance impacts from uses allowed by right in the zone; and~~
 - ~~2. The proposal includes a design, landscape, and transportation plan which will limit conflicts between residential, employment, and industrial uses.~~~~

Commentary

33.910 Definitions

In order to preserve prime industrial land for industrial uses, certain non-industrial uses, including Parks and Open Areas, will be limited, and off-site mitigation and mitigation banks are a form of Open Area use that will be limited (see pg. 35 for more details). The following definitions are proposed for chapter 33.910 to distinguish between off-site and on-site mitigation.

Language to be added is underlined
Language to be deleted is shown in ~~striketrough~~

33.910 Definitions

910

33.910.030 Definitions

The definition of words with specific meaning in the zoning code are as follows:

Mitigate. To rectify, repair, or compensate for impacts ~~which~~that result from other actions.

- **Off-site Mitigation.** Mitigation that does not take place on the site where the impact occurs.
- **On-site Mitigation.** Mitigation that takes place on the site where the impact occurs.

Commentary

33.920.460 Parks and Open Areas Uses

In order to preserve prime industrial land for industrial uses certain non-industrial uses will be strictly limited or prohibited. Parks and Open Areas are one of the non-industrial uses that will be limited, and off-site mitigation and mitigation banks are a form of Open Area use that will be limited (see pg. 35 for more details). Mitigation that is not accessory to a primary use on a site is not currently called out in the use category as a Parks and Open Areas use. This amendment is intended to clarify that off-site mitigation (mitigation that is not on the site where the impact occurs) is a Parks and Open Areas use.

Language to be added is underlined
Language to be deleted is shown in ~~striketrough~~

33.920.460 Parks And Open Areas

- A. **Characteristics.** Parks And Open Areas are uses of land focusing on natural areas, large areas consisting mostly of vegetative landscaping or outdoor recreation, community gardens, or public squares. Lands tend to have few structures.
- B. **Accessory uses.** Accessory uses may include club houses, maintenance facilities, concessions, caretaker's quarters, food membership distribution, and parking.
- C. **Examples.** Examples include parks, golf courses, cemeteries, public squares, plazas, recreational trails, botanical gardens, boat launching areas, nature preserves, off-site mitigation, community gardens, and land used for grazing that is not part of a farm or ranch.
- D. **Exceptions.** On-site mitigation is not a Parks and Open Areas use.

6. Draft zoning map changes

This section of the report shows proposed map changes, including the base zones (General Employment 1 or 2) to implement the new Mixed Employment areas designated on the updated Comprehensive Plan Map and subdistricts where associated code changes apply (Central Eastside and Lower Columbia Slough).

Proposed zoning map amendments to General Employment (Figures 3 – 12)

- Development opportunity sites in East Portland (e.g., Rossi farm sites)
- Industrial/residential transition areas (e.g., NW Vaughn, N Columbia at Denver)
- Land use change from General Commercial (e.g., 11 blocks of SE 82nd, N. Hayden Meadows Dr.)
- Land use change from Central Employment (e.g., Central Gateway, Freeway Lands, SE Ochoco)
- Land use change to accommodate campus institutional capacity (McCormick and Baxter site)

The Central Eastside Subdistrict is shown in Figure 13, where code changes are proposed to allow Industrial Office uses in all IG1 General Industrial zones.

The Riverside and Broadmoor golf course sites are shown in Figure 14, where the draft 2035 Comprehensive Plan designates new Industrial areas. This project proposes new development standards for ecologically beneficial design in future IG2 General Industrial zones at these sites, which are located in the Lower Columbia Slough Subdistrict of the Portland International Airport Plan District.

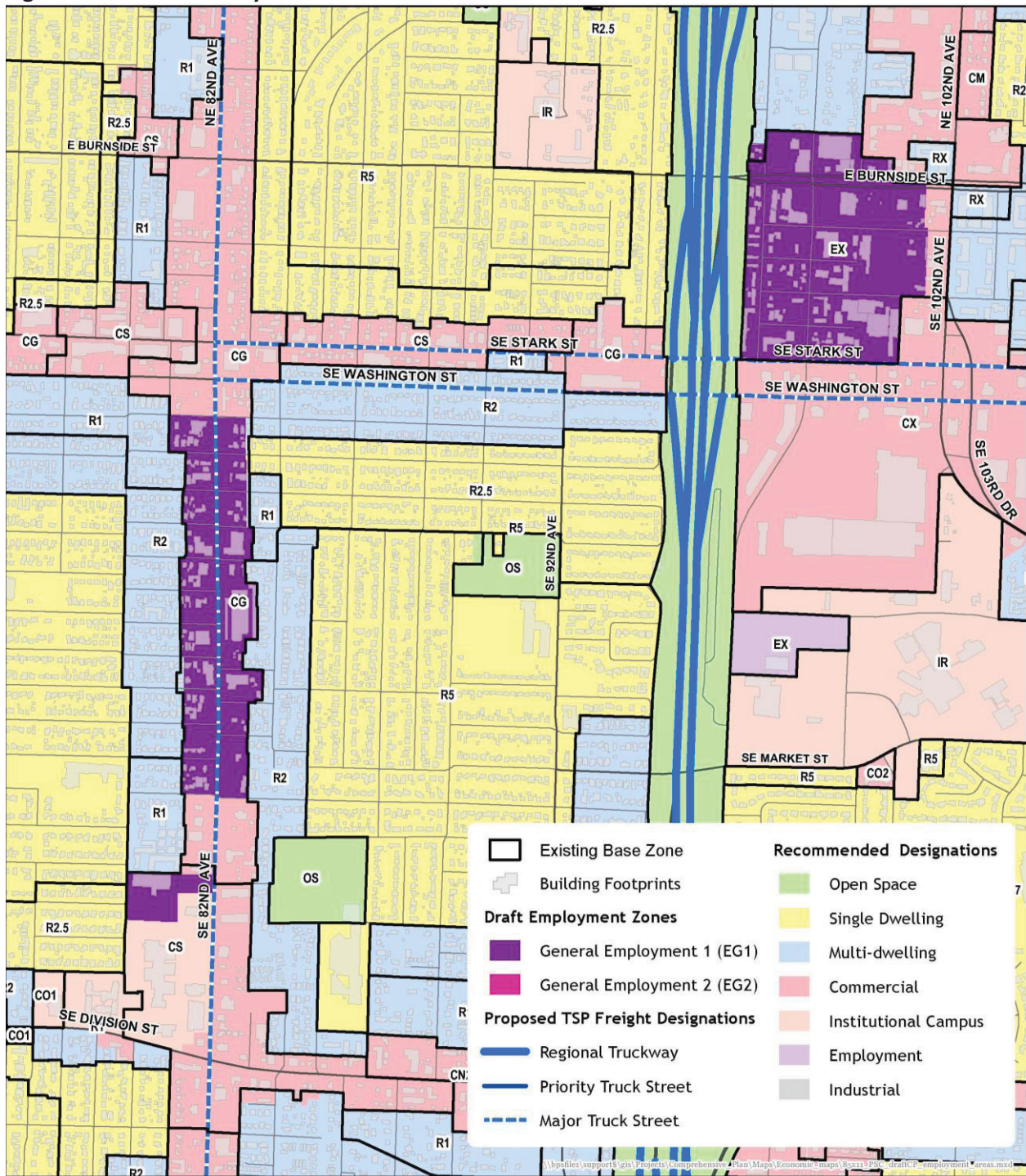


EG1 General Employment zoning is proposed along 11 blocks of 82nd Avenue, including sites shown here. Rezoning would accommodate low-rise office infill and redevelopment on underdeveloped sites.



