

Mark D. Whitlow
MWhitlow@perkinscoie.com
D. +1.503.727.2073
E. +1.503.346.2073

May 5, 2016

VIA EMAIL

Portland Planning and Sustainability Commission
City of Portland
1900 SW 4th Avenue, Suite 7100
Portland, OR 97201

Re: Portland Mixed Use Zones Project

Dear Chair Schultz and Commission Members:

This letter is written on behalf of Fred Meyer, Inc. regarding the proposed zoning for Fred Meyer's Portland stores. I forward Fred Meyer's letter of March 30, 2016 and ask that it be placed into your hearing record. Fred Meyer intends to present additional testimony during the hearing process.

Very truly yours,



Mark D. Whitlow

MDW:sv
Enclosure



Corporate Real Estate
3800 SE 21st Ave.
Portland, OR 97202

Don Forrest
Division Real Estate Manger
don.forrest@kroger.com

Fax (503) 797-3117
(503) 797-3539

May 5, 2016

Portland Bureau of Planning and Sustainability Commission
1900 SW 4th Avenue #7100
Portland, OR 97201

Re: Portland Mixed Use Zones Project

Dear Commission Members:

I am the Division Real Estate Manager for Fred Meyer Stores, Inc. I write this letter in response to the City's proposed zoning for the Portland Fred Meyer grocery stores and fuel stations shown on the table below.

We request that the stores now zoned CG be zoned CE, as the most similar auto-accommodating zone. We also request that the other existing stores in the CS, CX and EX zones also be zoned CE, except for our Stadium store on NW 20th Place which was recently remodeled into a more urban footprint, to avoid nonconformity with the transit and pedestrian oriented purpose statement of the proposed CM2 or CM3 zones, which would impede auto-dependent store upgrades and re-developments. We note that the CE zone "is generally not appropriate in designated centers, except on a site that is currently developed in an auto-oriented manner and urban scale development is not economically feasible, so we believe that is the basis for changing the zoning on site nos. 1, 2, 3, 7 and 9 in the chart below to CE.

	Address	Existing Base Zone	Proposed Base Zone
1.	3805 SE Hawthorne Blvd.	CS	CM2
2.	6615 NE Glisan St.	CG	CM2
3.	7555 SW Barbur Blvd.	CG	CM2
4.	100 NW 20th Pl.	CX	CX
5.	3030 NE Weidler St.	CG	CE
6.	6850 N. Lombard St.	CG	CE
7.	7404 N. Interstate Ave.	CX	CM3
8.	14700 SE Division St.	CG	CE
9.	5253 SE 82nd Ave.	EX	CM3

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Fred Meyer[®]

Corporate Real Estate
3800 SE 21st Ave.
Portland, OR 97202

The list shows that not all of our stores are being comparably zoned "to the most similar new zone", or to zones that recognize nonconforming situations for our existing grocery supermarkets that incorporate drive-through facilities in their store operations. For the six (6) Fred Meyer stores zoned CG, the "most similar" zone would be the new CE zone, which would be the current auto-accommodating CG zone converted to the new auto-accommodating CE zone as "the most similar". We request that all stores now zoned CG be zoned CE, except for the "Stadium" store at NW 20th Place.

The new zoning also needs to recognize the auto-accommodating nature of our existing store developments as existing nonconforming situations, which are inconsistent with the purpose of the pedestrian or transit oriented mixed use zones. For that reason, we request that the other stores now zoned CS, CX or EX should also be zoned CE.

For the stores being proposed for zoning as CM2 or CM3, the CM zoning will make them all more nonconforming to some degree, which will make grocery store or fuel station upgrades and remodels more difficult. Fred Meyer wishes to avoid mixed use zoning that will make its existing stores and fuel stations more non-conforming, as now proposed.

Further, all of the CM zones prohibit drive-through facilities. As you know, Fred Meyer offers fuel at many of its locations and would like to have the option of adding fuel to its other Portland stores in the future. Fred Meyer has recently initiated its ClickList program allowing customers to order online and pick-up their groceries at the store using a drive-through lane. Fred Meyer utilizes pick-up windows for its pharmacy department in various locations. Because of those operational features, Fred Meyer requests CE zoning (except for the Stadium store), the only new zone intended to be auto-accommodating, for its Portland stores. The CE zone does not prohibit drive-through facilities and has an appropriate purpose statement which is needed for expansions and store redevelopments.

If CE zoning is unavailable for all of Fred Meyer's existing auto-accommodating grocery store developments, to accommodate our need to expand or redevelop or add fuel or ClickList facilities, please exempt drive-through facilities in conjunction with grocery supermarkets in the mixed use zones. Grocery supermarkets routinely utilize drive-through facilities for fuel, pharmacy pick-up and grocery pick-up. Allowing multiple stops on one site in a single trip reduces vehicle trips and vehicle miles traveled.

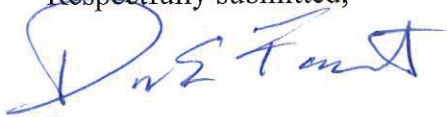
Thank you for the opportunity to comment. Please make this letter a part of the hearing record.

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Portland, OR 97202

We would appreciate the further opportunity to work with your staff at your direction regarding our issues. We remain available to answer their questions and to provide further comments.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Don Forrest". The signature is stylized with a large initial "D" and a long horizontal stroke.

Don Forrest

Cc: Mayor Charles A. Hales