

Portland Planning and Sustainability Commission

Tuesday, February 23, 2016

5:00 p.m.

Meeting Minutes

Commissioners Present: Andre' Baugh, Mike Houck, Katie Larsell, Gary Oxman, Michelle Rudd, Katherine Schultz, Chris Smith, Eli Spevak, Teresa St Martin, Maggie Tallmadge

Commissioners Absent: Jeff Bachrach

City Staff Presenting: Joe Zehnder, Deborah Stein, Nan Stark, Marty Stockton; Judith Gray, Mauricio Leclerc, Grant Morehead (PBOT)

Chair Schultz called the meeting to order at 5:02 p.m. and gave an overview of the agenda. She reminded the Commission and audience that zoning map amendments of the Employment Zoning Project was continued from October 27, 2015 to today (February 23). She asked if anyone is here to testify today; no one in attendance wanted to testify. The hearing for the zoning map amendments of the Employment Zoning Project is further continued to May 24, 2016, which is the tentative hearing date for the all the Comp Plan zoning map amendments. Please remember to check the PSC calendar for further meeting agenda and hearing updates.

Items of Interest from Commissioners

- *Commissioner Smith:* *Commissioners Oxman* and I attended the City Council Work Session this morning and were asked by PBOT to address Policy 9.6 (transportation hierarchy). The first issue addressed related to ADA and the second related to questions by Commissioner Fritz moving Transit above Bicycling in the city's mode hierarchy. *Commissioner Smith* pushed back on this. *Commissioner Oxman* added that Commissioner Fish raised an issue about road rage and the intensity of driver interaction – and that bicycles are the biggest way to decompress the roads and lead us away from these issues. It was a good conversation.

Director's Report

Joe Zehnder

- Reminder of PSC retreat on Monday, February 29 from 1-5 p.m. We'll be discussing the Commission's work from the past couple of years and looking ahead.
- The Deconstruction Policy vote at Council had unanimous approval. The Resolution directs BPS to develop code language that requires projects seeking a demolition permit of a house or duplex to fully deconstruct that structure if it was built before 1916 or is a designated historic resource.
 - *Commissioner Spevak* asked if doing this would lead to a third of homes being deconstructed. Joe responded that he would get him the numbers.
- *Commissioner Baugh* asked about the tree code and how we were moving forward.
 - Joe said he'd get back to him.

Documents and Presentations for today's meeting

Consent Agenda

- Consideration of Minutes from the January 23 and February 9 PSC meetings
- RW #8040, NW 101st Ave south of NW Thompson Rd

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

The Consent Agenda was approved with an aye vote.
(Y9 –Baugh, Houck, Larsell, Oxman, Rudd, Schultz, Smith, Spevak, Tallmadge)

Task 5 – Residential & Open Space Zoning Map

Briefing: Nan Stark Marty Stockton, Deborah Stein

Presentation

Discussion

Commissioner Houck asked about the areas that appear to be the golf course and about industrial areas that could be open spaces. Are the maps consistent?

- Nan: The newest map hasn't been released yet. This map is from the Map App. The latest work on that was done through Steve Kountz' project – converting some open space into industrial land.
- Joe: This is a more limited set of changes that functionally should be classified as that. The industrial conversation we've been discussing is a separate map package that you all will see and vote on. The end result will be a series of composite maps. At that time, it's our moment to talk about things that are missing and need to be fixed. This is not the map of all open space changes.
- Deborah: Where we had talked about the golf courses, they would continue to be zoned for open space, so wouldn't show up here, even if the Comp Plan designation is for something else.
- *Commissioner Baugh*: We just want to make sure that you all are coordinating the different projects that have impacts here.

Commissioner Spevak asked about the David Douglas piece: why would we downzone?

- Nan: It's really just to address the school capacity issue.
- *Commissioner Larsell*: Their schools are at capacity.

Commissioner Houck asked about the FEMA lawsuit regarding flood plain designations. Has that been resolved and factored into this?

- Joe: The lawsuit is still out there. The findings are still being developed. There may be some interest in getting this done before a [federal] administration change, but we don't know for sure when it will come out. It could redefine how we look at the flood plain. We'll update later if we need to.

Commissioner Tallmadge asked what the City is getting in return for upzonings. Say you have a residential base zone, and it's not matching the use and we want to make the Comp Plan designation commercial or mixed use because we're trying to match it. In that change, is there a way to include an incentive for something like affordable housing if you're upzoning? Rather than just upzone, the applicant would have to go through a process to get those uses, etc.?