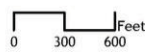
EG1 General Employment zoning is also proposed in Central Gateway, including sites shown here.

Figure 2. Central Gateway and SE 82nd area sites



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EG2 General Employment zoning is proposed at the Kmart/Sears site at NE 122nd and Sandy.



EG1 General Employment zoning is proposed at NE 147th and Sandy, including Rossi/Giusto farms.

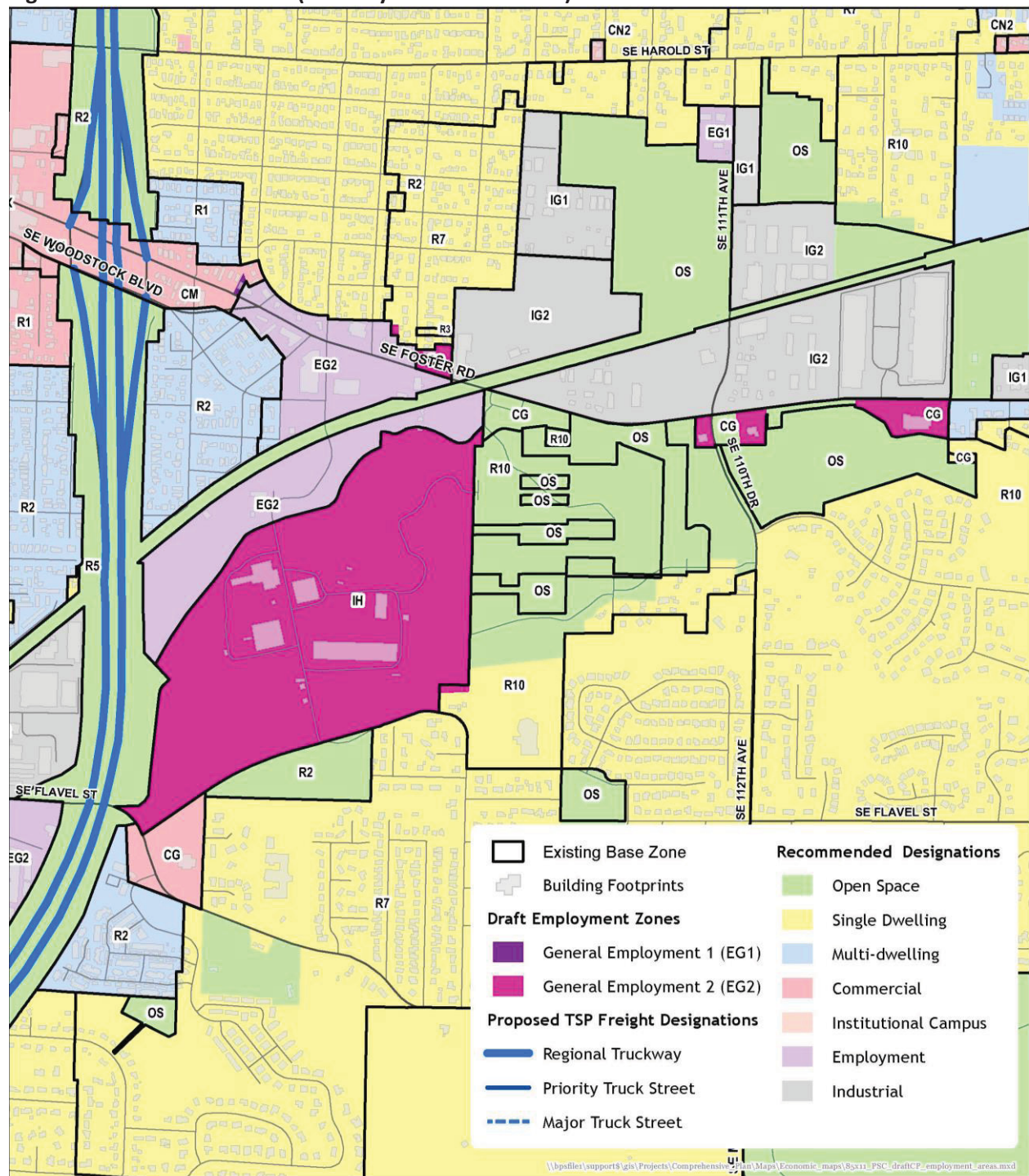


EG1 General Employment zoning is proposed at NE Shaver at 122nd, Rossi/Giusto farms.



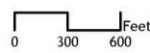
EG2 General Employment zoning is proposed at the Freeway Land site near SE Foster and I-205 shown here.

Figure 4. SE Foster area sites (Freeway Lands and others)



