



City of Portland, Oregon
Bureau of Development Services
Land Use Services
FROM CONCEPT TO CONSTRUCTION

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REVISED STAFF REPORT AND RECOMMENDATION TO THE DESIGN COMMISSION

CASE FILE: LU 15-281248 DZM – Broadway Tower
PC # 15-203216

REVIEW BY: Design Commission

WHEN: April 21, 2016 @ 1:30pm
(continued from March 24, 2016)

WHERE: 1900 SW Fourth Ave., Suite 3000
Portland, OR 97201

Note: This staff report is revised from the staff report dated March 14, 2016. Changes are underlined. Deleted text has been deleted for clarity.

BUREAU OF DEVELOPMENT SERVICES STAFF: HILLARY ADAM / HILLARY.ADAM@PORTLANDOREGON.GOV

GENERAL INFORMATION

Applicant: Phil Beyl, Architect
GBD Architects
1120 NW Couch St Suite 300
Portland, OR 97209

Generations Columbia Property LLC, Owner
920 SW 6th Ave #223
Portland, OR 97204

Barclay Grayson, Party of Interest
BDC Advisors, LLC
1331 NW Lovejoy, Suite 775
Portland, OR 97209

Site Address: 710 SW COLUMBIA ST

Legal Description: BLOCK 204 LOT 1&2 E 1/2 OF LOT 7&8, PORTLAND; BLOCK 204 LOT 3, PORTLAND; BLOCK 204 LOT 4, PORTLAND

Tax Account No.: R667721880, R667721910, R667721930, R667721930

State ID No.: 1S1E04AD 03500, 1S1E04AD 03600, 1S1E04AD 03900, 1S1E04AD 03900

Quarter Section: 3128

Neighborhood: Portland Downtown, contact Rani Boyle at 503-725-9979.

Business District: None

District Coalition: Neighbors West/Northwest, contact Mark Sieber at 503-823-4212.

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| Plan District: | Central City - Downtown |
| Zoning: | CXd – Central Commercial with Design overlay |
| Case Type: | DZM MS – Design Review with Modifications + Central City Master Plan Review |
| Procedure: | Type III, with a public hearing before the Design Commission. The decision of the Design Commission can be appealed to City Council. |

Proposal: The applicant proposes a new 19-story building, including 180 hotel rooms (6 floors) and 175,000sf of office space (10 floors), ground floor retail, lobby, and restaurant space, and a below-grade garage, accessed from SW Columbia Street, providing parking for 210 vehicles and 132 bicycles. Loading is to be accessed from SW Clay Street. A Central City Master Plan is requested to allow an additional 68,600sf of floor area, equivalent to 3.4:1 FAR above base and bonus allowances. Proposed materials include glass curtain wall, terra cotta, and composite metal panel.

The following Modifications are requested:

1. (33.266.310) – to reduce the size of one of the two required loading spaces from a Standard A to a Standard B;
2. (33.266.220.C) – to reduce the width of all long-term bike parking spaces from 24” to 18”;

Note: The Notice of Proposal, dated March 4, 2016 indicated that a Modification to 33.130.230 (Ground Floor Windows) was required on the north and south façades; however, the proposal meets these requirements and the Modification is not needed.

Approval Criteria:

In order to be approved, this proposal must comply with the approval criteria of Title 33, Portland Zoning Code. The applicable approval criteria are:

- Central City Fundamental Design Guidelines
- 33.825.040 Modifications That Will Better Meet Design Review Requirements
- 33.510.255.E [Central City Master Plan] Approval criteria

ANALYSIS

Site and Vicinity: The subject property occupies $\frac{3}{4}$ of the block bound by SW Columbia, SW Broadway, SW Clay, and SW Park. It slopes downward from the northwest to the southeast. The site is currently occupied by a two-story brick building, a surface parking lot, a gravel lot formerly the site of a gas and service station, and another surface parking lot. On the southwest corner of the block is a 6-story brick multi-dwelling structure. The South Park Blocks are located to the west of the property across SW Park with primarily apartment buildings and cultural institutions beyond. Across SW Columbia, to the north, are the historic Ladd Carriage House (Raven & Rose), the First Christian Church, and the Ladd Tower and the downtown commercial core beyond. Across SW Broadway, to the east, is the 5-story vintage Regency Apartments building, the former Oregonian building (to the northeast), a 2-story office building, a currently vacant site (to the southeast), and multi-story residential, commercial, and government buildings beyond. Across SW Clay to the south is a 5-story brick University Park Apartment building, with Portland State University’s urban campus beyond. SW Broadway is a primary multi-modal thoroughfare; however, SW Clay provides direct access to the Highway 26 on-ramp five blocks west. The MAX and bus lines are located one and two blocks to the east, running north and south respectively. Abus line also runs along SW Columbia at the north end of the site.

Zoning: The Central Commercial (CX) zone is intended to provide for commercial development within Portland's most urban and intense areas. A broad range of uses is allowed to reflect

Portland's role as a commercial, cultural and governmental center. Development is intended to be very intense with high building coverage, large buildings, and buildings placed close together. Development is intended to be pedestrian-oriented with a strong emphasis on a safe and attractive streetscape.

The “d” overlay promotes the conservation and enhancement of areas of the City with special historic, architectural or cultural value. New development and exterior modifications to existing development are subject to design review. This is achieved through the creation of design districts and applying the Design Overlay Zone as part of community planning projects, development of design guidelines for each district, and by requiring design review. In addition, design review ensures that certain types of infill development will be compatible with the neighborhood and enhance the area.

The Central City Plan District implements the Central City Plan and other plans applicable to the Central City area. These other plans include the Downtown Plan, the River District Plan, the University District Plan, and the Central City Transportation management Plan. The Central City plan district implements portions of these plans by adding code provisions which address special circumstances existing in the Central City area. The site is within the Downtown Subdistrict of this plan district.

Land Use History: City records indicate the following relevant prior land use reviews:

- EA 15-203216 PC – Pre-Application Conference for the current proposal;
- EA 15-203240 DA – Design Advice Request for the current proposal; and
- PR 16-108072 – Lot Confirmation to consolidate lots 1-4 and consolidate lots 7-8.

Agency Review: A “Request for Response” was mailed **February 3, 2016**.

The following bureaus have responded with comments:

The **Bureau of Environmental Services (BES)** replied, on March 4, 2016, noting that additional information is necessary to demonstrate that stormwater management requirements can be met and that they cannot yet recommend approval at the time of writing this staff report. BES indicated that the applicant will need to submit a revised Preliminary Stormwater Management Report that appropriately addresses Portland’s Stormwater Infiltration and Discharge Hierarchy, that BES is unable to confirm the feasibility of the proposed storm connection location, and that the applicant will need to further address the areas proposed to discharge to the public right-of-way. Please see Exhibit E-1 for additional details.

BES revised their response on March 18, 2016, indicating support of the proposal. See Exhibit E-1b.

The **Bureau of Transportation (PBOT)** replied, on March 7, 2016, noting that the expected loading demand for the proposed use can be accommodated by one Type A and one Type B loading spaces proposed; therefore, the purpose statement for the loading standards is met. PBOT also noted that the Transportation Impact Study was not submitted with sufficient time for review; therefore, PBOT cannot yet recommend approval of the requested Central City Master Plan. PBOTs comments also reflect that they reviewed an earlier design in which the proposed garage gate was located fewer than 20 feet back from the sidewalk (which would require a Driveway Design Exception) and the proposed electrical vault was proposed in the pedestrian-thru zone; the applicant has since revised the drawings to show the garage gate set back 20 feet from the back of the sidewalk and the electrical vault located in a curb extension, as suggested by PBOT. Please see Exhibit E-2 for additional details.

PBOT has since provided a revised response, dated March 23, 2016, indicating support for the proposal, including the Central City Master Plan proposal. PBOT’s letter also referred to an earlier

plan which showed the garage gate set five feet back from the sidewalk and noted that a Driveway Design Exception would be required if the gate is approved at that depth (See Exhibit E-2b). The applicant has applied for a Driveway Design Exception and received PBOT approval for the garage gate, as designed (see Exhibit E-2c.)

The **Life Safety Division of BDS** responded with standard Building Code comments. Please see Exhibit E-3 for additional details.

The following Bureaus have responded with no issues or concerns:

- Water Bureau
- Fire Bureau
- Site Development Section of BDS
- Bureau of Parks-Forestry Division

Neighborhood Review: A Notice of Proposal in Your Neighborhood was mailed on March 4, 2016. One written response has been received from either the Neighborhood Association or notified property owners in response to the proposal.

- Arthur Towers, on March 3, 2016, wrote with concerns about the potential loss of trees at SW Columbia and SW Park and at SW Broadway and SW Clay, interim use of the NW corner, and with concerns about traffic circulation and congestion related to passenger vehicles and loading vehicles. See Exhibit F-1 for additional details.
- Maggie Long, Executive Director of SEIU Local 49, on March 14, 2016, wrote in support of the proposal, noting that approximately 1,700 jobs will be created, which will benefit the city. See Exhibit F-2 for additional details.

Staff Note: The existing trees at SW Columbia and SW Park are not currently under consideration for removal. As is noted above, PBOT has determined that there is adequate capacity to support the proposed development. Additional concerns are addressed in the findings below.

Procedural History: The first staff report was issued on March 14, 2016. After the March 14, 2016 staff report was issued, two additional letters were received:

- Chris Jones, First Christian Church, on March 14, 2016, wrote in support of the proposal, including the proposed affordable housing investment and noting the cleanup of the contaminated soils.
- Executive Committee of the AIA/APA/ASLA Urban Design Panel, on February 11, 2016 (received March 18, 2016), wrote in support of the proposed architecture but expressed concerns with the proposed public benefit aspect, based on a variation of an earlier proposal. The Committee expressed concerns that the affordable housing option would have less direct public benefit than improvements to the Park Blocks and noted the potential for future inclusionary zoning requirements. The Committee suggested that the applicant be required to provide a financial analysis comparing costs and benefits so that the public can be assured that the public benefit is reasonable.