- Joe: There are several different tracks right now on the issue of "value capture" from upzonings. The idea that part of the value that's gained from the upzone is legitimately captured by benefits like affordable housing, etc. We are looking at this. The tradeoffs are between generating some resources versus potentially not seeing the increased density. You don't want to create an incentive that leads to no redevelopment. You have to price it right.
- *Commissioner Baugh*: This is going to come back to us at some point. The intersection of that decision and the decision about whether or not we apply some sort of bonus or extract value, etc. Is the timing aligned so those decisions are made about the same time?
- Joe: There is policy in the current Comp Plan that would allow us to consider things like this. City Council's level of interest may drive them to put more explicit language in there. So, it's either a Code change that would be part of a package that we bring through as part of Task 5 or something that comes later. As a policy option, we can go back at it in a future time. The geography of housing development costs and fees is changing with the possibility of IZ or a

construction excise tax coming out of the Legislature; the possibility of a city-wide linkage fee; the possibility of an affordable housing related bonus; and the possibility of a value capture upzone provision. At the end, we need to look at the whole package to see if these are workable or if there's a more direct way of doing the same thing. But the policy to do any of these things is in the Comprehensive Plan. The legality of it still needs to be worked out.

- *Commissioner Baugh*: My concern was about timing. Even though it's only a small percentage of the housing stock, it's still an opportunity, and would we lose that opportunity to consider some of these things on those parcels.
- *Joe*: We'd have to evaluate the options that City Council is interested in and then bring that back through here. And then we'll have to talk through the intended and unintended consequences.
- *Commissioner Spevak*: And that might be a good time to talk about a linkage fee. And politically, the timing might be good.

Commissioner Houck commented that we are pretty clear that the FEMA lawsuit will result in increases in flood plain extent – was that considered as part of this project?

- *Marty*: We used the 100 and 500 year flood plains. There was only a small area in Ardenwald-Johnson Creek where there was a mismatch. With that said, we can't disregard all of the work done by Roberta Jortner and Mindy Brooks last year. To answer your specific question, that was not considered in the analysis.
- *Commissioner Spevak*: City Council is voting in April, right? Would it make sense to do the notice right after that decision? Just thinking about timing, is there a way to not have to do everything twice?
- *Joe*: We kind of have to do it twice because of noticing requirements. It's actually the most expeditious way. The number of changes is getting smaller and smaller.

Citywide Parking Strategy

Briefing: Judith Gray, Mauricio Leclerc, Grant Morehead (PBOT)

Presentation

Central City Parking (Mauricio Leclerc)

Commissioner Baugh asked if someone could build a structured parking lot in the Central City.

- *Mauricio*: Yes and no. We don't want to tear down buildings to build growth parking. You can build parking with new development. There is one exception for visitor parking, short-term use. It must be operated for short-term; you cannot be selling spaces to commuters.
- *Commissioner Baugh*: If there is a remodel, could you build parking inside of the structure?
- *Mauricio*: Generally, we're tying parking to new growth with the exception of short-term parking.

Commissioner Larsell asked for clarification on what a parking entitlement is.

- *Mauricio*: If you have a building entitled to 100 spaces, and it doesn't build spaces, it could use that entitlement on a different site.

Commissioner Schultz asked if the new ratios qualify for the preservation parking transfers.

- *Mauricio*: Yes.

Commissioner Smith asked if PBOT would be able to set rates administratively without Council action.

- *Mauricio*: Yes, it might be able to within certain parameters, but that would be the hope.

Commissioner Baugh raised a concern about the Central Eastside. There is enough demand that you could probably pencil a structured parking lot, privately, and make money. If that's not our intent, we

need to figure that out. We need to think about how we structure our code to address the Central Eastside. Is it our intent to allow land to be taken up with privately-owned structured parking?

- *Mauricio*: We allow structured parking today, we would allow it in the future.
- *Commissioner Baugh*: Why ban structured parking versus surface parking?
- *Joe*: It's the more intense use of the land, and the expense of structured parking makes it more challenging to do. To build a commercial parking structure, the developer would have to get the rights to build parking from somewhere (preservation parking). The only other way you can get parking is if you're building new development, you can get a certain amount of parking for each square foot of development. Also, you'd now have to wrap the first floor of a structured lot with active uses, which is appropriate for the Central City.
- *Commissioner Smith* commented that everyone assumes it's a no brainer to build a surface parking lot on NW 23rd, but it hasn't happened yet. It may not be the highest and best use even if possible.
- *Joe*: Short-term versus long-term is critical. We don't want areas of the Central City to function like parking lots. These are all questions we need to explore.
- *Commissioner Tallmadge*: Just from an air pollution standpoint, wouldn't it make sense to have a single structure rather than having people driving around looking for parking?
- *Mauricio*: The circulation does add to pollution. Performance-based parking management would help with that. You wouldn't have to drive around.
- *Commissioner Houck*: There is technology where you can find a space in advance and not have to drive around.
- *Chair Schultz*: Not to belabor it, but you're talking different types of people parking – workers versus retail, etc.

Centers and Corridors Parking Policy Update (Grant Morehead)

Commissioner Tallmadge asked if, for example in NW, where you have 3 or 4 unrelated individuals in a home, would the first permit, second permit pricing system still apply the same way?

- *Grant*: Yes, but this would only apply to future permitting areas. NW is its own area.
- *Chair Schultz*: But if it's multiple units within one home with different addresses, those would count as all first permits.
- *Grant*: Yes. The code is based on address.

