



Bureau of Planning and Sustainability

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MEMO

DATE: July 5, 2016
TO: Planning and Sustainability Commission
FROM: Barry Manning, Project Manager
CC: Susan Anderson, Joe Zehnder, Eric Engstrom, Bill Cunningham, BPS
SUBJECT: Mixed Use Zones Project – PSC Work Session #3

At the Planning and Sustainability Commission meeting on July 12, 2016 the Commission will hold a third work session on the Mixed Use Zones Project. Staff's memo to PSC dated May 23, 2016 identified a number of thematic topics to address in work sessions.

On May 24, the PSC addressed Topic #1, the Low-Rise Commercial Storefront zoning issue. On June 14, PSC heard from PBOT on the TDM issue (Topic #2) and provided direction for the MUZ project.

At work session #3 on June 28, 2016, PSC began to address a number of topics outlined in a staff memo dated June 23, 2016. The bulk of these topics addressed zoning code-related issues that require time for drafting and review prior to August 9, 2016. Due to time constraints, only Topics 3.1 and 4.1 from that memo were addressed by the PSC. Staff proposes to continue to work through the zoning code-related topics from that memo at the July 12, 2016 work session, with some slight changes to the approach to topics and order of discussion. The topics are included in this memo.

The primary change to the agenda is to discuss Division Design Initiative issues (Topic 8) in the context of other discussions about massing and other development design standards (Topic 4). The discussion of CE zone mapping for large retailers and auto accommodating uses (Topic 6.1) is moved to the end of the agenda, but due to time constraints may need to be discussed in the context of other zoning map issues at a later date. Zoning map issues will be addressed at work sessions on July 26 (tentative), August 2, and August 9. Staff will also seek final direction on remaining Low-Rise Commercial Storefront areas (Division, Sellwood, Moreland, Multnomah) in the context of the zoning and design discussions in these coming work sessions.



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The final work session and decision is still planned for August 9, 2016. This final work session will allow staff time to develop zoning code language and map changes in response to PSC direction from the work sessions.

Below is an outline of planned work session dates and topics:

July 12, 2016:

- Topic 8 Division Design Initiative
- Topic 4.2 Step Downs and Step Back Discussion
- Topic 4.3 Building Articulation and Length Discussion
- Topic 5.1 Drive Thru and QVS Discussion
- Topic 5.2 Development Standards Discussion
- Topic 6.2 CE Zone Development Standards Discussion
- Topic 7.1 Planning and Sustainability Commission and Public Testimony Issues
- Topic 7.2 Design Commission and Historic Landmarks Commission Issues
- Topic 7.3 Urban Forestry Commission Issues
- Topic 7.4 Bureau of Development Services (BDS) Issues
- Topic 7.5 Bureau of Planning and Sustainability (BPS) Issues
- Topic 6.1 CE Zoning Discussion (if time permits)

July 26, 2016 (tentative) and August 2, 2016

- Topic 6.1 CE Zoning Discussion (if not addressed on 7/12)
- Topic 6.2 CE Zone Development Standards Discussion (if not concluded on 7/12)
- Topic 9 Zoning Map Amendments Requests (CM1, CM2, CM3)
- Topic 10 Design Overlay Zone (Sellwood)
- Topic 1 Low-Rise Commercial Storefront (confirm directions on remaining areas)

August 9, 2016

1. Address any remaining Zoning Code and Map issues
2. Confirm proposed Zoning Code and Map

This remainder of this memo addresses the topics outlined for July 12, 2016. Staff recommendations for each issue are followed by options the PSC may wish to consider in light of testimony/requests. In some cases staff does not support options that may directly respond to testimony. These are indicated. Staff seeks direction from PSC on these issues and will return to PSC with proposed code prior to August 9, 2016.



June 28, 2016 recap:

- Topic 3.1 FAR Discussion: PSC tentatively accepted the proposed Floor Area Ratios.
Topic 4.1 Height Discussion: Staff will return to PSC with a proposal that provides for more generous heights to accommodate higher ceilings for residential and commercial components of mixed use developments.