A Public hearing was held on March 24, 2016. Several members of the public provided testimony at the hearing on March 24, 2016, including:

- Marion McNamara, noted concerns with traffic and loading on Clay and suggested the garage access be located on Clay with loading on Columbia to avoid traffic on Park.
- Suzanne Fleming, noted concerns with traffic and loading on Clay which is more residential with residences across the street.
- Ted Chillless, provided oral and written testimony (see Exhibit H-10) for a number of Benson Tower residents (noted on testifier sign-in sheet, Exhibit H-9), noting that the public benefit should go to Parks because affordable housing may be developed without the Central City Master Plan. He suggested that they supported the Park Blocks proposal and that assisted living should be developed on the northwest ¼ block. He noted that the building does not have a top and he was hoping for accent red lighting down the fins.

- Arthur Towers, noted that the impact to the Park Blocks will be major and the building should have a drive-through loading dock so that the trucks do not have to back up. He noted concerns about the loss of trees on Clay.

Following public testimony, the Commission primarily discussed the proposed “public benefit”, noting a longer duration for the affordable housing, or a lower MFI%, would be desirable. The Commission also indicated a desire to see not only a South Park Blocks Master Plan created, but implementation of the Plan’s goals on Park Block 11, between SW Clay and SW Columbia, as part of this overall proposal. The Commission also provided some feedback on the architecture including a desire for more openness at the front entry and at the northeast corner, a garage gate closer to the street, more equitable distribution of vision glazing at the hotel levels and potential concerns for bird roosting on the fins. The Commission requested the applicant return on April 21, 2016 with a more refined public benefit proposal and minor revisions to the architecture.

Staff response: The applicant has provided a breakdown of the financial impacts of the proposal (See Exhibit H-13). Staff notes that “public benefit” is not defined in the Code, but is rather a shorthand way of describing whether or not a project meets the goals and policies of the Central City Plan, of which both housing and parks and open space are listed – see Policy 3 Housing and Policy 8 Parks and Open Space. At the March 24, 2016 hearing, the applicant noted that PBOT had indicated a preference for locating the garage access on SW Columbia, rather than Clay, to minimize traffic conflicts. The applicant studied the potential for bird roosting by speaking with the Audubon Society and the management of a similarly-designed building in town and does not believe that this will be an issue as birds prefer to roost in sheltered spaces and the proposed fins do not provide shelter. Other concerns are addressed in the findings below.

ZONING CODE APPROVAL CRITERIA

(1) Chapter 33.825 Design Review

Section 33.825.010 Purpose of Design Review

Design review ensures that development conserves and enhances the recognized special design values of a site or area. Design review is used to ensure the conservation, enhancement, and continued vitality of the identified scenic, architectural, and cultural values of each design district or area. Design review ensures that certain types of infill development will be compatible with the neighborhood and enhance the area. Design review is also used in certain cases to review public and private projects to ensure that they are of a high design quality.

Section 33.825.055 Design Review Approval Criteria

A design review application will be approved if the review body finds the applicant to have shown that the proposal complies with the design guidelines for the area.

Findings: The site is designated with design overlay zoning (d), therefore the proposal requires Design Review approval. Because of the site’s location, the applicable design guidelines are the Central City Fundamental Design Guidelines.

Central City Fundamental Design Guidelines

These guidelines provide the constitutional framework for all design review areas in the Central City.

The Central City Fundamental Design Guidelines focus on four general categories. **(A) Portland Personality**, addresses design issues and elements that reinforce and enhance Portland’s character. **(B) Pedestrian Emphasis**, addresses design issues and elements that contribute to a successful pedestrian environment. **(C) Project Design**, addresses specific building characteristics and their relationships to the public environment. **(D) Special Areas**, provides design guidelines for the four special areas of the Central City.

Central City Plan Design Goals

This set of goals are those developed to guide development throughout the Central City. They apply within all of the Central City policy areas. The nine goals for design review within the Central City are as follows:

1. Encourage urban design excellence in the Central City;
2. Integrate urban design and preservation of our heritage into the development process;
3. Enhance the character of the Central City's districts;
4. Promote the development of diversity and areas of special character within the Central City;
5. Establish an urban design relationship between the Central City's districts and the Central City as a whole;
6. Provide for a pleasant, rich and diverse pedestrian experience for pedestrians;
7. Provide for the humanization of the Central City through promotion of the arts;
8. Assist in creating a 24-hour Central City which is safe, humane and prosperous;
9. Ensure that new development is at a human scale and that it relates to the scale and desired character of its setting and the Central City as a whole.

Staff has considered all guidelines and has addressed only those guidelines considered applicable to this project.

A1. Integrate the River. Orient architectural and landscape elements including, but not limited to, lobbies, entries, balconies, terraces, and outdoor areas to the Willamette River and greenway. Develop accessways for pedestrians that provide connections to the Willamette River and greenway.

C1. Enhance View Opportunities. Orient windows, entrances, balconies and other building elements to surrounding points of interest and activity. Size and place new buildings to protect existing views and view corridors. Develop building façades that create visual connections to adjacent public spaces.

Findings for A1 and C1: While the proposed building is several blocks away from the Willamette River, the proposed amount of glazing is significant and will provide substantial views toward the river and the mountains of the Cascade Range. In addition, the upper level terraces are proposed at level 19 facing north, east, and south, and at level 17 facing north and south, as well as at level 18 facing west. The primary entrances and lobbies are oriented east along SW Broadway providing the most direct connection to the river as is possible at this location. *These guidelines are met.*

A2. Emphasize Portland Themes. When provided, integrate Portland-related themes with the development's overall design concept.

Findings: The Central City Fundamental Design Guidelines were written in 2001 and updated in 2003; they identify incorporating specific symbols of Portland's identity and natural environment, such as the great blue heron, the rose, bridges, etc., as a way to meet this guideline. Staff contends that contemporary approaches to meet this guideline can be much more subtle than the incorporation of symbols. As such, rather than incorporating symbols of the natural landscape and Portland's identity, the proposed building instead provides extensive views to the surrounding landscape, thereby providing inspiration in the actual built and natural environment rather than in symbols of this environment. The proposal does this through the use of a glass wall curtain system and access to the outdoors at multiple levels. *This guideline is met.*

A3. Respect the Portland Block Structures. Maintain and extend the traditional 200-foot block pattern to preserve the Central City's ratio of open space to built space. Where superblock exist, locate public and/or private rights-of-way in a manner that reflects the 200-foot block pattern, and include landscaping and seating to enhance the pedestrian environment.

A6. Reuse/Rehabilitate/Restore Buildings. Where practical, reuse, rehabilitate, and restore buildings and/or building elements.

A7. Establish and Maintain a Sense of Urban Enclosure. Define public rights-of-way by creating and maintaining a sense of urban enclosure.

C3. Respect Architectural Integrity. Respect the original character of an existing building when modifying its exterior. Develop vertical and horizontal additions that are compatible with the existing building, to enhance the overall proposal's architectural integrity.

Findings for A3, A6, A7, and C3: The subject property is not a superblock. The proposal intends to reinforce the Portland block structure by constructing a new building to the street lot lines on a parcel which has been relatively vacant for approximately 10 years. The northern portion of the parcel was previously occupied by a gas station which did not occupy the entire quarter block. The southern half of the parcel is currently occupied by a two-story brick structure and a surface parking lot. The two-story building was designed by an unidentified architect and constructed as an apartment building in 1920; it was previously listed in the Historic Resources Inventory as an unranked resource. While the building may have once been considered relatively significant, it has since been subjected to alterations which have diminished its integrity. Nonetheless, staff suggests that any original or otherwise quality materials that can be salvaged should be salvaged.

With a condition of approval that any original materials, or materials of good quality, that can be salvaged shall be salvaged, this guideline is met.

A4. Use Unifying Elements. Integrate unifying elements and/or develop new features that help unify and connect individual buildings and different areas.

A5. Enhance, Embellish, and Identify Areas. Enhance an area by reflecting the local character within the right-of-way. Embellish an area by integrating elements in new development that build on the area's character. Identify an area's special features or qualities by integrating them into new development.

Findings for A4 and A5: The proposed building is designed to be primarily glass with metal and terra cotta elements. The glass and metal help to unify the tower with other towers in the vicinity, while the terra cotta at the first two levels grounds the building and ties it to the nearby buildings along the Park Blocks which primarily feature masonry construction materials such as brick, concrete, basalt, and limestone.

The standard sidewalk pattern and proposed street trees will continue the existing right-of-way patterns and help unify the proposed development with the rest of the downtown. The existing street trees are Norway Maples, which are on the city's invasive species list. These trees will be removed and replaced with Katsuras, which are an acceptable replacement. *This guideline is met.*

A9. Strengthen Gateways. Develop and/or strengthen gateway locations.

Findings: The subject property is not located at an identified gateway location. *This guideline is not applicable.*

B1. Reinforce and Enhance the Pedestrian System. Maintain a convenient access route for pedestrian travel where a public right-of-way exists or has existed. Develop and define the different zones of a sidewalk: building frontage zone, street furniture zone, movement zone, and the curb. Develop pedestrian access routes to supplement the public right-of-way system through superblocks or other large blocks.

B2. Protect the Pedestrian. Protect the pedestrian environment from vehicular movement. Develop integrated identification, sign, and sidewalk-oriented night-lighting systems that offer safety, interest, and diversity to the pedestrian. Incorporate building equipment, mechanical exhaust routing systems, and/or service areas in a manner that does not detract from the pedestrian environment.

B3. Bridge Pedestrian Obstacles. Bridge across barriers and obstacles to pedestrian movement by connecting the pedestrian system with innovative, well-marked crossings and consistent sidewalk designs.

B4. Provide Stopping and Viewing Places. Provide safe, comfortable places where people can stop, view, socialize and rest. Ensure that these places do not conflict with other sidewalk uses.

B5. Make Plazas, Parks and Open Space Successful. Orient building elements such as main entries, lobbies, windows, and balconies to face public parks, plazas, and open spaces. Where provided, integrate water features and/or public art to enhance the public open space. Develop locally oriented pocket parks that incorporate amenities for nearby patrons.

B6. Develop Weather Protection. Develop integrated weather protection systems at the sidewalk-level of buildings to mitigate the effects of rain, wind, glare, shadow, reflection, and sunlight on the pedestrian environment.

B7. Integrate Barrier-Free Design. Integrate access systems for all people with the building's overall design concept.

C6. Develop Transitions between Buildings and Public Spaces. Develop transitions between private development and public open space. Use site design features such as movement zones, landscape element, gathering places, and seating opportunities to develop transition areas where private development directly abuts a dedicated public open space.