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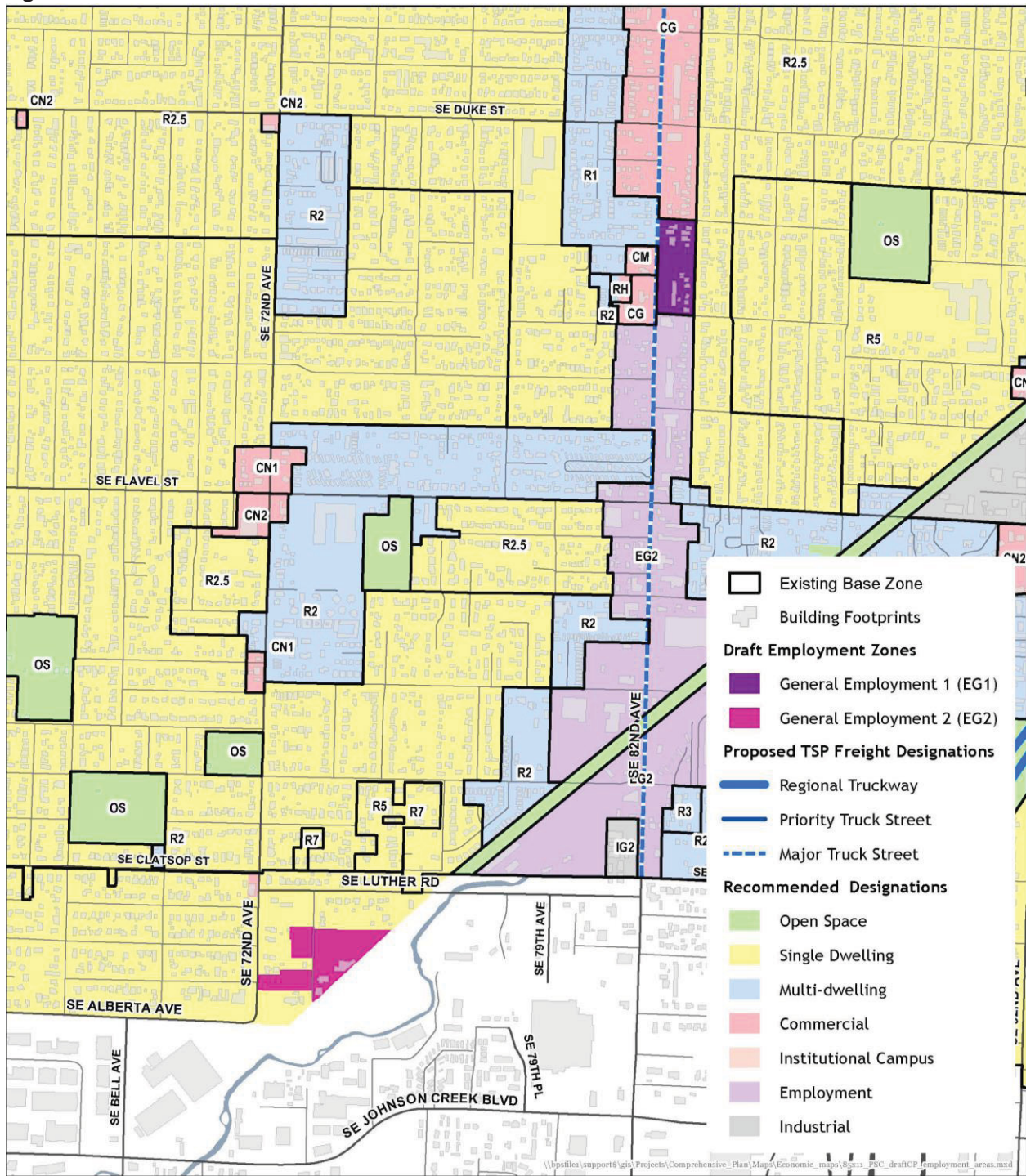


EG1 General Employment zoning is proposed along SE 82nd at Bybee shown here, extending existing EG zoning northward.



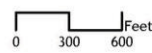
EG2 General Employment zoning is proposed at Urban Service Area sites at SE 72nd and Luther shown here.

Figure 5. SE 82nd and Urban Service Area Sites



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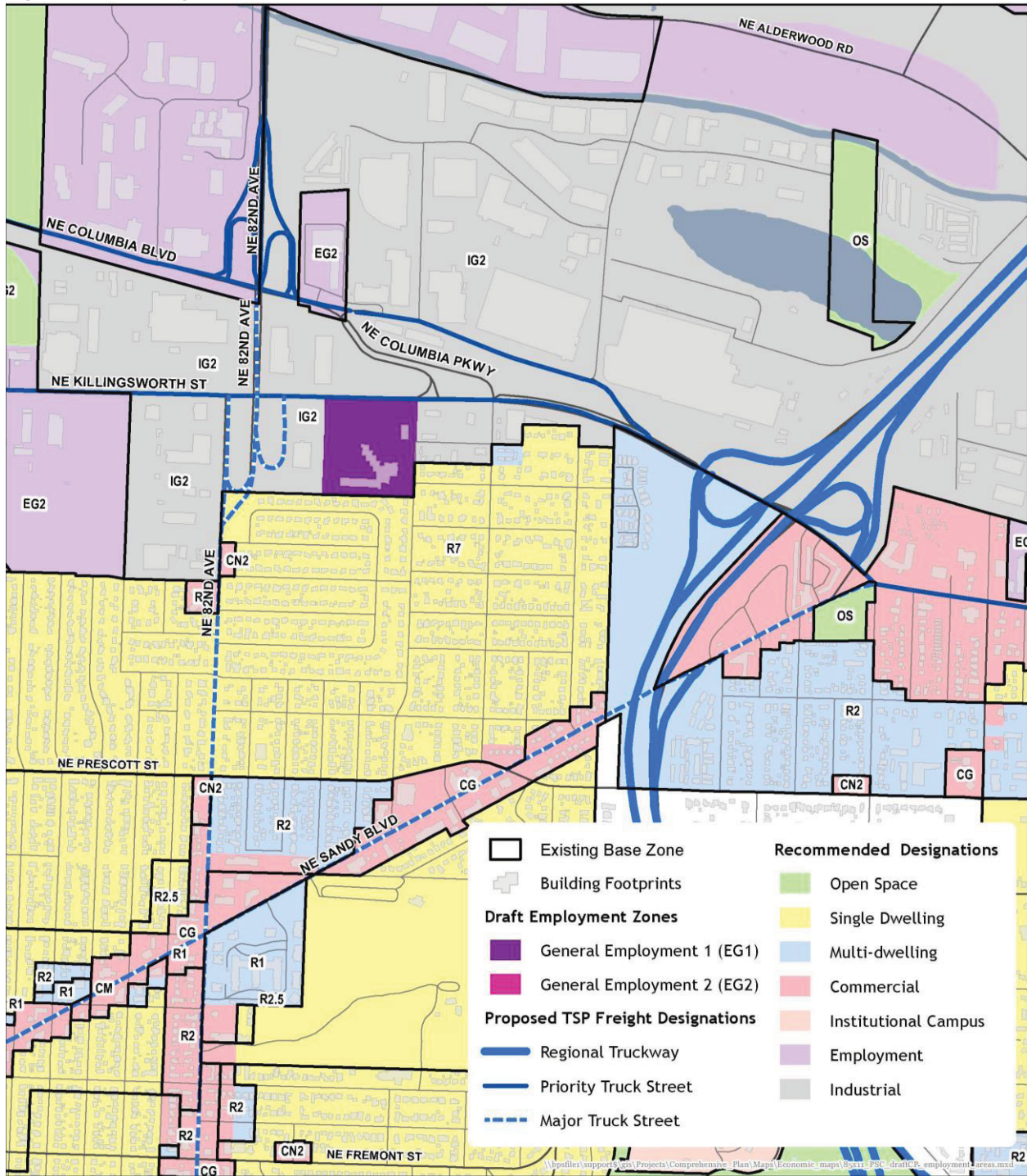
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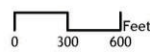
EG1 General Employment zoning is proposed at Helensview High School on NE Killingsworth.