July 12, 2016 Topics:

Topic 8. Division Design Initiative

The Division Design Initiative (DDI) submitted a list of five requests:

1. Division Plan District: Incorporate new Division Design Guidelines
2. Enhance Compatibility and Reduce Overly Boxy Building Forms - Restore the Residential FAR Requirement for Mixed Use Buildings now
3. Support for Preservation of "Vintage" Low-rise Areas
4. Support for Design Review and more Quadrant Design Commissions
5. Request for a Southeast Area Plan

The DDI testimony also included a package of "top recommendations" - development standards and design regulations to address issues of development along inner SE Division Street, as well as other similar street-car era main streets in SE Portland.

BPS staff considered DDI proposals as part of the inputs to creating the citywide MUZ base zone update. The attached "Summary of Division Design Initiative Testimony Requests and Staff Responses" outlines the DDI "top recommendations" and staff's response to whether they have been or may be addressed in the MUZ project or a future effort. Overall, staff has the following comments:

- 1) Many DDI recommendations were incorporated in the MUZ proposal for citywide application, these include: including residential uses in FAR calculations; limiting building length and articulating the mass of buildings; improving screening and including landscaping/greening requirements; and requiring neighborhood contact for new development.
- 2) Other DDI recommendations are for development standards that are not appropriate to apply more broadly/citywide at this time, these include: step-backs at the 4th floor; more frequent building façade divisions; and side step-backs on upper levels.
- 3) The Design Overlay zone is proposed for most of SE Division and other inner ring mixed use areas. Some DDI recommendations for design details are more appropriate to address as part of DOZA or a follow up project to address design issues for inner neighborhoods rather than to include in a plan district at this time, these include: 45-



degree corners; raised window sills; clerestory windows; recessed entries; and permanent awnings.

	Recommendation	Comment
A	Consider selected elements of the DDI proposal for future work program elements such as amendments to the Neighborhood Contact requirements; the DOZA project; and future refinement and/or area plans.	The MUZ Project is a citywide update of base zone regulations for Commercial/Mixed-Use development. The DDI recommendations are specific and detailed with respect to inner SE Division Street or similar streetcar era inner neighborhoods. Some of the elements of the DDI proposal were adapted for citywide application and incorporated into the MUZ proposal. Other more specific elements should be addressed through subsequent planning efforts.



Topic 4. Development and design standards: building height (1); step-backs/downs (2); articulation, length, etc. (3)

The proposed height limits for “base” and “bonus” levels of development were developed based on existing allowed height limits in base zones and plan districts, conversations with the community about scale of development, and research from approaches employed in other jurisdictions. The height limits relate to the proposed FAR by accommodating the FAR allowances within height limits that respond to neighborhood-scaled development. The height limits assume commercial, residential, and mixed use developments that feature ground floors with heights ranging from 12-15 feet, and residential floors of approximately 10 feet.

4.2 Step Downs and Step Back Discussion:

The MUZ proposed height “step-downs” and “step-backs” in different situations. Step-downs are proposed to transition height of larger buildings adjacent to residentially-zoned properties. Step-backs are proposed on street-facing facades for several reasons: 1) to minimize the impact of bonus height allowances on street walls; 2) to respond to Comprehensive Plan policies that call for better matching allowed building heights to street widths.

4.2 Step-Down and Step-Back – Staff Recommendations:

	Recommendation	Comment
A	Retain step-downs to residentially-zoned properties (33.130, 210.C.2.b & c).	The proposed step-downs address scale transitions to residential zones and are similar to codes employed in many plan districts and through design standards.
B	Retain Bonus step backs in CM2, CM3 (33.130.212B.5.b).	An additional 10 feet of bonus height is available in the CM2 zone in selected areas where Comprehensive Plan designations are MU-UC or MU-CC and the Design overlay zone is applied. Additional building height makes bonus FAR more usable, but additional height has been a concern for community members. This provision allows additional height but reduces the appearance of building height at the street wall.
C	Remove CM3 zone step-back over 55’ on narrow streets (33.130.210.C.2.a).	The proposed step-back responds to Comprehensive Plan policies that call for better matching building heights to street width. However, projects in the CM3 zone over 55’ feet are currently subject to discretionary design review and may not use Community Design Standards. Design review provides a degree of design oversight that may address the scale issue adequately. Removal of the step back also reduces code complexity, a concern for BDS.