Commissioner Spevak: When considering parking district, would you be looking at waiving the off-street parking minimum? Also in those districts, could you look at maybe charging for curb cuts where you're depleting the on-street supply?

- *Grant*: In a sense, you would start at the second rate for a curb cut.
- *Commissioner Spevak*: Maybe a developer should have to pay for a curb cut as part of development?

Commissioner Smith commented on a number of things that he liked and disliked about the current work.

Items liked include:

- Shared parking: using the resources we have more effectively by loosening the rules is a good thing
- Second, there are some really innovative ideas embedded here – capping permits, tiered pricing, TDM component.

Items that he has concerns about include:

- We're solving what I think is a transitional issue with a permanent answer. Our corridors are developing like crazy, and we're dealing with the reaction of residents. We're defending residents but putting up a wall in the zoning – a line that will last forever. Current residents are annoyed, but the next person to buy knows full well what they're getting into and are likely locating there because of the nearby amenities. Access to this system serves as a bonus for them.

- There are different issues for new development versus development that has already occurred. There are now people living in units on corridors who would not be considered “priority” for the permit system. New developers and new residents know the rules moving forward, but the existing people are at a disadvantage.
- Lastly, I’m concerned about the governance aspect of equity and who has power. We’re saying the single family neighborhoods own the parking resources and set the rules on when people in the corridors can use them. That’s a huge power imbalance. We can guess that the economic and ethnic compositions of the residential neighborhoods outside and within the corridors are very different. We are reinforcing some existing equity imbalances.

Commissioner Baugh followed up on *Commissioner Smith’s* comments about equity. We have a policy to put low-income people on transit routes. The equity issue to me is that R5 people have the decision-making power and the people in corridors are at their mercy. I am concerned about neighborhood structure. Even if the makeup of neighborhood has changed, the decision-makers often remain the same. I’m also worried about the cost of permit around equity. For low-income individuals, I appreciate that you want to lower the cost, but if you’re talking about higher cost, how high is that cost relative to a bus pass? Can we figure out a way to work with TriMet to subsidize bus passes as opposed to paying for street parking? Can we look at some of those different options? Alternatives? Can we provide similar subsidies for different modes?

- Grant: There could be a way to structure the TDM program to give people access to things like that. We need to explore it.

Commissioner Baugh continued: On the commercial side, I have concerns about them being left out of the whole process. Parking needs to be preserved for the new districts to be viable – we need to ensure developers that commercial parking will be available.

Commissioner St. Martin asked whether or not the program included incentives/provisions, etc. for car share.

- Grant: Not specifically in this proposal. You can get a reserved spot for car share vehicles, but additional incentives are not incorporated in this proposal.

Commissioner Smith disagreed, commenting that we allow the provision of parking for car share spaces. I would expect car share to show up in a robust way in these corridors.

Commissioner Tallmadge commented that she would love to see how we can leverage this for low-income TriMet fares. This is an opportunity to be creative and leverage that.

Chair Schultz noted that she supports all of *Commissioner Smith’s* comments, both positive and negative. She followed up with a question: for a single family home with its own curbside and garage, but a driveway that can support three cars, do they still get to buy an on-street stall? Would they start at the third tier of the pricing system? Something to think about. Also, along the corridors, if there’s an affordable housing project being built, it seems there might be another way to look at giving those projects a break on parking and giving them permits for the street. Is there a point where those in the corridors for a certain period of time could qualify for a residential permit?

- Grant: Yes. Everyone who lives there now could apply for a permit, whether in the residential or the corridor. It’s a performance-based question and is up to the cap. The residential (R) zones would have priority. At this point in time, we’re not reaching the cap, but that could happen in the future.

Chair Schultz: Regarding the cost of the permit, for a mixed use project in the corridor that’s providing parking right now: what’s the cost of a private stall versus the permit? Wow do you still incentivize those in the corridors to still build parking? If that pricing gap is too big, nobody’s going to build parking in structures.

- Grant: The average being built right now is about .5 spaces for 1 one unit. The average right now is around \$100 per month. We're not going to be able to charge that much in the permit system.
- On-street parking of course is free. But people will drive for a while instead of paying for a parking spot.
- Mauricio: That's partly why the priority is for residential. To encourage those in the corridors to use the parking in their building. This works with things like shared parking – people would be able to parking the bank parking lot, etc. We're not done with this. You have some great questions. We still have some questions, and we need to be flexible to tailor things to different neighborhoods.

Commissioner Smith asked that staff think about structuring the governing model for the program such that the mixed use residents and the commercial businesses are part of the structure and help make decisions about who has access to programs. He further suggested that PSC write a letter to Commissioner Novick and Director Treat highlighting their concerns and asking PBOT to return with some responses.

Commissioner Spevak seconded. It was decided to put the item on the agenda for the retreat for further discussion.

Joe: This might be a subcommittee type of letter to bring back for the full Commission's review.

Adjourn

Chair Schultz adjourned the meeting at 7:20 p.m.

Submitted by Kathryn Hartinger and Julie Ocken, PSC Coordinator