Figure 6. NE Killingsworth area site (Helensview HS)



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EG1 General Employment zoning is proposed at NE Halsey and 79th shown here.



EG1 General Employment zoning is proposed at NE 80th and Clackamas shown here.

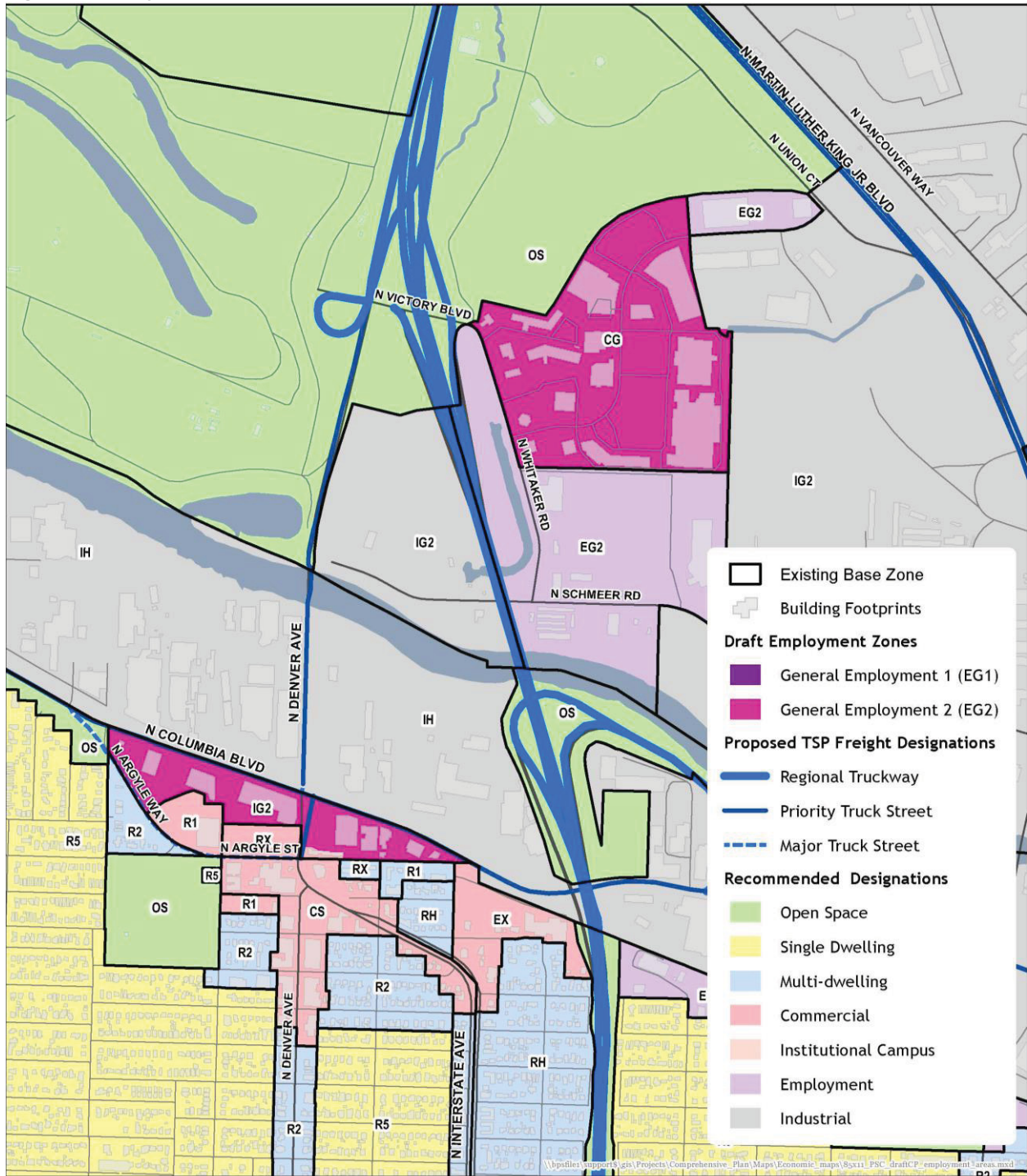


EG1 General Employment zoning is proposed at NE 82nd near I-84.



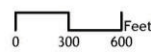
EG2 General Employment zoning is proposed along N Hayden Meadows Dr. including the sites shown here.

Figure 8. N Hayden Meadows and N Columbia sites



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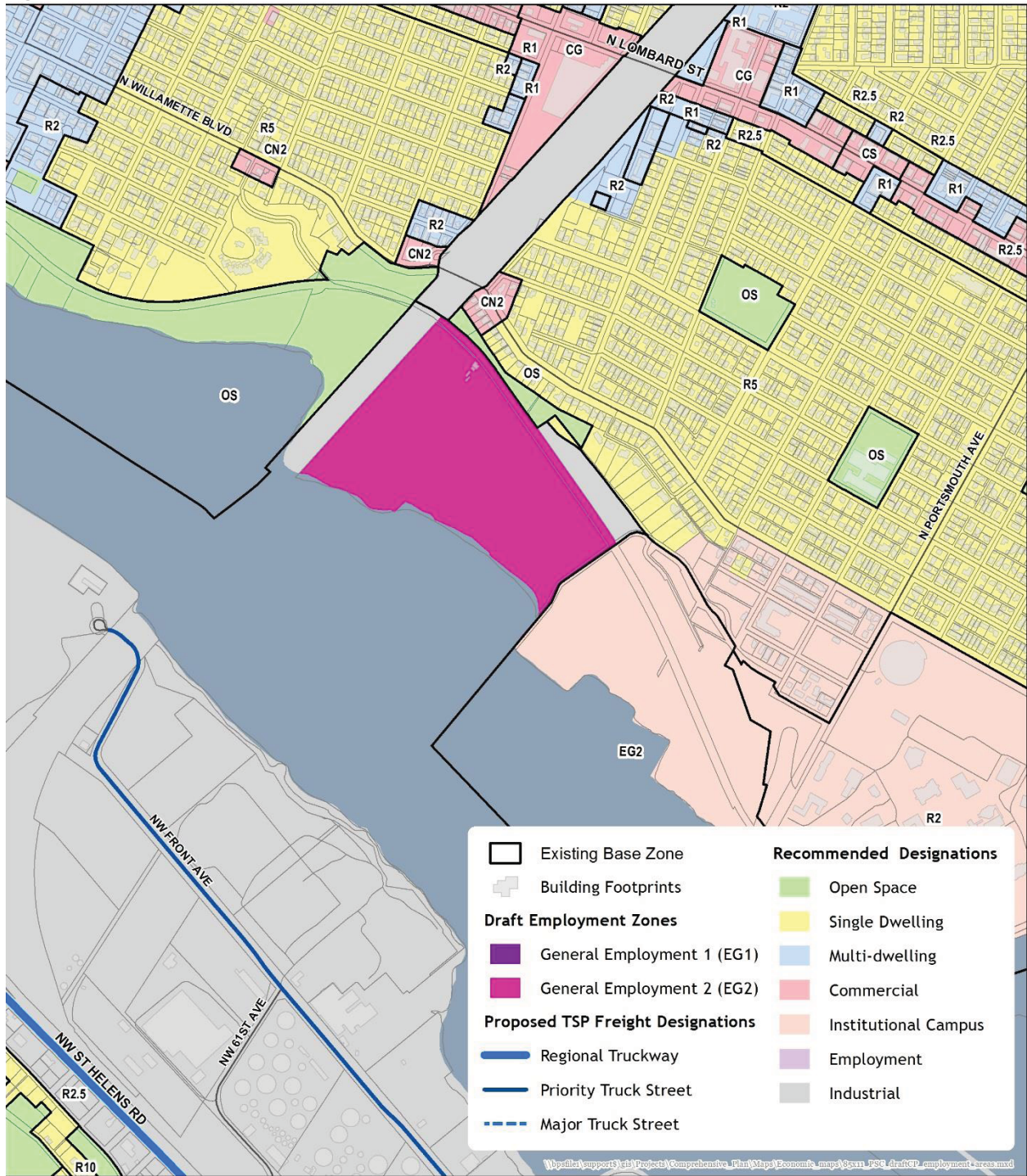
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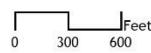
EG2 General Employment zoning is proposed here (see blue outline) at the former McCormick & Baxter site to accommodate future University of Portland expansion.