Findings for B1, B2, B3, B4, B5, B6, B7, and C6: Sidewalks will be reconstructed to current standards as part of this proposal. New curb extensions are proposed at the northeast and southeast corners that will provide additional refuge area for pedestrians crossing Broadway as well as Columbia and Clay. At the building frontage, entrances are recessed to ensure that those entering and exiting the building do not impede the flow of pedestrians. With the exception of a secondary entrance at the north side of the hotel restaurant, all public entrances are barrier-free and provide access to all. The primary office entrance area includes an integrated barrier-free access ramp that also serves as a covered front porch where people can gather, protected from the elements. While the proposed building does not face a public park, entrances on the north and south façades provide shorter routes to the South Park Blocks.

The ground level also features significant canopies, which will protect passing pedestrians from the elements. Landscape planters soften this front porch edge as well as providing capacity for stormwater management while a series of benches provide an area for pedestrians and guests to rest or wait. At the March 24, 2016 hearing, the Commission expressed concerns that the planters acted as barriers to the ground level of the building; the applicant has responded by revising the northern entry planter to an additional set of steps which makes the ground level more porous with different options for porch access. Mechanical equipment is obscured from public view through an integrated rooftop enclosure while louver vents are integrated into the building design and serve as an architectural element as well as a matter of function. The below-grade garage entry and loading areas are proposed on opposite sides of the building in order to reduce the impact of these areas to any one side of this half-block site. Since the March 24, 2016 hearing, the applicant requested a Driveway Design Exception (DE) to locate the garage gate 10 feet from the property line and 5 feet from the building face (as opposed to the previous 20 feet from the property line and 15 feet from the building face). This DE was granted provided the gate opens and closes within 12 seconds and is open between the hours of 6am-11pm to reduce the potential for conflicts with pedestrians.

These guidelines are met.

C2. Promote Quality and Permanence in Development. Use design principles and building materials that promote quality and permanence.

C4. Complement the Context of Existing Buildings. Complement the context of existing buildings by using and adding to the local design vocabulary.

C5. Design for Coherency. Integrate the different building and design elements including, but not limited to, construction materials, roofs, entrances, as well as window, door, sign, and lighting systems, to achieve a coherent composition.

C11. Integrate Roofs and Use Rooftops. Integrate roof function, shape, surface materials, and colors with the building's overall design concept. Size and place rooftop mechanical equipment, penthouses, other components, and related screening elements to enhance views of the Central City's skyline, as well as views from other buildings or vantage points. Develop rooftop terraces, gardens, and associated landscaped areas to be effective stormwater management tools.

C12. Integrate Exterior Lighting. Integrate exterior lighting and its staging or structural components with the building's overall design concept. Use exterior lighting to highlight the building's architecture, being sensitive to its impacts on the skyline at night.

C13. Integrate Signs. Integrate signs and their associated structural components with the building's overall design concept. Size, place, design, and light signs to not dominate the skyline. Signs should have only a minimal presence in the Portland skyline.

Findings for C2, C4, C5, C11, C12, and C13: The proposed building features high quality materials such as curtain wall glazing, terra cotta rainscreen, and composite metal panel. The design details are thoughtful and integrated with the architectural expression. The essential form of the building consists of two slender towers abutting each other; one is composed of a glazed curtain wall with fins extending beyond the north and south ends of the building, the other is glazed facing west with metal cladding at the north and south ends. A column of louvers acts as a seam between the two elements, integrating this functional necessity of the building in an architectural way. The towers are grounded at the base with a terra cotta rainscreen and glazed storefront system. The extensive composite metal canopies along SW Broadway add human scale to the building in addition to protecting pedestrians from sun and rain.

As is noted above, the glass and metal help to unify the tower with other towers in the vicinity, while the terra cotta at the first two levels grounds the building and ties it to the nearby buildings along the Park Blocks which primarily feature masonry construction materials such as brick, concrete, basalt, and limestone. Rooftop mechanical equipment is contained within the architecture of the building, with louver vents integrated into the architecture above ground floor canopies and at the intersection of the two towers, as described above. Louver vents will be painted nickel and silver to blend with the adjacent materials to the greatest extent possible.

As is noted elsewhere, since the March 24, 2016 hearing, the applicant requested a Driveway Design Exception (DE) to locate the garage gate 10 feet from the property line and 5 feet from the building face (as opposed to the previous 20 feet from the property line and 15 feet from the building face). This DE was granted provided the gate opens and closes within 12 seconds and is open between the hours of 6am-11pm. Because the gate will remain open for extended periods, staff has encouraged the applicant to design an interesting throat to the garage. The applicant has proposed a vertical lighting scheme with lights increasing further down the ramp to be attached to the side walls which are proposed to be CMU blocks painted a light color. While the lighting scheme may be interesting, staff also suggests that a more refined finish to the walls, such as a plaster coating for as much as a 60 foot distance, may help improve the appearance of the garage ramp so that it is befitting the rest of the architecture.

Exposed rooftop areas include landscaped terraces, and will be usable and activated by tenants of the building. Lighting is relatively subtle and integrated into the design with step lights and in-grade lights at terraces, as well as down lights in the canopies. However, key architectural elements are also illuminated, including uplighting at the four columns along Broadway, and the integrated internal illumination at the primary hotel entrance, designed as a glowing red-painted glass portal. No signage is currently proposed; however, the hotel

entrance is intended to serve as a beacon to hotel guests arriving from out of town.

With the condition of approval that the garage sidewalls be finished with a plaster coating for a horizontal distance of 60 feet, these guidelines are met.

A8. Contribute to a Vibrant Streetscape. Integrate building setbacks with adjacent sidewalks to increase the space for potential public use. Develop visual and physical connections into buildings' active interior spaces from adjacent sidewalks. Use architectural elements such as atriums, grand entries and large ground-level windows to reveal important interior spaces and activities.

C7. Design Corners that Build Active Intersections. Use design elements including, but not limited to, varying building heights, changes in façade plane, large windows, awnings, canopies, marquees, signs and pedestrian entrances to highlight building corners. Locate flexible sidewalk-level retail opportunities at building corners. Locate stairs, elevators, and other upper floor building access points toward the middle of the block.

C8. Differentiate the Sidewalk-Level of Buildings. Differentiate the sidewalk-level of the building from the middle and top by using elements including, but not limited to, different exterior materials, awnings, signs, and large windows.

C9. Develop Flexible Sidewalk-Level Spaces. Develop flexible spaces at the sidewalk-level of buildings to accommodate a variety of active uses.

Findings for A8, C7, C8, and C9: The proposed building includes a number of uses at the ground floor, including retail, office lobby, hotel lobby, and hotel-affiliated restaurant space, as well as service areas. The services areas are located on the side streets, which are a lower classification than SW Broadway, which is a major multi-modal thoroughfare. Lobbies for both the office and hotel uses are located at the center of the building while the more active uses of retail and restaurant are located at the Broadway corners of the building. Because of the sloping grade of the site, the southern retail space is located at a lower grade the rest of the building, however, the hotel and office lobbies will be an open and unobstructed space allowing freedom of movement between these two areas.

At the exterior, the bottom two levels of the building are clad with storefront glazing and terra cotta rainscreen, which differentiates it from the glass tower above and provides substantial views between the interior and exterior. The expansive canopies add human scale to the ground level, while not feeling oppressive due to the light color and slight uplift at the outer edge.

At the March 24, 2016 hearing, the Commission noted that the ground level northeast corner was relatively solid and could be better activated through additional glazing and less opaque exterior materials. In response, the applicant has reduced the ground level terra cotta by two linear feet from 12' to 10' along SW Broadway and staff notes that the terra cotta serves as a frame for the second floor north-facing balcony. The applicant has also provided a study (see Appendix C:6) showing the terra cotta removed from this northeast ground level corner and replaced with glazing. Staff believes that this design study is relatively unsuccessful as 2nd floor balcony is unceremoniously exposed in this design; however, staff notes that this study could be approved and refined with minor design tweaks through a condition of approval.

Provided, the Commission is satisfied only with the reduction in terra cotta at the northeast corner, these guidelines are met.

C10. Integrate Encroachments. Size and place encroachments in the public right-of-way to visually and physically enhance the pedestrian environment. Locate permitted skybridges toward the middle of the block, and where they will be physically unobtrusive. Design skybridges to be visually level and transparent.

Findings: No above-grade encroachments are proposed. The proposed utility vault will be located below-grade in a curb extension. The curb extension will be integrated with the adjacent sidewalk and will provide additional refuge area for pedestrians walking or congregating. *This guideline is met.*

D1. Park Blocks. Orient building entrances, lobbies, balconies, terraces, windows, and active use areas to the Park Blocks. In the South Park Blocks, strengthen the area’s emphasis on history, education, and the arts by integrating special building elements, such as water features or public art. In the Midtown Park Blocks, strengthen the connection between the North and South Park Blocks by using a related system of right-of-way elements, materials, and patterns. In the North Park Blocks, strengthen the area’s role as a binding element between New China/Japantown and the Pearl District.

Findings: The subject property is not located within the boundaries of this special district. *This guideline is not applicable.*

D2. South Waterfront Area. Develop a pedestrian circulation system that includes good connections to adjacent parts of the city and facilitates movement within and through the area. Size and place development to create a diverse mixture of active areas. Graduate building heights from the western boundary down to the waterfront. Strengthen connections to North Macadam by utilizing a related system of right-of-way elements, materials, and patterns.

Findings: The subject property is not located within the boundaries of this special district. *This guideline is not applicable.*

D3. Broadway Unique Sign District. Provide opportunities for the development of large, vertically oriented, bright, and flamboyant signs that add to the unique character of this Broadway environment. Size and place signs and their structural support systems so that significant architectural or historical features of the building are not concealed or disfigured. Ensure that all signs receive proper maintenance.

Findings: The subject property is not located within the boundaries of this special district. *This guideline is not applicable.*

D4. New China/Japantown Unique Sign District. Provide opportunities for the development of suitably ornate signs, using motifs, symbols, bright colors, and celebrative forms that add to the atmosphere and character of New China/Japantown. Size and place signs and their structural support systems so that significant architectural or historical features of the building are not concealed or disfigured. Ensure that all signs receive proper maintenance.