4.2 Step-Down and Step-Back – Alternatives/Options:

	Option	Comment
D	Map CM3 step back over 55' on selected streets and situation	This alternative limits application of the step-back by requiring step backs only on specific narrow streets, rather than codifying the process for determining to which facades this applies. BPS would produce a map of specific narrow street segments the step-back applies to.

4.3 Building Articulation and Length Discussion:

The building articulation and building length standards work in conjunction with other development standards to address building the mass and size of buildings as viewed from the street. Articulation is intended to break-up/prevent large flat building planes that may be out of character with neighborhood scale, and add variety to development. The building length standard is also intended to reduce mass and scale of new buildings by limiting the length of a continuous building frontage to 200 feet, the length of a traditional Portland block. Some have expressed concerns that these standards may be cumbersome to implement and may be overly prescriptive. The Historic Landmarks Commission has expressed concern that the building length limitation may result in interruptions to the continuity of building street frontages along sidewalks.

4.3 Building Articulation and Length – Staff Recommendations:

	Recommendation	Comment
A	Retain Articulation and Length Provisions (33.130.222).	These provisions respond to community concerns about the mass and bulk of large new mixed use buildings. Other measures to address this issue have been suggested (change in materials, color or other design elements), but these options are best addressed through design standards or a discretionary design review process rather than development standards.



Topic 5. Drive-through facilities; Quick Vehicle Servicing (QVS) uses (gas stations, oil change, car wash, etc.); other related site development standards

5.1 Drive Thru and QVS Discussion:

The MUZ proposes to allow drive through facilities and Quick Vehicle Servicing uses (gas stations, vehicle lube facilities, car washes, etc.) in the CE zone, but prohibit them in the CM1, CM2, and CM3 zones. Currently, drive through facilities and Quick Vehicle Servicing uses are only allowed in the CG zone and in the CN2 zone when adjacent to major arterial streets. The new array of zones maintains a similar relationship, but as noted in #6.1 above, has resulted in an overall reduction of area zoned for such uses.

5.1 Drive Thru and QVS – Staff Recommendations:

	Recommendation	Comment
A	Retain allowance for QVS and drive through facilities in CE; prohibit new in CM1, CM2, CM3.	Keep use and development allowances as proposed for new uses to limit development on new facilities except in CE zone.
B	Make existing drive thru facilities and QVS uses in CM1, CM2, and CM3 'allowed.'	This would amend code to clarify that drive through facilities and Quick Vehicle Servicing uses that existed as of the effective date of the new code are considered allowed facilities. The facilities may be intentionally destroyed and rebuilt, but would be subject to current development standards. This approach eliminates nonconforming status of existing facilities and allows more flexibility for adjustments if needed. Staff also proposes a three year "sunset" of the allowance for facilities that have been in disuse.
C	Revise code to allow "Click and Collect" facilities for grocers/large retailers.	Revise code to clarify that "click and collect" type facilities where an order is placed from a remote location and then picked up on site at a parking/loading spot, is allowed. The facilities are differentiated from drive thrus. Consider a building or site size threshold.
D	Retain prohibitions on QVS and drive through facilities in Centers Main Street Overlay zone, but revise boundary where appropriate.	The Centers Main Street overlay zone (CMSO) is applied to limited areas within the centers of the proposed Town Centers and Neighborhood centers in order to promote active, pedestrian-oriented development that anchor walkable communities. Staff proposes minor revisions to the boundaries of the CMSO to better accommodate existing uses, while encouraging pedestrian orientation.



