



Date: October 11, 2015

Re: Audubon Society of Portland Comments on Employment Zoning Project

From: Bob Sallinger, Conservation Director, Audubon Society of Portland

To: Portland Planning and Sustainability Commission

Dear Members of the Planning and Sustainability Commission,

Please accept the following comments from the Audubon Society of Portland regarding the Employment Zoning Project. Audubon opposes the requirement in the proposed prime industrial land overlay which would require that conversion of industrial land be simultaneously mitigated with conversion of other land use types to industrial use, cash payments into an industrial land fund or financial investments in industrial infrastructure.

Audubon is supportive of the general approach that the Draft Comp Plan takes to industrial lands

In general, Audubon is supportive of the approach that that PSC recommended draft of the Comprehensive Plan takes regarding industrial lands. Specifically we support an approach that focuses primarily on intensification of use of the existing industrial land base, clean-up and return to productive use of contaminated brownfield sites and limiting up zoning of industrial lands for other uses, rather than conversion of open space and natural areas for industrial uses. We applaud the PSC for recognizing that we need to make better use of the industrial lands that we already have rather than destroying additional natural resource areas along our already severely degraded urban river system.

Audubon is deeply concerned about the proposed prime industrial land overlay

We believe that the Employment Zoning Project goes too far in terms of limiting the ability to protect natural resources on lands that would be covered by the new prime industrial land overlay. The employment zoning project would establish a new "prime industrial land overlay" across much of Portland Harbor and the Columbia Corridor which would require that any new natural areas established within this overlay be mitigated by either 1) an equal number of new acres of industrial lands, 2) an \$8/square foot charge toward an industrial land fund or 3) new investments in industrial transportation infrastructure. This would dramatically increase the cost to protect natural areas and for all intents and purposes prevent the establishment of any new natural areas within the prime industrial land overlay zone. Additionally, the new overlay zone would prohibit altogether the establishment of any new active parks greater than two acres in size within the prime industrial land overlay without a Comp Plan

amendment. This would functionally prevent the establishment of any new parks. Neither restriction is appropriate.

While we agree that it is important to exercise caution in protecting the industrial land base from both conversion to other uses and a proliferation of non-industrial activities within industrial zoned lands, it is not appropriate to treat industrial lands sacrosanct at the expense of both the environment and the surrounding community. It is important to recognize that the lands along North Portland Harbor and the Columbia Corridor are not only prime industrial land, but also among our most important and severely degraded natural resource lands. It is also important to note that interspersed among these industrial lands are communities, many of which are park deficient. The new prime industrial land overlay would make it difficult if not impossible to remedy either of these situations.

We believe that the policies currently in the draft Comp Plan combined with the five year Goal 9 reviews are sufficient in and of themselves to serve as a significant barrier to indiscriminate conversion of industrial lands without the draconian measures that would be implemented with the prime industrial land overlay.

The proposed Prime industrial land overlay would create a perverse incentive for industrial landowners to up-zone their properties.

It is important to note that much of the recent up zoning has occurred on industrial land has been done at the direct behest of industrial land owners. These lands have not somehow been “taken from industrial interests” as much of the rhetoric around this issue would suggest. Rather many industrial interests have been more than willing to convert their own lands when there was money to be made. Recent examples include: Terminal 1, Cascade Station, South Waterfront, Hayden Meadows and the Pearl. This has set-up a dynamic in which industrial land owners cash out existing industrial land through up zoning to more lucrative uses and then turn around complain about a lack of industrial land. The proposed prime industrial land overlay creates the ironic unintended consequence of actually promoting this type of behavior in that, now when the industrial community supports conversion of industrial lands to other uses, it will also have more leverage to simultaneously demand greenfield sites to compensate for the lands they are converting---a win/ win for industrial landowners at the expense of the community and the environment.

Moving forward with updating industrial land overlays while postponing updating natural resource overlays in the North Reach and Columbia Corridor is inconsistent with the Comp Plan

We are deeply disappointed that the City has chosen to move forward with new zoning in the North Reach and Columbia Corridor in a piecemeal fashion that prioritizes addressing industrial land concerns now while delaying natural resource issues to a later date. This approach is inconsistent with the Comprehensive Plan public involvement process which sought to address natural resources and industrial land demands in tandem (in fact Audubon served on the joint industrial lands/natural resources subcommittee that developed many of these concepts) and the draft Comprehensive Plan itself which clearly recognizes the interconnectedness between the industrial lands policies and the natural resource policies. We do not understand why the City would now deviate from a strategy that

recognizes that industrial land issues and natural resources need to be addressed holistically, comprehensively and concurrently in favor of a new approach that treats them in isolation and frontloads industrial concerns while delaying natural resource concerns

Recommendations:

- 1) **First and foremost we urge the PSC to eliminate the mitigation requirement from the prime industrial land overlay.** The policies in the draft Comp Plan and the five year Goal 9 reviews should be sufficient barriers to preventing frivolous conversion of industrial land without the draconian mitigation requirements included in the prime industrial land overlay. The city and industrial landowners should take the conversion of industrial lands seriously, but establishing a punitive mitigation scenario in which the community is forced to either convert other types of lands to industrial use or pay massive sums of money into industrial land and infrastructure funds, when lands are converted to meet legitimate community needs does not serve the best interests of the community.
- 2) **We urge the City to simultaneously update environmental overlays in the Columbia Corridor and North Reach concurrent with any changes that are made to industrial overlays:** It simply does not make sense to update the industrial lands and employment zoning in the North Reach and Columbia Corridor without concurrently designating what new areas will be protected for open space and particularly natural resource value. The only way that the public can truly understand and evaluate the implications of the significant zoning changes that are being considered on industrial lands is if it can simultaneously evaluate new zoning proposals that would be applied to protect natural resources. While the Economic Opportunities Analysis (EOA) does include provisions that would accommodate expanded environmental zones in both the Columbia Corridor and North Reach, this in no way guarantees that these protections will ever actually be adopted and industrial interests have repeatedly signaled their intention to oppose expansion of natural resource protections if and when they are brought forward. The City has an historic opportunity to resolve long standing conflicts between employment lands and natural resource protection in the North Reach and Columbia Corridor, but that will only happen if both are addressed concurrently. To do otherwise is to deliberately set up a scenario in which it will be significantly more difficult to come back later and add new environmental protections. In fact, we expect that some industrial interests will quickly turn around and use the designation of “prime industrial land” as a basis for arguing that the environmental zoning updates should not move forward at all. This repeats an historic pattern in the North Reach and Columbia Corridor where the sequential designation of industrial lands prior to environmental protections has been later used as a basis to justify opposition to natural resource protection.
 - a. **Airport Futures:** Even if the City does not move forward with comprehensively updating environmental overlays concurrent with establishing prime industrial land overlays, it should move forward with the long delayed environmental overlay updates included in the Airport Futures Plan. The Airport Futures Plan included an ESEE (Economic, Social, Environmental and Energy analysis) to determine where to apply environmental protection and conservation zones within the Airport Plan District. However pending completion of the Economic Opportunities Analysis, the Airport Futures project applied

updated e-zones to Port of Portland and City of Portland lands, but not to other parts of the plan district. Now that the EOA has been completed, there is no reason to further delay implementing the environmental overlay zones in the rest of the Airport Plan District consistent with the ESEE.

- 3) **If the City retains the mitigation requirements in the prime industrial land overlay, it should include the following provisions:**
- a. **All storm water facilities as defined by the Bureau of Environmental Services within the prime industrial land overlay should be designated as an allowed use and exempted from the prime industrial land mitigation requirements.** Our understanding is that this change is already being recommended by staff and we appreciate that recommendation.
 - b. **All lands identified as high, medium and low natural resource value within the City of Portland Natural Resource Inventory (NRI) within the North Reach or Columbia Corridor should be designated as an allowed use and exempted from the prime industrial lands mitigation requirements.** The City, Metro and NGO stakeholders have all identified natural resources that require increased protection either through fee simple acquisition or increased regulatory protection in order to restore the North Reach and Columbia Corridor to ecological health. Ideally the City would establish new natural resource protections concurrent with establishment of the prime industrial land overlay (see recommendation # 2). However, given that the city wants to take these steps sequentially and likely with a multi-year gap before the nature resource zoning updates will occur, it should exempt all high, medium and low rated natural resource lands from the prime industrial land overlay mitigation requirements until the natural resource zoning updates can be completed.
 - c. **All new parks established of any size within a half mile of a park deficient community within the prime industrial land overlay should be an allowed use and be exempted from the prime industrial land overlay mitigation requirement.** There are several park deficient neighborhoods interspersed with the lands that would be covered by the prime industrial land overlay. The city should ensure that the prime industrial land overlay does not preclude these neighborhoods from reaching a basic level of service for parks and openspace.
 - d. **The City should ensure that its prime industrial land overlay excludes all lands that have already been converted for use as parks or natural areas:** Our understanding is that there are several sites that the current proposed prime industrial land overlay maps mistakenly designate as industrial when in fact they have already been acquired as parks or natural areas. Both Metro and Portland Parks have identified some of these sites. These errors should be corrected.
 - e. **Mitigation required for natural resource impacts on prime industrial lands, under federal, state or local mandates should be designated as allowed uses and be exempted from the prime industrial land overlay mitigation requirements.** Our understanding from staff is that this is the intention of the revise code. If this is the case, it should be clarified and made explicit. We are particularly concerned that the city

retain the ability to adopt environmental regulations that go beyond federal and state regulations without triggering the offset requirements. We also want to ensure that any requirements specifically associated with ESA, Clean Water Act Superfund, NRDA and any requirements to meet Fema floodplain insurance programs are exempted from the offset requirement.

- 4) Golf Course acreage should not be converted to industrial use.** Audubon does not support the rezoning of portions of golf courses for industrial use. Large contiguous open space parcels are rare and uniquely valuable. The prior Comprehensive Plan explicitly recognized the importance of permanently protecting these parcels as open space. The current proposal to convert portions of these properties to industrial use is not driven by a strategic approach to land use planning, but rather by a dogmatic adherence to eking out marginal acres to meet address a goal 9 industrial land deficit. The limited job gains from converting portions of these parcels to industrial use are outweighed by their value as open space and they should be preserved in their entirety for this purpose. To the degree that any conversion does occur, it is essential that the city put in place strict provisions that ensure that real job targets will be achieved on these sites. If the City does allow conversion of golf course acreage, we urge it to consider zoning other than IG2 which virtually assures low density industrial development. In addition the set backs (25 feet) and plantings proposed for the buffer areas are insufficient and should be expanded to better protect natural resources and neighborhoods.

We strongly urge the PSC to eliminate the mitigation requirement associated with the new prime industrial land overlay. While preservation of industrial land is important, the city also needs to flexibility to adapt to changing economic and community needs and to accommodate multiple community goals. The new prime industrial land overlay locks the city into a rigid structure that places the protection of industrial land above all other community objectives, will make it significantly more difficult to protect and restore natural resources in the North Reach and Columbia Corridor and will perpetuate a cycle of environmental degradation and land use conflict in these areas of the city.

Thank you for your consideration of these comments.

Respectfully,

A handwritten signature in black ink that reads "Bob Sallinger". The signature is written in a cursive, slightly slanted style.

Bob Sallinger
Conservation Director
Audubon Society of Portland