Findings: The subject property is not located within the boundaries of this special district. *This guideline is not applicable.*

(2) 33.825.040 Modifications That Will Better Meet Design Review Requirements:

The review body may consider modification of site-related development standards, including the sign standards of Chapters 32.32 and 32.34 of the Sign Code, as part of the design review process. These modifications are done as part of design review and are not required to go through the adjustment process. Adjustments to use-related development standards (such as floor area ratios, intensity of use, size of the use, number of units, or concentration of uses) are required to go through the adjustment process. Modifications that are denied through design review may be requested as an adjustment through the adjustment process. The review body will approve requested modifications if it finds that the applicant has shown that the following approval criteria are met:

- A. **Better meets design guidelines.** The resulting development will better meet the applicable design guidelines; and
- B. **Purpose of the standard.** On balance, the proposal will be consistent with the purpose of the standard for which a modification is requested.

Modification #1: (33.266.310) – to reduce the size of one of the two required loading spaces from a Standard A to a Standard B.

Purpose Statement: A minimum number of loading spaces are required to ensure adequate areas for loading for larger uses and developments. These regulations ensure that the appearance of loading areas will be consistent with that of parking areas. The regulations ensure that access to and from loading facilities will not have a negative effect on the traffic safety or other transportation functions of the abutting right-of-way.

Standard: Two loading spaces meeting Standard A are required for buildings with more than 50,000 square feet of net building area in uses other than Household Living. Standard A loading spaces must be at least 35 feet long, 10 feet wide, and have a clearance of 13 feet.

- A. **Better meets design guidelines.** *The resulting development will better meet the applicable design guidelines; and*
- B. **Purpose of the standard.** *On balance, the proposal will be consistent with the purpose of the standard for which a modification is requested.*

Findings: The Portland Bureau of Transportation (PBOT) has evaluated this request and finds that the one Standard A space and one Standard B space is sufficient to serve the anticipated needs of the building without negatively affecting traffic safety; therefore the purpose of the standard is met (see Exhibit E-2 for additional information). Staff defers to PBOT’s expertise on this consideration but notes that the reduction of loading areas provides additional area that can be used to serve other uses, including active uses. Therefore, guidelines A8 *Contribute to a Vibrant Streetscape* and B2 *Protect the Pedestrian* are better met with reduced loading area.

Therefore this Modification merits approval.

Modification #2: (33.266.220.C) – to reduce the width of all long-term bike parking spaces from 24” to 18”.

Purpose Statement: These standards ensure that required bicycle parking is designed so that bicycles may be securely locked without undue inconvenience and will be reasonably safeguarded from intentional or accidental damage.

Standard: A space 2 feet by 6 feet must be provided for each required bicycle parking space, so that a bicycle six feet long can be securely held with its frame supported so that the bicycle cannot be pushed or fall in a manner that will damage the wheels or components.

- A. **Better meets design guidelines.** *The resulting development will better meet the applicable design guidelines; and*
- B. **Purpose of the standard.** *On balance, the proposal will be consistent with the purpose of the standard for which a modification is requested.*

Findings: Similar to the reduction of loading areas, the reduction of bike parking area results in either a reduced amount of area dedicated to the relatively inactive use of bicycle storage, or the ability to store more bicycles within the same area. In this instance, the proposed bike parking is located in the basement and therefore will not impact ground level uses. The increased number of

bicycles spaces, however, will help encourage more employees to take alternative modes of transportation to work, thereby reducing the number of potential vehicle trips and better protecting pedestrians from vehicle conflicts entering the garage; therefore B2 *Protect the Pedestrian* is better met. The proposed bike parking is set at 18 inches on-center with a 6” vertical stagger between spaces, which staff has found in many other instances to be sufficient to meet the purpose of the standard with regard to convenience and safety.

Therefore this Modification merits approval.

(3) CENTRAL CITY MASTER PLAN

33.510.255 A. Purpose

The Central City Master Plan adds development potential and flexibility for projects in specified areas. The additional development potential and flexibility is possible because the plan is used to demonstrate that the policy objectives of the Central City Plan and the public service needs of the area are addressed. The Central City Master Plan is an option; it is not a requirement. A Central City Master Plan may also be created through a legislative process initiated by the City.

A Central City Master Plan application will be approved if the review body finds that the applicant has shown that all of the following approval criteria of Section 33.510.255.E are met.

Proposal

The **Central City Master Plan** request is necessary to enable additional floor area (above the base and bonus allowed) to transfer from one of two potential locations: the Customs House Building at 220 NW 8th Avenue or the Armory Building at 128 NW 11th Avenue, both of which are historic Landmarks. The proposal is an additional **68,600 square feet** of floor area, equal to **3.43:1 FAR**, to be transferred from one of these two sites to the subject property.

The maximum Central City Plan District base FAR allowed on the site is 9:1 FAR, or 180,000 square feet on the 20,000sf CX-zoned portion of the property. The applicant is utilizing the bicycle room bonus floor area option to achieve an FAR of 12:1, or 240,000 square feet. The additional 68,600 square feet to be transferred from one of the Landmarks would result in 308,600 square feet of buildable area. The proposed building is designed to equal 308,514 net square feet.

The Customs House Building at 220 NW 8th Avenue has a 6:1 FAR, and a remainder of 149,479 square feet, excluding existing floor area. If the transfer comes from this site, 80,879 square feet of buildable or transferable floor area, or 2.12:1 FAR, would remain at this location.

The Armory Building at 128 NW 11th Avenue has a 6:1 FAR, and a remainder of 81,316 square feet, excluding existing floor area. If the transfer comes from this site, 12,716 square feet of buildable or transferable floor area, or 0.62:1 FAR, would remain at this location.

At the March 24, 2016 hearing, the applicant presented two “public benefit” options. Option 1 included a contribution to the City’s Affordable Housing Fund and a contribution to Portland Parks and Recreation for the purpose of creating a master plan for the South Park Blocks. Option 2 included the same contribution to PP&R as in Option 1, but rather than a contribution to the Affordable Housing Fund, the developer would construct a minimum 60-unit residential structure on the RX-zoned portion of the site with 33% of the units deemed affordable at 80% MFI to be held affordable for a period of 30 years. As is noted above, on March 24, 2016, the Commission requested a lower MFI% or longer-term affordability for the units, as well as a guarantee of improvements to Park Block 11 to be included as part of the public benefit.

The applicant now proposes both of the following:

- **Affordable Housing Development.** Construction of a minimum 60-unit multi-dwelling structure on the RX-zoned portion of the site with 33% of the units deemed affordable at 80% MFI for a period of 40 years, with annual check-ins with Portland Housing Bureau to ensure compliance with affordability thresholds. Entitlements (to be obtained through the Type III process) and permits for this development are to be secured prior to obtaining a Certificate of Occupancy for the Broadway Tower and the building will be constructed to substantial completion by June 30, 2020.
- **Parks Contribution and Implementation.** Contribution of \$375,000 on or before June 1, 2017 to the Portland Parks Foundation for the purpose of funding a Master Plan for the South Park Blocks to address vegetation management, restorative improvements to historic elements of the park, replacement of infrastructure, and expanded use of the park. The master plan is envisioned to begin in January 2018, ending approximately one year later. Improvements to Park Block 11 will be undertaken by the developer either simultaneously or immediately following construction of the affordable housing component on the RX-zoned portion of the site.

Precedent Examples

As a point of information, five Central City Master Plans (CCMP) for the transfer of floor area have occurred in the past decade. Below is a brief summary of each:

- In 2006 The Allegro project sought to transfer a total of 155,000 SF of floor area from two sites, to increase it's FAR from 9:1 to 13.28:1. The City Council upheld an appeal on the project and denied the CCMP stating that design merit alone was not a public benefit to justify the large floor area transfer.
- In 2007, Ladd Tower project obtained approval for an increase in FAR from 8.6:1 to 8.78:1 in the RX-zoned portion of the site and 9.1:1 to 9.22:1 in the CX-zoned portion of the site. On average the FAR did not exceed 9:1 (base and bonus). Restoration of the Ladd Carriage House was undertaken as part of the overall proposal.
- In 2007 the Park Avenue West Tower site received the majority of the FAR from the park block to the south (117,100 SF) to nearly double it's FAR to 23.7:1. The project's contribution to the public was assistance toward development of a half city block park (Director's Park).
- For PSU's College Station (aka University Pointe), in 2010 the full block development transferred 79,245 SF from Tri-Met's South Terminus to the project site resulting in an increase of FAR from 9:1 to 10.19:1. The project provided several physical and visual public benefits beyond the development proposal itself including a RACC-approved art element at the NW corner of the SW Jackson Street turnaround oval, two new wooden benches along the south edge of SW Jackson Street, a landscaped stormwater swale along the edge of the light rail tracks, and weathering steel dam walls within the existing stormwater facility.
- In 2015, the NW 11th & Hoyt proposal requested an additional 20,000sf (2:1 FAR) above the 9:1 maximum, achieved through bonuses, for a total of 11:1 FAR. The project's contribution to the public was a RACC-approved public art piece, equal to 1% of the development value (equal to \$16 million), to be provided on-site.
- For comparison, the current proposal is for an additional 68,600sf for a total FAR of 15.43:1, which is 3.43:1 above base and bonus FAR allowances.

33.510.255.E Approval Criteria

CCMP 1. The proposed plan is consistent with the policy objectives of the Central City Plan;

Each policy is addressed separately.

Policy 1: Economic Development. Build upon the Central City as the economic heart of the Columbia Basin, and guide its growth to further the City's prosperity and livability.

Findings: The project includes the development of 176,000sf of commercial office space, 180 new hotel rooms, 4,700sf of ground level retail space as well as ground-level hotel support services (restaurant and bar) which are open to the public. The applicant has indicated that the proposed building will result in \$1,020,000 of annual property taxes, \$289,000 of which will come from the additional 68,600sf of floor area. The applicant also indicated that the total number of new jobs created by the project, including approximately 250 construction jobs during the 2-year construction period will equal 1,736 total jobs; 1,486 of these jobs would be permanent jobs.

In addition, with construction of the Phase II housing development, additional construction jobs and tax revenue will be created through the development of a 60-unit minimum multi-dwelling structure, 33% of which would be dedicated to affordable housing for a period of 40 years. *This policy is met.*

Policy 2: The Willamette Riverfront. Enhance the Willamette River as the focal point for views, public activities, and development which knits the City together.

Findings: The proposal is not located on the Willamette Riverfront. *This policy does not apply.*

Policy 3: Housing. Maintain the Central City's status as Oregon's principal high-density housing area by keeping housing production in pace with new job creation.