Figure 9. McCormick and Baxter site



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EG1 General Employment zoning is proposed along NW Vaughn, including the ESCO headquarters here.



EG2 General Employment zoning is proposed at the Montgomery Park office building.



EG1 General Employment zoning is proposed at the office building near SE Ochoco shown here.

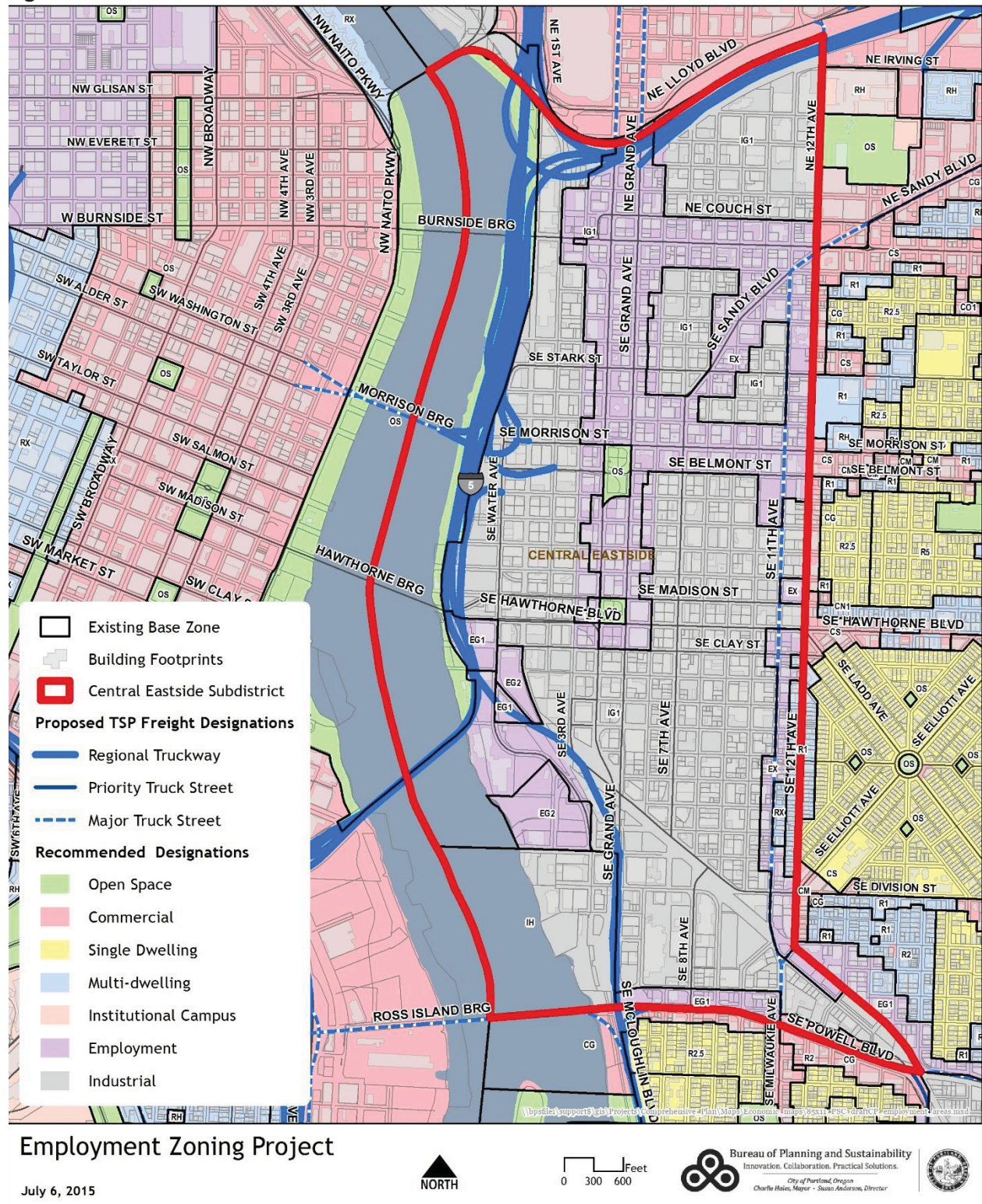


EG2 General Employment zoning is proposed at the PGE substation along SE Linn.



Code changes to allow Industrial Office uses are proposed in all IG1 zones in the Central Eastside, including the new construction sites at SE 3rd and Clay shown here.