5.1 Drive Thru and QVS – Alternatives/Options:

	Option	Comment
E	Allow new drive-thrus outside of centers more broadly.	PSC received testimony asking to broaden allowances for drive thru facilities. This may require rezoning to CE in many areas - see Option 3.1.B. <i>Staff does not support this approach.</i>
F	Allow new drive thru inside centers.	PSC received testimony asking to broaden allowances for drive thru facilities. This may require rezoning to CE in many areas - see Option 3.1.B. <i>Staff does not support this approach.</i>
G	Revise code to allow drive thru and quick vehicle servicing uses accessory to grocery stores.	This proposal would allow drive thru and quick vehicle servicing uses accessory to grocery stores or retailers of a minimum size on a minimum site size. This would result in a minimal number of curb cuts and pedestrian conflicts.
H	Drop prohibition on drive thrus in CMSO and allow rebuilding in when minimum FAR is achieved.	This would drop the prohibition for drive thrus and allow rebuilding of facilities when minimum FAR is met. Similar to Hollywood and St Johns provisions.

5.2 Development Standards Discussion:

The Buffer overlay zone (44.410), which addresses the interface of commercial activities and residential uses, is being removed from the zoning map in many areas. To address the loss of the buffer standards, the proposed base zone (33.130) includes several development standards that buffer commercial use activities such as exterior work areas and drive through facilities allowed in CE from adjacent and nearby residential zones. PSC received testimony that these standards overly constrain the ability to locate drive through facilities on small sites adjacent to residential zoning, requesting that standards be reduced or eliminated.

5.2 Development Standards - Staff Recommendations:

	Recommendation	Comment
A	Revise “buffering” standards to allow drive thru and exterior work activities closer to Residential zones (25’); mitigate impacts with landscaping.	Revise code language to remove prohibition within 50 feet of residential zone. Change the standard to state that drive through facilities are “not allowed” within 25 feet of a residential zone. This is a reduction from the proposed 50 feet, and removal of the prohibition allows for adjustments. Also remove the provision that prohibits drive thrus across the street from a residential zone; mitigate with landscaping.



Topic 6. CE zoning for auto-accommodating uses, grocery stores, and other large site developments (1); building orientation and development standards (2)

6.1 CE Zoning (map) Discussion: time permitting - see page 15

6.2 Development Standards Discussion:

The development standards of the CE zone are intended to be both auto-accommodating and pedestrian friendly. They allow for generous parking areas, drive thru facilities and uses that are auto-oriented; they also call for buildings to be oriented to the street and provide ground floor windows and entrances. To better accommodate some large-scale retail uses, the alternative maximum building setback standard threshold was reduced from 100,000 SF to 60,000 SF. This standard allows primary buildings to be set behind parking when smaller, secondary buildings are located in front of the parking along public sidewalks. However, many retailers have testified that the development standards of the zone are still too difficult and/or costly to meet for many tenants such as large-format grocers, national retailers, or national restaurant chains. They may also create nonconformity for users which adds cost and uncertainty in the development process.

6.2 Development Standards – Staff Recommendations:

	Recommendation	Comment
A	Retain building orientation standards in CE zones.	The proposed development standards largely continue regulations that promote buildings near the sidewalk that are easily accessible by transit users and pedestrians, while allowing for parking areas to the side and rear of buildings. The proposed standards provide increased flexibility for large sites, allowing parking in front of portions of buildings. In the CE zone, building orientation is less rigorous than in the existing CG zone when sites are located at two transit streets. Recent national retail developments such as Wal-Mart, Safeway, and Walgreens, as well as local retailers such as New Seasons demonstrate that it is possible for national firms and large format retailers to conform closely to Portland building orientation standards.
B	Retain proposed alternative setback size threshold of 60,000.	Large scale uses that are unable or choose not to conform to the base zone development standards may pursue adjustments or this alternative setback approach in which the threshold size has been reduced by 40% from the existing 100,000 SF to the proposed 60,000 SF.