Findings: The proposal is for commercial office, hotel, and retail use rather than residential uses on the CX-zoned portion of the property. With regard to the RX-zoned portion of the site, the Portland Zoning Code describes RX zoning as that which can be developed at 100 or more units per acre. At just under a quarter acre, this portion of the site, through its zoning designation, is therefore envisioned to have the potential of sustaining at least 23 residential units.

As part of the proposed "public benefit", the applicant proposes that the RX-portion of the site be developed for a minimum 60-unit residential building, 33% of which would be reserved for affordable housing at 80% MFI for a period of 40 years. Therefore, this aspect of the public benefit proposal would certainly help to implement this objective by providing high density housing in an area specifically designated for this type of housing in the Central City. This Phase II development would also locate residents close to employment opportunities in the Central City, further supporting both the residential density in the core and employment growth. Development of this quarter block for housing would also reinforce the urban character of the Central City through the construction of an additional building, as the site has been underutilized as a surface parking area for the past few decades.

The next four paragraphs provide theoretical comparisons to the applicants proposed options:

Staff notes that the current Central City Plan District includes a provision for 1 square foot of bonus floor area for each \$22.10 contributed to the Affordable Housing Replacement Fund (Fund). If this amount is used as a basis of consideration, this would amount to \$1,516,060 due to the request of 68,600sf of additional floor area. Staff notes that this bonus option is for bonus floor area over the base (9:1), not for additional floor area over

the base + bonus maximum (12:1) which is prohibited except through a Central City Master Plan. The applicant has noted in the revised public benefit proposal, dated April 15, 2016 (Exhibit H-13), that the developer's combined out-of pocket costs for the proposed public benefit piece amounts to \$1,775,000 or \$26.10 per square foot for the additional FAR.

Staff notes that there are proposed Central City Plan District amendments, which are expected to go into effect in late 2017 or early 2018, and which address bonus FAR and transferable FAR options. The timeline for the adoption of the Central City Plan District amendments is more or less concurrent with the applicant's intended timeline for obtaining entitlements for the housing portion of the proposal; therefore staff considers this comparison to be relevant.

As the amendments are currently proposed, the options for development of floor area over the base include either an affordable housing or historic preservation bonus option, which is limited to an additional 3:1 FAR, or a Landmark FAR transfer, which is unlimited. With this understanding, if this same project were proposed in 2018 as a phased development similar to the proposed, the applicant could propose affordable housing equal to 25% of the bonus floor area at 80% MFI, with a 60-year covenant; this would amount to 17,150 square feet of floor area required to be dedicated to affordable housing. Staff notes that the applicant's proposal for 33% of the units to be affordable would amount to approximately the same amount of floor area dedicated to affordable housing under the anticipated Central City Plan District code updates. The previous staff report suggested that the Commission consider whether affordable units at 60% MFI were more desirable. The Commission suggested the applicant look at either 60%MFI or longer terms for the affordable units. The applicant has revised their proposal to keep the units affordable at 80% MFI for 40 years, rather than the 30 years previously proposed.

Alternatively (and theoretically), in 2018 the applicant could transfer all 128,600 square feet over the base to the CX-zoned portion of the site through a Landmark transfer and develop the entirety of the RX-zoned portion of the block as market-rate housing. The Landmark transfer would require that the sending Landmark meets the City's seismic reinforcement building code standards. Staff notes that in this scenario, additional funds would be provided to historic Landmark properties through additional square footage sold; however, affordable housing would not be guaranteed.

With these above comparisons in mind, staff notes that the applicant's current public benefit proposal includes the construction of a multi-dwelling structure that will contain at least 60 units, 33% of which will be affordable for 40 years to those earning 80% MFI. Because of the Design Commission's prior guidance that the public benefit provided through the Central City Master Plan process should be tangible, permanent, and located in the immediate vicinity of the development gaining additional floor area, staff believes that the current proposal will meet the City's goals, provided it is secured and completed on the schedule indicated.

With the condition of approval that a multi-dwelling structure is constructed on the RX-zoned portion of the site with the following parameters, this policy is met:

- **Developer will enter into a development agreement with Portland Housing Bureau by June 30, 2017 for the multi-dwelling development.**
- **The multi-dwelling development shall contain a minimum of 60 residential units with 33% of those units deemed affordable at 80% MFI. The units deemed affordable shall continue to be affordable for a period of forty (40) years from initial tenancy. A covenant shall be recorded against the property ensuring affordability as outlined.**

- **The square footages and number of bedrooms in the affordable units shall be proportional to the market-rate units.**
- **Entitlements shall be obtained through the Type III process and permits for construction shall be obtained prior to receipt of a temporary or permanent Certificate of Occupancy for Broadway Tower at 1455 SW Broadway. The multi-dwelling development will be constructed to substantial completion by June 30, 2020.**
- **The developer shall have annual check-ins with Portland Housing Bureau to ensure compliance with affordability thresholds.**

Policy 4: Transportation. Improve the Central City’s accessibility to the rest of the region and its ability to accommodate growth by extending the light rail system and by maintaining and improving other forms of transit and the street and highway system, while preserving and enhancing the City’s livability.

Findings: The extension of mass transit and improvement of roads and connectivity is a public function, not a private function. *This policy does not apply.*

Policy 5: Human Services. Provide social and health services for special needs populations and assist dependent individuals to become more independent.

Findings: One of the policies identified is creating opportunities for jobs and training. The applicant has noted that the proposed building will create 1,736 new jobs, approximately 1,500 of which will be permanent and located with convenient access to transit. In addition, the proposal will result in additional affordable housing opportunities. *This policy is met.*

Policy 6: Public Safety. Protect all citizens and their property and create an environment in which people feel safe.

Findings: Ground floor retail, hotel, and office lobby uses increase street safety and create an active pedestrian space along the site’s street frontages. By allowing the additional square footage for commercial uses under this proposal, the overall number of people in the immediate area is increased, further activating the pedestrian spaces and creating more eyes on the street. In addition, proposed exterior lighting at the building perimeter will create a safe night time pedestrian environment while 24-hour hotel security will provide additional eyes on the street and increase the sense of safety at this location. *This policy is met.*

Policy 7: Natural Environment. Improve the Central City’s environment by reducing pollution, keeping the Central City clean and green, and providing opportunities to enjoy nature.

Findings: The subject property is the site of a former gas and service station, which was demolished approximately 10 years ago, leaving the site vacant and underutilized, strewn with gravel and weeds. Because of the prior uses, the soils at this location are contaminated and will be remediated as part of this development. The cost of this remediation exceeds \$3 million and the applicant has indicated that the additional floor area above 12:1 will help to leverage the costs of this remediation and help make the project feasible. Removing the contaminated soils will greatly improve the immediate environment as the contamination will no longer seep unfettered into the ground water. In addition, the proposed building is designed to LEED standards, constructed of sustainable and recycled materials, with buildings systems also designed to be sustainable. *This policy is met.*

Policy 8: Parks and Open Spaces. Build a park and open space system of linked facilities that tie the Central City districts together and to the surrounding community.

Findings: As part of this proposal, the applicant proposes a component that would provide a financial contribution to Portland Parks and Recreation for the purposes of developing a master plan for the South Park Blocks with a focus on vegetation management, restorative improvements to historic elements in the park, replacement of infrastructure, and expanded use of the park. At the November 2015 Design Advice Request, the Design Commission suggested that any public benefit that is provided as part of this proposal as a means toward meeting the CCMP approval criteria should be free, accessible, permanent, and located within the immediate vicinity of the proposed tower. The applicant previously proposed listing the Park Blocks on the National Register of Historic Places; however, Portland Parks and Recreation has an agreement in place with the State Historic Preservation Office to list the Park Blocks in the National Register of Historic Places by 2020 and elected to pursue this listing on their own.

The applicant has worked with Portland Parks and Recreation to identify Parks needs within the immediate area. Parks currently has other identified priorities that need to be addressed and has therefore indicated that improvements to the South Park Blocks is not an immediate priority, but has indicated that a South Park Blocks master plan could be undertaken during fiscal year 2017-2018. As such, the applicant proposes a financial contribution of \$375,000 to be donated to the Parks Foundation for the purpose of funding this process. At the March 24, 2016 hearing, the Commission also stated that implementation of the Plan was necessary in order to meet this policy. In response, the applicant is now proposing to implement the improvements indicated for Park Block 11 (between SW Clay and SW Columbia) concurrently or immediately following construction of the Phase II affordable housing development, intended to be completed by June 30, 2020. The delay in delivery of the improvements will allow Portland Parks and Recreation the necessary time to develop a master plan through a public involvement process, beginning in January 2018. Because of the Design Commission's prior guidance that the public benefit provided through the Central City Master Plan process should be tangible, permanent, and located in the immediate vicinity of the development gaining additional floor area, staff believes that the current proposal will meet the City's goals, provided it is secured and completed on the schedule indicated.

With a Condition of Approval that the applicant provides the proposed contribution to Portland Parks and Recreation and makes improvements to Park Block 11 according to the following parameters, this policy is met:

- **Developer shall donate \$375,000 to the Parks Foundation by June 1, 2017, to be used exclusively for the development of a South Park Blocks master plan to begin during fiscal year 2017-2018.**
- **Developer constructs improvements on Park Block 11, per the scope outlined in the resultant master plan. These improvements will be constructed simultaneously or immediately following construction of the Phase II affordable housing development, which will be substantially completed by June 30, 2020.**

Policy 9: Culture and Entertainment. Provide and promote facilities, programs and public events and festivals that reinforce the Central City's role as a cultural and entertainment center for the metropolitan and northwest region.

Findings: The proposed building is located at the eastern edge of Portland's Cultural District and will provide conveniently-located hotel rooms for people who wish to visit the city and the cultural attractions in the immediate vicinity. *This policy is met.*

Policy 10: Education. Expand education opportunities to meet the needs of Portland’s growing population and businesses, and establish the Central City as a center of academic and cultural learning.

Findings: The proposed building is for a commercial building, not an institutional building with integral educational programming. *This policy does not apply.*

Policy 11: Historic Preservation. Preserve and enhance the historically and architecturally important buildings and places and promote the creation of our own legacy for the future.

Findings: As is noted above, the existing building at the south end of the site was previously listed in the Historic Resources Inventory as an unranked resource. Staff notes that the architect of the building is unknown and that it has been subjected to exterior alterations in the 1980s, which have diminished its integrity. As such, staff does not believe that the existing building exhibits historic nor architectural significance to the degree that it should be required to remain on site. Nonetheless, staff has above suggested that any original or otherwise quality materials remaining in this existing building shall be salvaged.