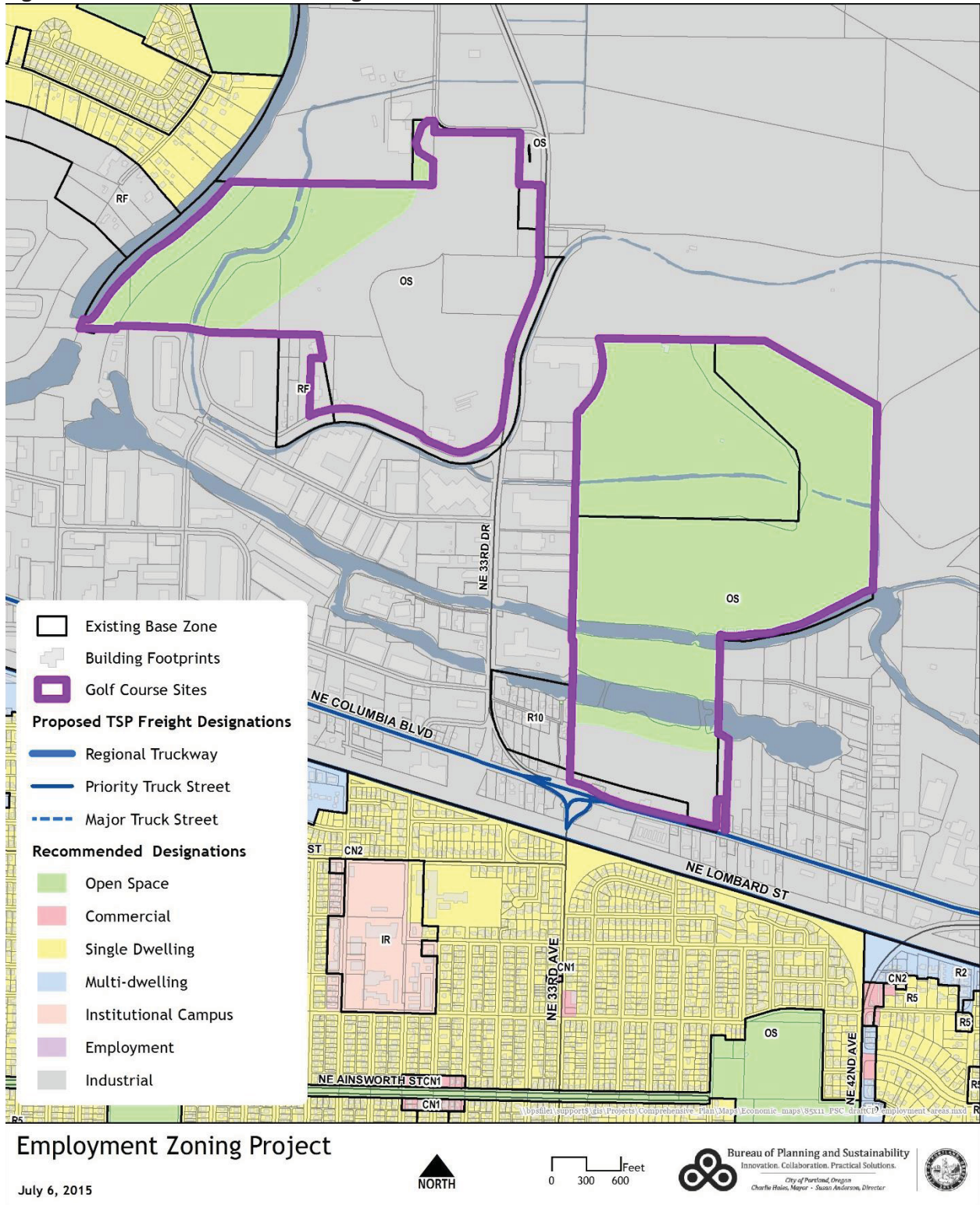
Figure 12. Central Eastside Subdistrict





Development standards for ecologically beneficial design are proposed for future IG2 zoning at the privately-owned Broadmoor (top) and Riverside golf courses shown here.

Figure 13. Riverside and Broadmoor golf course sites



7. Other implementation tools

This section summarizes additional implementation tools proposed in this project, beyond the adoption of zoning changes, to formalize public acquisition consultation procedures for Parks and Open Area uses in the proposed Prime Industrial overlay zones.

Public acquisition procedures for Parks and Open Areas in Prime Industrial overlay zones

Land use limitations are typically applied through development applications, so it is less clear how to regulate Parks and Open Areas as a land use where development would occur years later or might not occur. Generally, acquisition of a site for such a use is the point at which it would no longer be available for industrial use, but land sales are not reviewed for land use compliance. To support effective implementation of industrial retention policies, development of formal inter-agency coordination procedures are recommended to address open space acquisition in the Prime Industrial zoning overlay. These procedures could be formalized in inter-governmental agreements or memorandums of understanding.

The purposes of consultation and coordination with BPS at the time of acquisition decisions are to inform the acquisition agency of zoning limitations, options for legislative map amendments, and the estimated resulting loss of prime industrial development capacity of the site based on the Buildable Land Inventory methodology. Acquisition agencies would be encouraged to consider prime industrial land retention and options to offset resulting prime industrial development capacity losses. Consultation at the time of acquisition would facilitate consideration of zoning compliance in the property acquisition decision.

BPS staff will coordinate with Metro, Portland Parks and Recreation, and the Bureau of Environmental Service to develop and formalize relevant acquisition procedures and an implementation tool prior to the effective date of the proposed Prime Industrial overlay zone.

Appendix A: Stakeholder focus groups

Public involvement in concept development for the Employment Zoning Project consisted primarily of four stakeholder focus groups, which were held in April and May 2015. The purpose of the focus groups was to help identify and understand potential implementation issues of preliminary code concepts being considered in this project. Given the short timeframe of the project, the focus groups also helped to expeditiously reach out to a broad range of additional stakeholders affected by code implementation issues, building on prior public involvement activities in the Comprehensive Plan Update. Their perspectives and interests diverge on some topics involved in the project and overlap on others.

An In-House Draft was also circulated to inter-bureau partners to help identify and understand implementation issues addressing code administration, environmental services, parks, and transportation. Public involvement addressing the Central Eastside code change proposals was conducted separately through the Southeast Quadrant Plan process of the Central City Plan Update.

Who participated?

Figure 14. Focus group participants

STAKEHOLDER	DATE	ATTENDEES
Industrial/commercial real estate brokers and developers	Thursday, April 30, 2015	Joe Mollusky, Port of Portland Eric Sporre, PacTrust Don Ossey, Capacity Commercial Todd Johnson, Mackenzie Brad Malsin, Beam Development Peter Finley Fry, CEIC Bob Thompson, Mackenzie Tom Dechenne, NBS Realtors
Adjacent neighborhood associations	Monday, May 04, 2015	Peter Maris, Montavilla Neighborhood Assoc. Cora Potter, Lents Neighborhood Assoc. Arlene Kimura, Hazelwood Nghbd. Assoc. David Sweet, Cully Assoc. of Neighborhoods Martha Johnston, E. Columbia Nghbd. Assoc. Katie Meyer, Parkrose Bus. Assoc.
Business associations in industrial/employment areas	Wednesday, May 06, 2015	Pia Welch, Portland Freight Committee Marion Haynes, PBA Corky Collier, CCA Don Howard, 82 nd Ave of Roses Bus. Assoc. Ellen Wax, Working Waterfront Coalition Heather Hoell, Venture Portland Sarah Angell, SIBA Harold Hutchinson, NINA
Equity groups representing underserved populations	Tuesday, May 12, 2015	Nicole Knudsen, SEIU Local 49 Judith Mowry, OEHR Matthew Tschabold, Housing Bureau Polo Catalani, ONI Tony DeFalco, Living Cully