Staff also notes that the proposal to purchase floor area from one of the two intended historic Landmarks provides funds available to the owners of the historic properties, which may help ensure reinvestment in the historic buildings, thus continuing their preservation. *This policy is met.*

Policy 12: Urban Design.

Enhance the Central City as a livable, walkable area which focuses on the river and captures the glitter and excitement of city living.

- A. Create a rich and enjoyable environment for pedestrians throughout the Central City.
- B. Strive for excellence in the design of new buildings.
- C. Encourage designers of new developments to sensitively enhance Portland’s human scale of buildings, streets and open space.
- D. Promote the formation of districts with distinct character and a diverse and rich mixture of uses (in non-industrial areas).
- E. Locate the highest densities in the Downtown and along potential and existing transit corridors, and step density down toward the Willamette River, residential neighborhoods, adjacent to the Central City and as the distance from the core increases.

Findings: The proposed building is designed with high quality materials and thoughtful design detail, resulting in an elegant slender glazed tower, which will add positively to the skyline of downtown Portland. The building will also foster activity at the ground level through retail and hotel and office lobby uses and provide human scale elements such as canopies, plentiful ground floor windows, and 2nd level outdoor patios, benches and landscape planters along the building frontage. The applicant has indicated the proposed building will result in 1,000 people coming to and from the site every day, which will promote additional activity in the neighborhood. *This policy is met.*

Policy 13: Plan Review. Periodically review the Central City Plan.

Findings: This policy concerns long-range planning which is the responsibility of the City of Portland, not a private developer. *This policy does not apply.*

Policy 14: Downtown. Strengthen the Downtown as the heart of the region, maintain its role as the preeminent business location in the region, expand its role in retailing, housing, and

tourism, and reinforce its cultural, educational, entertainment, governmental and ceremonial activities.

Findings: As is noted above, the applicant has indicated that the proposed development will result in 1,736 new jobs, approximately 1,500 of which will be permanent. The proposal includes 180 hotel rooms (6 floors) and 175,000sf of office space (10 floors), as well as ground floor retail, lobby, and restaurant space. The building will reinforce Downtown as the cultural and commercial heart of the city. *This policy is met.*

CCMP 2. The plan ensures that there will be adequate and timely infrastructure capacity for the proposed developments;

Findings: PBOT has considered the proposal in order to determine if adequate capacity exists for the proposed development. PBOT's initial response, dated March 7, 2016, indicated that there had not been sufficient time to fully evaluate the data provided and, at the time of writing the response, PBOT could not yet recommend approval. PBOT has since provided a revised response, dated March 23, 2016, noting that the existing transportation systems in the vicinity are capable of supporting the additional development proposed through the CCMP process.

This criterion is met.

CCMP 3. The plan provides for a useful and pleasant circulation system and for adequate open space within the plan boundaries.

Findings: All sidewalks serving the site will be improved to City standards and will provide direct pedestrian access to and from the public entrances of the building, and to nearby attractions. The proposal will support use of adjacent park lands by the additional tenants and visitors of the building. The applicant's proposed contribution to Parks will also help ensure that the South Park Blocks remain adequately served and protected through the development of a master plan, with potentially the first element of the master plan constructed at Park Block 11 by the developer. *This criterion is met.*

CCMP 4. Development will be placed and sized to protect significant public viewpoints and public view corridors; and

Findings: The subject property is not located within any identified scenic views or corridors. The proposal is designed to be contained within the property boundaries; therefore, public view corridors will be protected. *This criterion is met.*

CCMP 5. There are adequate assurances that required housing that is deferred or proposed for another site will be built.

Findings: The proposed development is located within the CX-zoned portion of the site. The RX-zoned portion of the site is proposed for development of a Phase II affordable housing development as part of this Central City Master Plan. As indicated above, the RX-zoned portion of the site be developed with 33% of the units of a 60-unit minimum building be dedicated to affordable housing at 80% MFI for a period of 40 years. The applicant has indicated that the developer will secure entitlements and permits for this building in advance of obtaining the certificate of occupancy for Broadway Tower. A two-year construction schedule is anticipated for Broadway Tower. These assurances are outlined in the suggested condition of approval under Policy 3: Housing and included again here.

With the condition of approval that a multi-dwelling structure is constructed on the RX-zoned portion of the site with the following parameters, this policy is met:

- **Developer will enter into a development agreement with Portland Housing Bureau by June 30, 2017 for the multi-dwelling development.**
- **The multi-dwelling development shall contain a minimum of 60 residential units with 33% of those units deemed affordable at 80% MFI. The units deemed affordable shall continue to be affordable for a period of forty (40) years from initial tenancy. A covenant shall be recorded against the property ensuring affordability as outlined.**
- **The square footages and number of bedrooms in the affordable units shall be proportional to the market-rate units.**
- **Entitlements shall be obtained through the Type III process and permits for construction shall be obtained prior to receipt of a temporary or permanent Certificate of Occupancy for Broadway Tower at 1455 SW Broadway. The multi-dwelling development will be constructed to substantial completion by June 30, 2020.**
- **The developer shall have annual check-ins with Portland Housing Bureau to ensure compliance with affordability thresholds.**

DEVELOPMENT STANDARDS

Unless specifically required in the approval criteria listed above, this proposal does not have to meet the development standards in order to be approved during this review process. The plans submitted for a building or zoning permit must demonstrate that all development standards of Title 33 can be met, or have received an Adjustment or Modification via a land use review prior to the approval of a building or zoning permit.

CONCLUSIONS

The proposed building offers high quality building materials, assembled with thoughtful detailing and articulation. The subject property has been woefully underutilized for over a decade and the proposed development will reinforce the fabric of the City with simple and elegant architecture while also removing contaminated soils from the site. The proposal includes the purchase of floor area from one of two potential historic Landmarks in order to construct additional floor area on site. Because this additional floor area is not allowed by right through the Central City Plan's zoning, the applicant also proposes an additional "public benefit" to demonstrate that the proposal, as a whole, meets the goals and policies of the Central City Plan and the approval criteria of 33.510.255.E [Central City Master Plan] Approval criteria. This public benefit includes contributions to Portland Parks and Recreation for master planning purpose of developing a master plan for the South Park Blocks and implementation of that plan on Park Block 11, as well as construction of a residential structure that will include affordable housing units on the RX-zoned portion of the site.

TENTATIVE STAFF RECOMMENDATION

(May be revised upon receipt of new information at any time prior to the Design Commission decision)

Approval of a new 19-story building to be constructed of glass curtain wall, terra cotta, and composite metal panel, including 180 hotel rooms (6 floors) and 175,000sf of office space (10 floors), ground floor retail, lobby, and restaurant space, and a below-grade garage, accessed from SW Columbia Street, providing parking for 210 vehicles and 132 bicycles. Loading is to be accessed from SW Clay Street.

Approval of A Central City Master Plan to allow an additional 68,600sf of floor area, equivalent to 3.4:1 FAR above base and bonus allowances.

Approval of the following Modifications:

1. (33.266.310) – to reduce the size of one of the two required loading spaces from a Standard A to a Standard B;
2. (33.266.220.C) – to reduce the width of all long-term bike parking spaces from 24” to 18”;

This recommended approval is subject to the following conditions:

- A. As part of the building permit application submittal, the following development-related conditions (B through E) must be noted on each of the 4 required site plans or included as a sheet in the numbered set of plans. The sheet on which this information appears must be labeled "ZONING COMPLIANCE PAGE - Case File LU 15-281248 DZM." All requirements must be graphically represented on the site plan, landscape, or other required plan and must be labeled "REQUIRED."
- B. Any original materials, or materials of good quality, that can be salvaged from the existing building, shall be salvaged.
- C. The garage sidewalls shall be finished with a plaster coating for a horizontal distance of 60 feet.
- D. A multi-dwelling structure shall be constructed on the RX-zoned portion of the site with the following parameters:
 - Developer will enter into a development agreement with Portland Housing Bureau by June 30, 2017 for the multi-dwelling development.
 - The multi-dwelling development shall contain a minimum of 60 residential units with 33% of those units deemed affordable at 80% MFI. The units deemed affordable shall continue to be affordable for a period of forty (40) years from initial tenancy. A covenant shall be recorded against the property ensuring affordability as outlined.
 - The square footages and number of bedrooms in the affordable units shall be proportional to the market-rate units.
 - Entitlements shall be obtained through the Type III process and permits for construction shall be obtained prior to receipt of a temporary or permanent Certificate of Occupancy for Broadway Tower at 1455 SW Broadway. The multi-dwelling development will be constructed to substantial completion by June 30, 2020.
 - The developer shall have annual check-ins with Portland Housing Bureau to ensure compliance with affordability thresholds.
- E. The applicant shall provide the proposed contribution to the Portland Parks and Recreation and make improvements to Park Block 11 according to the following parameters:
 - Developer shall donate \$375,000 to the Parks Foundation by June 1, 2017, to be used exclusively for the development of a South Park Blocks master plan to begin during fiscal year 2017-2018.
 - Developer shall construct improvements on Park Block 11, per the scope outlined in the resultant master plan. These improvements shall be constructed simultaneously or immediately following construction of the Phase II affordable housing development, which will be substantially completed by June 30, 2020.

Procedural Information. The application for this land use review was submitted on December 23, 2015, and was determined to be complete on Jan 29, 2016.

Zoning Code Section 33.700.080 states that Land Use Review applications are reviewed under the regulations in effect at the time the application was submitted, provided that the application is complete at the time of submittal, or complete within 180 days. Therefore this application was reviewed against the Zoning Code in effect on December 23, 2015.

ORS 227.178 states the City must issue a final decision on Land Use Review applications within 120-days of the application being deemed complete. The 120-day review period may be waived or extended at the request of the applicant. In this case, the applicant requested that the 120-day review period be extended 245 days as stated with (Exhibit #A-6). Unless further extended by the applicant, **the 120 days will expire on: January 26, 2017.**

Some of the information contained in this report was provided by the applicant.

As required by Section 33.800.060 of the Portland Zoning Code, the burden of proof is on the applicant to show that the approval criteria are met. The Bureau of Development Services has independently reviewed the information submitted by the applicant and has included this information only where the Bureau of Development Services has determined the information satisfactorily demonstrates compliance with the applicable approval criteria. This report is the recommendation of the Bureau of Development Services with input from other City and public agencies.

Conditions of Approval. If approved, this project may be subject to a number of specific conditions, listed above. Compliance with the applicable conditions of approval must be documented in all related permit applications. Plans and drawings submitted during the permitting process must illustrate how applicable conditions of approval are met. Any project elements that are specifically required by conditions of approval must be shown on the plans, and labeled as such.

These conditions of approval run with the land, unless modified by future land use reviews. As used in the conditions, the term “applicant” includes the applicant for this land use review, any person undertaking development pursuant to this land use review, the proprietor of the use or development approved by this land use review, and the current owner and future owners of the property subject to this land use review.

This report is not a decision. The review body for this proposal is the Design Commission who will make the decision on this case. This report is a recommendation to the Design Commission by the Bureau of Development Services. The review body may adopt, modify, or reject this recommendation. The Design Commission will make a decision about this proposal within 17 days of the close of the record. Your comments to the Design Commission can be mailed c/o the Design Commission, 1900 SW Fourth Ave., Suite 3100, Portland, OR 97201 or faxed to 503-823-4347.

You will receive mailed notice of the decision if you write a letter received before the hearing or testify at the hearing, or if you are the property owner or applicant. This Staff Report will be posted on the Bureau of Development Services website. Look at www.portlandonline.com. On the left side of the page use the search box to find Development Services, then click on the Zoning/Land Use section, select Notices and Hearings. Land use review notices are listed by the District Coalition shown at the beginning of this document. You may review the file on this case at the Development Services Building at 1900 SW Fourth Ave., Suite 5000, Portland, OR 97201.

Appeal of the decision: The decision of the Design Commission may be appealed to City Council, who will hold a public hearing. If you or anyone else appeals the decision of the Design Commission, City Council will hold an evidentiary hearing, one in which new evidence can be submitted to them. Upon submission of their application, the applicant for this land use review chose to waive the 120-day time frame in which the City must render a decision. This additional time allows for any appeal of this proposal to be held as an evidentiary hearing.

Who can appeal: You may appeal the decision only if you write a letter which is received before the close of the record on hearing or if you testify at the hearing, or if you are the property owner

or applicant. Appeals must be filed within 14 days of the decision. **An appeal fee of \$5,000.00 will be charged.**

Appeal Fee Waivers: Neighborhood associations recognized by the Office of Neighborhood Involvement may qualify for a waiver of the appeal fee provided that the association has standing to appeal. The appeal must contain the signature of the Chair person or other person authorized by the association, confirming the vote to appeal was done in accordance with the organization's bylaws.

Neighborhood associations, who wish to qualify for a fee waiver, must complete the Type III Appeal Fee Waiver Request for Organizations Form and submit it prior to the appeal deadline. The Type III Appeal Fee Waiver Request for Organizations Form contains instructions on how to apply for a fee waiver, including the required vote to appeal.

Recording the final decision.

If this Land Use Review is approved the final decision must be recorded with the Multnomah County Recorder. A few days prior to the last day to appeal, the City will mail instructions to the applicant for recording the documents associated with their final land use decision.

- A building or zoning permit will be issued only after the final decision is recorded.

The applicant, builder, or a representative may record the final decision as follows:

- **By Mail:** Send the two recording sheets (sent in separate mailing) and the final Land Use Review decision with a check made payable to the Multnomah County Recorder to: Multnomah County Recorder, P.O. Box 5007, Portland OR 97208. The recording fee is identified on the recording sheet. Please include a self-addressed, stamped envelope.
- **In Person:** Bring the two recording sheets (sent in separate mailing) and the final Land Use Review decision with a check made payable to the Multnomah County Recorder to the County Recorder's office located at 501 SE Hawthorne Boulevard, #158, Portland OR 97214. The recording fee is identified on the recording sheet.

For further information on recording, please call the County Recorder at 503-988-3034
For further information on your recording documents please call the Bureau of Development Services Land Use Services Division at 503-823-0625.

Expiration of this approval. An approval expires three years from the date the final decision is rendered unless a building permit has been issued, or the approved activity has begun.

Where a site has received approval for multiple developments, and a building permit is not issued for all of the approved development within three years of the date of the final decision, a new land use review will be required before a permit will be issued for the remaining development, subject to the Zoning Code in effect at that time.

Zone Change and Comprehensive Plan Map Amendment approvals do not expire.

Applying for your permits. A building permit, occupancy permit, or development permit may be required before carrying out an approved project. At the time they apply for a permit, permittees must demonstrate compliance with:

- All conditions imposed herein;
- All applicable development standards, unless specifically exempted as part of this land use review;

- All requirements of the building code; and
- All provisions of the Municipal Code of the City of Portland, and all other applicable ordinances, provisions and regulations of the City.

Planner's Name: Hillary Adam

Date: April 18, 2016

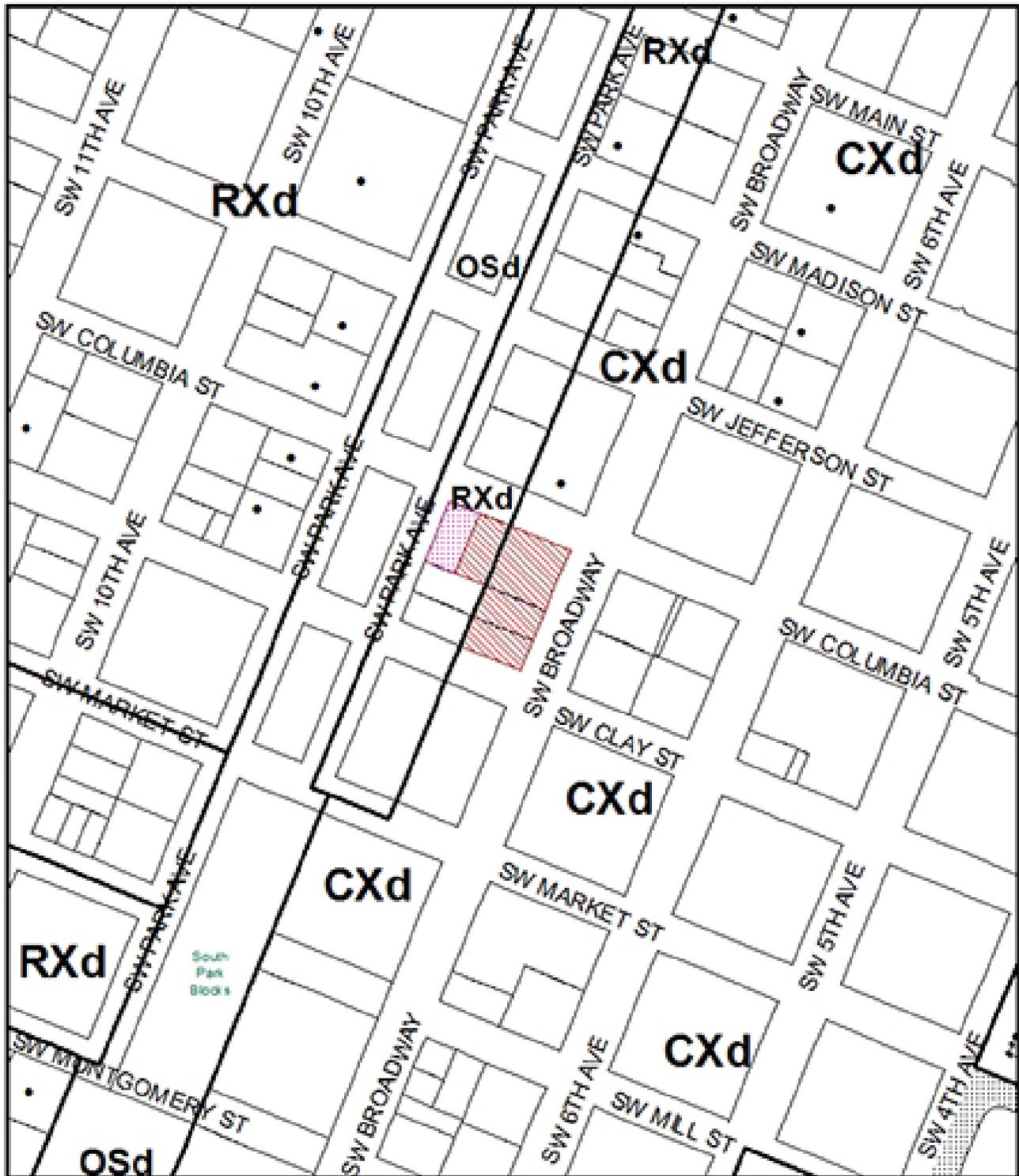
EXHIBITS

NOT ATTACHED UNLESS INDICATED

- A. Applicant's Statement:
 - 1. Narrative – Original Submittal
 - 2. Central City Master Plan – Original Submittal
 - 3. Materials + Photos – Original Submittal
 - 4. Original Drawing Set
 - 5. Pre-Application Conference Summary
 - 6. 120-Day Waiver
 - 7. Truck Loading Assessment
 - 8. FAR Letter of Intent
 - 9. Letter from Parks, dated January 27, 2016
 - 10. Stormwater Management Report
 - 11. Vehicle Queuing Analysis, Loading Assessment, and Transportation Study scope, dated January 22, 2016 dated
 - 12. Copy of Design Exception application
 - 13. Revised Drawing Set, received January 29, 2016
 - 14. Letter from Parks, dated February 12, 2016
 - 15. Transportation Study, dated February 26, 2016
 - 16. Revised Transportation Study, dated March 7, 2016
 - 17. Revised Public Benefit Proposal, dated March 10, 2016
 - 18. Design Exception Decision for Vault, dated March 11, 2016
 - 19. Revised Narrative, dated March 3, 2016
 - 20. Revised Materials + Photos, dated March 3, 2016
- B. Zoning Map (attached)
- C. Plans & Drawings:
 - 1. Drawing Set for March 24, 2016 (41 sheets), Site Plan, North Elevation, East Elevation, South Elevation, West Elevation (attached)
- D. Notification information:
 - 1. Request for response
 - 2. Posting letter sent to applicant
 - 3. Notice to be posted
 - 4. Applicant's statement certifying posting
 - 5. Mailing list
 - 6. Mailed notice
- E. Agency Responses:
 - 1. Bureau of Environmental Services
 - b. BES Revised Response
 - 2. Bureau of Transportation Engineering and Development Review
 - b. PBOT Revised Response
 - c. Approved Driveway Design Exception for garage gate
 - 3. Life Safety Division of BDS
 - 4. Water Bureau
 - 5. Fire Bureau
 - 6. Site Development Review Section of Bureau of Development Services