Figure 15 lists the participants of the four focus groups conducted. Ten to twelve participants were invited to each focus group meeting, although not everyone attended. One focus group consisted of representatives of business and industrial district associations whose members occupy Industrial and Mixed Employment areas being addressed. A second focus group involved representatives of neighborhood associations with boundaries that encompass the new Mixed Employment areas or that overlap the proposed Prime Industrial overlays. A third group consisted of equity representatives, including labor unions, service providers, and community organizations. Underserved and underrepresented groups, particularly workers, often participate less in land use processes. A fourth group consisted of real estate industry representatives, including brokers, developers, and development representatives. The real estate industry generally implements zoning requirements, represents property owners, and has expertise in development markets.

What discussion questions were asked?

The focus groups discussed the following five topic areas relevant to the proposal. Background materials describing preliminary code concepts were emailed to participants about one to two weeks before the focus group meetings.

- A. Prime industrial land retention
- B. Land-efficient I Industrial zones
- C. Land-efficient EG General Employment zones
- D. Residential compatibility of EG zones
- E. Golf course rezoning criteria.

Each focus group responded to two questions for each of the five topics:

1. **What issues do we need to think more about** for this code change to be appropriate and effective? Examples might be special circumstances or locations, unforeseen impacts, fairness considerations, or other concerns. And if you have suggestions to resolve these issues, what are they?
2. **Who in particular should we try to involve** in this project in order to better understand and resolve these issues?

What we heard

For each zoning change topic area, the results of the focus groups are summarized below. Figure 2 in the main body of the report summarizes the themes of issues raised in the focus groups.

Prime industrial land retention

Participants in the real estate industry focus group emphasized that not all sites are equal. They generally objected that prohibiting quasi-judicial map changes may not be flexible enough for a dynamic marketplace. A suggestion was made to relook at the edges of Prime Industrial areas and consider removing sites that may be too constrained or less suitable for typical industrial uses. Some participants added that landowners and business owners should be able to successfully contest map designations in areas that yield less-than-optimal market conditions or on sites that have a layout or configuration that makes it infeasible for industrial development. One example cited was the Brooklyn Yard industrial

Figure 15. Summary themes of focus group comments by topic area

TOPIC	REAL ESTATE	NEIGHBORHOOD ASSOC.	BUSINESS ASSOC.	EQUITY
Prime Industrial Land Retention	<ul style="list-style-type: none"> Take a more granular approach with flexibility for small map changes. Edges of Prime Industrial Areas may need to be adjusted for sites too constrained for industrial use. 		<ul style="list-style-type: none"> Prioritize freight mobility as well as land use, such as by locating and designing trails to prevent adverse impacts on freight mobility. 	<ul style="list-style-type: none"> Reframe proposals to emphasize equity benefits to disadvantaged groups rather than business needs or growth capacity.
Land-Efficient I-Zones	<ul style="list-style-type: none"> Focus restrictions on specific undesirable uses. Recognize dynamic synergies of industrial and commercial uses to better respond to market changes. Explore options to allow mitigation banks for off-site landscaped areas. 	<ul style="list-style-type: none"> Open area restrictions should allow for new trails and mitigation areas. Some places, such as Columbia Blvd., could be more attractive to infill through street trees and design aesthetics. 	<ul style="list-style-type: none"> Differing views in the group included whether open area buffers should be allowed in I zones, shifted to R zones, or both. 	<ul style="list-style-type: none"> Prioritize job growth and leverage equity benefits. Consider community benefits agreement requirements for infrastructure investments. Involve and help educate DCL partners: Urban League, NAYA, Latino Network, CIO and APANO.
Land-Efficient EG-Zones	<ul style="list-style-type: none"> Make retail over 20,000 sf a conditional use. Yes, prohibit residential uses in these zones. 	<ul style="list-style-type: none"> Allow a percentage expansion for existing retail to accommodate sites with room to expand. 	<ul style="list-style-type: none"> Make retail over 20,000 sf a conditional use. Yes, prohibit residential uses in EG zones. 	<ul style="list-style-type: none"> Examine impacts on land for affordable housing. Retain N Cully Plan District to leverage equity benefits.
Residential Compatibility of EG Zones	<ul style="list-style-type: none"> Ensure infrequent needs for outdoor storage and display can be allowed with a permit. 	<ul style="list-style-type: none"> Reduce noise allowance from 75dB in EG1. 	<ul style="list-style-type: none"> Don't add compatibility rules that push industry out of EG-zones, since the I-zones don't have surplus land available. 	<ul style="list-style-type: none"> Ensure environmental justice, e.g., through good neighbor agreements.
Golf Course Rezoning Criteria	<ul style="list-style-type: none"> Concerned about offering job lands to open space, which is plentiful elsewhere in the city and outside the UGB. 	<ul style="list-style-type: none"> Differing views include support of rezoning criteria for a Colwood-like outcome and objection to loss of open space. 	<ul style="list-style-type: none"> Why does comp plan add more new OS than I land in Prime Industrial areas? Prioritize jobs there, not open space. 	<ul style="list-style-type: none"> Leverage shifts in land uses to increase access to equity for disadvantaged groups.

area, which is in an inner neighborhood setting where a new light rail line is under construction. Industrial edge areas in urban locations may become less functional for industry over time.

The equity focus group took a higher-level approach to addressing the proposed changes generally. Some participants expressed frustration that the proposals gave too much attention to business needs and growth-capacity shortfalls. Reframing the proposals was urged, in order to emphasize equity benefits to disadvantaged groups, particularly low-income populations and populations of color. Attendees encouraged City staff to explore tools that would leverage equity benefits, such as contracting to minority- and women-owned businesses, local-source hiring, and community benefits agreements. Another issue cited is that some people know so much about these topics and most people so little. More focused outreach to engage and inform people of color was suggested, particularly the Diversity and Civic Leadership Program (DCL) Partners, including the Urban League, NAYA, Latino Network, CIO and APANO. Involvement of 1000 Friends of Oregon and environmental groups was also suggested.

Concern was expressed during the business association focus group that the conversion trends are disturbing. Participants also asked whether the Prime Industrial Land designation, which prioritizes land use direction based on freight infrastructure, can also be used to prioritize freight mobility in transportation decisions. We need to move products in and out of these areas, it was emphasized. Consideration was suggested to require locating and designing trails and bike lanes in Prime Industrial Areas to avoid adverse impacts on freight mobility and safety. There were also contending viewpoints on this topic. Some participants noted the increasing legitimacy of bicycle delivery via cargo bicycles and that these delivery modes should be able to safely operate in industrial areas. Confusion was expressed about applying the term “multimodal” to both freight modes and active transportation modes.