- 7. Bureau of Parks, Forestry Division
- F. Letters:
 - 1. Arthur Towers, on March 3, 2016, wrote with concerns.
 - 2. Maggie Long, Executive Director of SEIU Local 49, on March 14, 2016, wrote in support.
- G. Other:
 - 1. Original LUR Application
 - 2. Incomplete Letter, dated January 21, 2016
 - 3. Staff Report, dated March 14, 2016
 - 4. Drawing set for March 24, 2016, dated March 3, 2016
- H. Hearing
 - 1. Letter from Chris Jones, First Christian Church, dated March 14, 2016, in support
 - 2. Letter from the Executive Committee of the AIA/APA/ASLA Urban Design Panel, dated February 11, 2016 and received March 18, 2016, in support, but expressed concerns with the proposed affordable housing option as public benefit.
 - 3. Revised Public Benefit Proposal, dated March 21, 2016
 - 4. Revised Public Benefit Proposal, dated March 21, 2016 (afternoon)
 - 5. Letter from Brett Horner, Portland Parks & Recreation, dated March 23, 2014, in support
 - 6. Letter from Kurt Creager, Portland Housing Bureau, dated March 23, 2016, in support
 - 7. Staff Presentation, dated March 24, 2016
 - 8. Applicant Presentation, dated March 24, 2016
 - 9. Testifier Sign-In Sheet, March 24, 2016
 - 10. Written Testimony from Ted Chilless, received March 24, 2016
 - 11. Revised Public Benefit Proposal, dated April 8, 2016
 - 12. Email from Michael Marcus regarding bird roosting, dated April 11, 2016
 - 13. Revised Public Benefit Proposal, dated April 15, 2016
 - 14. Appendix C – Design Studies, dated April 11, 2016

The Bureau of Development Services is committed to providing equal access to information and hearings. Please notify us no less than five business days prior to the event if you need special accommodations. Call 503-823-7300 (TTY 503-823-6868).



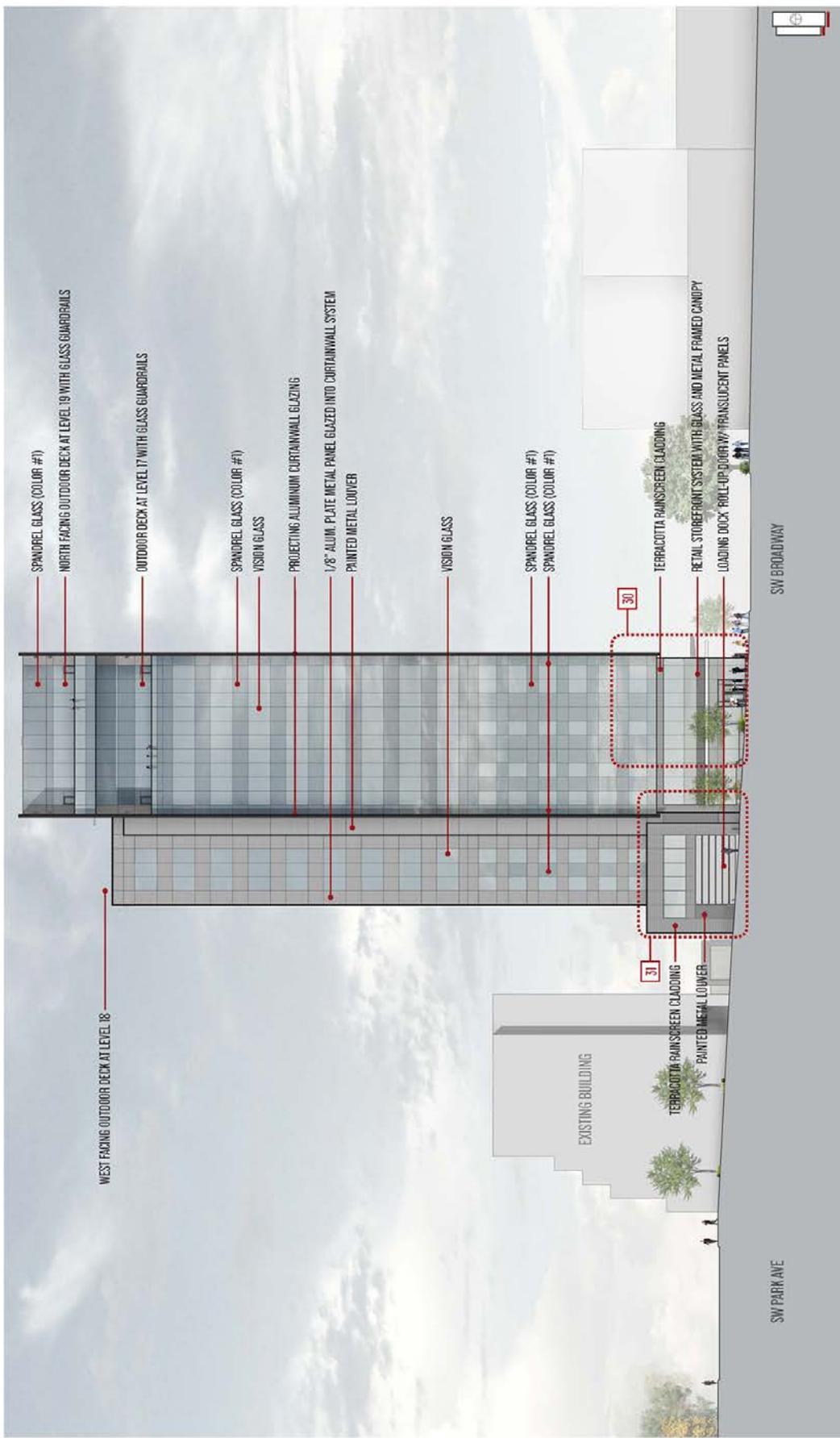
ZONING

-  Site
-  Also Owned Parcels
- Historic Landmark



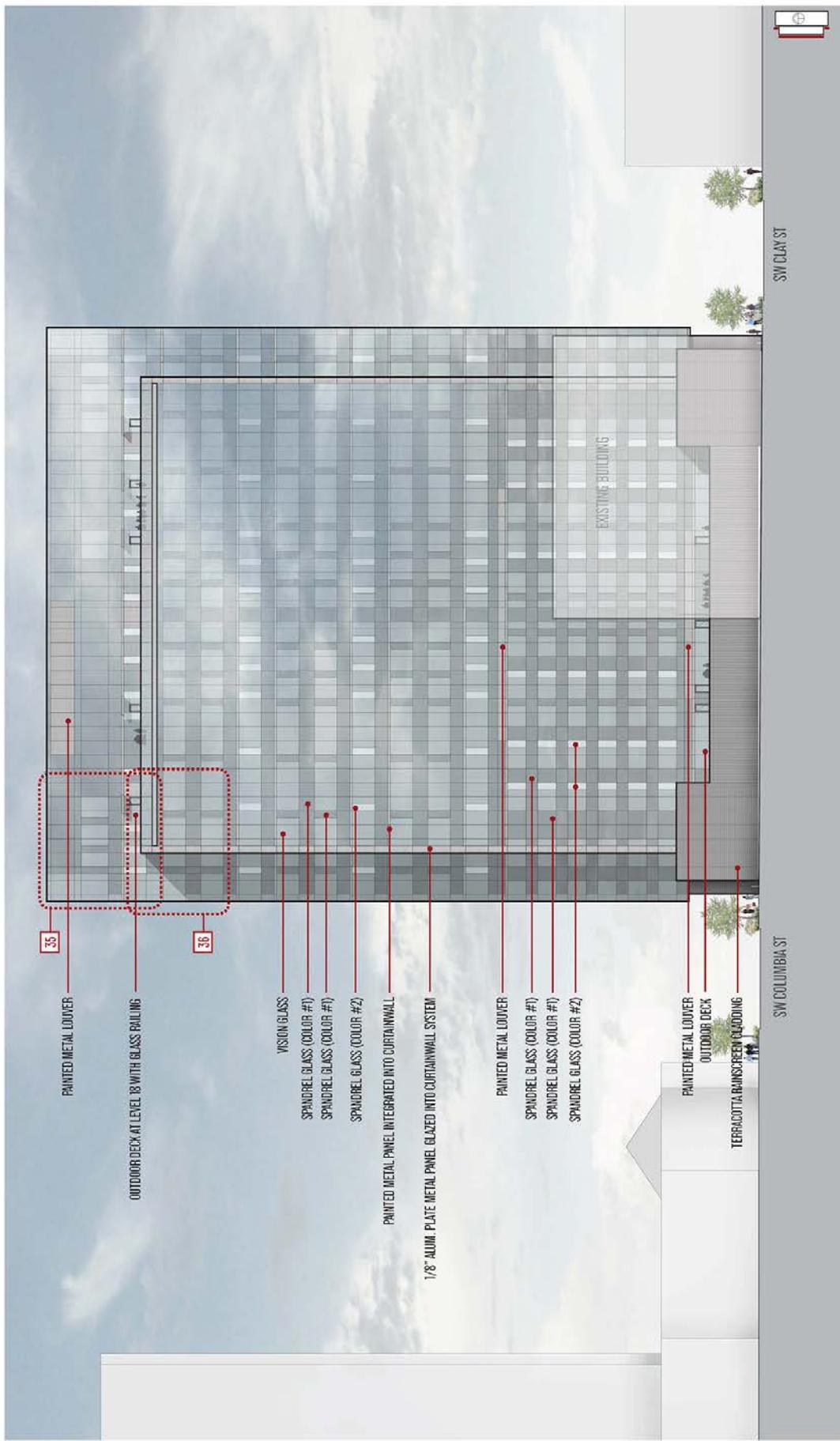
This site lies within the:
CENTRAL CITY PLAN DISTRICT
DOWNTOWN SUBDISTRICT

| | |
|-------------|---------------------|
| File No. | LU 15-281248 DZM MS |
| 1/4 Section | 3128 |
| Scale | 1 inch = 200 feet |
| State_Id | 1S1E04AD 3500 |
| Exhibit | B (Dec. 31, 2015) |



BUILDING ELEVATION - SOUTH
 APPENDIX B: 15





SW CLAY ST

SW COLUMBIA ST

BUILDING ELEVATION - WEST

0 5 10 20