The neighborhood association focus group did not discuss prime industrial land retention.

Land-efficient Industrial-zones

Equity focus group participants made the point that the proposed land use limitations have distributional implications for residents and workers. A suggestion was made that conditional use requirements for secondary uses could stipulate the provision of affordable housing or facilities for community organizations. Community benefits agreements for infrastructure investments in industrial areas were also suggested to help ensure benefits to nearby neighborhoods. Framing the approach to land-efficient industrial zones was also suggested to prioritize job density targets. This idea was also discussed by the business association group, including concerns that industrial businesses vary widely in job density and that higher job-density commercial areas tend to have a less equitable income distribution.

The real estate focus group discussed the need to foster a “dynamic market” within industrial zones. As discussed, a dynamic market means more than just shifting industries. The synergies of industrial and commercial uses are also changing. Industrial business owners may prefer to locate near commercial businesses that are their customers or vendors. The Central Eastside Industrial District was mentioned as an example of the mix of uses that create synergies across markets, which contributes to Portland’s attractiveness for the creative community. Participants encouraged policy makers to consider the nature, size and scale of supportive businesses. To do so, one suggestion was to focus use restrictions on specific, undesirable uses.

The business associations group also discussed taking a more granular approach to link employment goals and land use. They agreed that a mix of uses can be a good thing. A broad-stroke approach was described as being less effective for filtering incompatible uses from supportive uses. Participants noted that the proposed change to remove self-service storage as an allowable use is a step in the right direction to pursuing this approach.

Discussion on limiting Parks and Open Areas in Prime Industrial areas

Responding to the proposed limitations on Parks and Open Areas, neighborhood association focus group participants voiced concern that the proposed restrictions should not limit new trails nor mitigation areas. Participants also expressed enthusiasm for community gardens and would like to see more of them. This focus group also diverged from some of the points made by the real estate and business association groups, noting that well-maintained green features in industrial areas and along their frontages perform an important aesthetic function in attracting businesses to those locations. For example, Columbia Blvd. would be more attractive for infill development, it was suggested, with more street trees and aesthetic design standards.

Participants in the real estate and the business association focus groups also generally recommended allowing off-site mitigation areas, as an option for leveraging development through open space. Off-site mitigation was discussed as a more flexible approach to site design, which in turn would facilitate more efficient use of industrial land.

The business association group also discussed allowing wider buffers along R-zones as exempted Parks and Open Areas in Prime Industrial overlay zones and whether the buffer should be concentrated in the R-zone, the I-zone, or both. Some individuals pointed out the value of buffers, supporting an exemption from the proposed Parks and Open Areas limitation. Others noted that the burden of creating landscape buffering falls disproportionately on industrial developers and business owners, requesting that it should apply on both sides of residential/industrial zone boundaries, such as when housing development occurs next to industrial facilities. And some attendees noted that Portland has a shortfall of industrial land and surplus residential capacity, so the buffer should be concentrated on residential land.

Land-efficient General Employment zones

Real estate focus group participants suggested that retail developments larger than 20,000 square feet should be a conditional use in EG zones, rather than prohibiting them. Examples were pointed out where the conditional use process has worked well for screening commercial uses that serve industrial area market needs. Participants generally supported the proposal to prohibit residential uses in EG zones. Reasons discussed included the surplus of residential capacity available citywide and the potential for continuing conversion of EG land in residential settings. Others suggested that this restriction could vary with scale, saying it may be okay in some circumstances but can't be allowed to become too large.

The business association group participants also expressed support for making retail uses larger than 20,000 square feet a conditional use and for prohibiting housing in industrial lands.

Neighborhood association group attendees expressed concern that the proposed retail limitation of 20,000 square foot will be difficult for larger existing retail facilities on sites with expansion room. As

discussed, this issue depends partly on how sites are defined. Participants suggested a creative option for accommodating expansion of large, non-conforming retail stores: permit their expansion up to a fixed percentage of the existing building area, such as 20 percent.

A suggestion was made in the equity focus group to keep the North Cully Plan District in effect, as an opportunity to negotiate community benefits agreements. Thomas Cully Park development was noted as an example of how this has worked in the plan district, and community members are currently trying to negotiate community benefits in the Comcast development proposal. Participants expressed general support for mechanisms to leverage community benefits. Some also asked that the impacts on land for affordable housing be examined, including consideration for conditional use exceptions to the housing prohibition if affordable housing is provided.

Residential compatibility of EG-zones

The neighborhood association group discussed that sound levels are regulated by zone in the noise code, allowing up to 75 dB in I and EG zones. Participants commented that noise from incompatible uses there is a constant problem. Attendees suggested reducing the noise allowance from 75 dB in EG1, in order to improve residential compatibility. Participants also suggested additional landscaping, street trees, and design requirements, particularly along 82nd Avenue in order to help make it more attractive to residents, pedestrians and businesses alike.

Equity focus group participants emphasized concerns for environmental justice; consider who's living near industrial and employment zones. With historically marginalized groups and underserved populations often living near sites with pollution, noise and other nuisances, they felt the City should better equip these communities with mechanisms for mitigating those burdens. Good neighbor agreements were suggested as another opportunity to leverage equity benefits.

Business association focus group participants cautioned against adding compatibility rules that would push industry out of EG areas. Participants pointed out that the larger industrial districts lack extra room to accommodate industry displacement from EG zones in the long run. Some non-industrial business operations, it was pointed out, also create moderate nuisances for neighbors.

Real estate focus group participants suggested allowing infrequent needs for outdoor storage through a permit in EG-zones. One example offered was a winery, which must utilize outdoor space twice a year at a site that abuts a residential area.

Golf course rezoning criteria

Participants in both the real estate development and business association focus groups voiced concern about conflicting policy direction in this proposed change. On one hand, policies aim to protect and expand industrial capacity to promote job growth. On the other hand, these proposed restrictions will make these new industrial areas more challenging to develop. Some participants questioned why golf course rezoning criteria should be applied at all, since most of the golf course area is designated as Open Space, and other zone changes don't have to meet similar requirements. Some also inquired why most of the new open-space designated land on the proposed Comprehensive Plan Map was coming out of prime industrial areas. Participants urged consideration of resulting sprawl from future Urban Growth Boundary expansion and loss of middle-wage job capacity.

Differing views were voice in the neighborhood association focus group. Some attendees saw the conversion of any of the golf course land to industrial use as a net loss in open space, which should be preserved to protect habitat. However, others were pleased with the results of Colwood golf course reuse, including a new city park and additional natural area. They supported requirements that would result in similar community benefits with rezoning.