6.2 Development Standards – Alternatives/Options:

	Option	Comment
C	Change setback allowances in the CE zone.	PSC received testimony requesting that maximum setbacks in the CE zone be dropped and that no maximum setback standard be applied to facilitate buildings being located behind parking areas. <i>Staff does not support this approach.</i>
D	Reduce ground floor window requirements in the CE zone.	PSC received testimony requesting an exemption to the ground floor window standards for retail store walls devoted to truck loading or external to internal areas used for storage, refrigeration or mechanical equipment. The proposed code provides sufficient flexibility to accommodate these needs, such as by requiring less window coverage on secondary street frontages, allowing display windows or public art to substitute for views into interior spaces, and by not requiring windows for building walls more than 20' from street frontages (accommodating truck loading areas). <i>Staff does not support this approach.</i>
E	Eliminate transit street main entrance requirements in the CE zone.	PSC received testimony requesting an exemption to the transit street main entrance requirements. <i>Staff does not support this approach.</i>
F	Revise alternative setback size threshold for large retailers to 40,000 or 45,000 SF.	PSC received testimony requesting a reduced threshold for utilization of the Alternative maximum building setback for large retailers (33.130.215.E). Buildings in the 40,000+ SF size range have proven an ability to meet or adapt to the current setback standards and may not need this alternative. <i>Staff does not support this approach.</i>



Topic 7. Code Issues – Additional issues raised in testimony and/or identified by PSC, Design Commission, Historic Landmarks Commission, BDS, and BPS

Many of the issues raised in testimony or raised by Design Commission, Landmarks Commission, Planning and Sustainability Commission, and BDS have been addressed in the thematic issues in topics 3-6. Below are other issues that may not be addressed in the topics above. *Given limited time at the work session, staff requests that PSC members call out any elements of the topics they wish to specifically address or consider in detail.*

7.1 Planning and Sustainability Commission and Public Testimony Issues

	Issue	Comment and Staff Recommendation
A	Required residential open area size.	Staff proposed 48 SF per unit. Research on other jurisdictions show a range of size requirements from zero to 100 SF per unit. For example, Chicago and San Francisco require 36 SF in higher density zones. Tacoma and Santa Monica require 100 SF. Staff Recommendation: Retain 48 SF requirement.
B	10' setback on outer Civic Corridors.	Staff proposed a 10 foot building setback on Civic Corridors in Eastern and Western pattern areas. This is to address impacts of wide, high traffic volume streets, allow for enhanced pedestrian space and provide opportunity for a "green" edge. Staff Recommendation: Retain proposed 10 foot setback.
C	LEED requirement in PD Bonus.	Staff recommended using an energy efficiency standard similar to LEED Gold for buildings using the Planned Development bonus. A specific standard or certification is not spelled out or required due to the fact that certification comes after construction. BPS will develop administrative rules for implementing this feature. Staff Recommendation: Retain the requirement for energy efficient buildings in the Planned Development bonus. Ask BPS to return to PSC with administrative rules for review when drafted.
D	Sandy Boulevard step-down transitions.	The MUZ project proposes to create three plan districts to replace a main street overlay zone, because the standards that apply to affected areas vary, which is not the way overlay zones are applied. The step-down/transition standard was developed as part of a specific Hollywood and Sandy area planning effort. Staff Recommendation: Retain current standard
E	Operating Hours in CM1; change threshold size (15,000 sf) and broaden surrounding R zones to MFR.	PSC received testimony from Irvington neighborhood requesting that limitation on hours of operation for small CM1 zoned sites be extended to sites of 15,000 SF. Others requested the limitation be extended to all Residential zones. BDS expressed concern about code enforcement issues regarding hours of operation.



		Staff Recommendation: Consider amending standard to 15,000 SF, in situations when surrounded by RF-R1 zones.
F	Require Commercial uses in the CM1 zone.	<p>PSC received testimony from community groups and members requesting that specific sites in CM1 and nonconforming uses being rezoned to CM1 be required to have commercial uses. This approach would also support Comp Plan Policy 6.66 that calls for small commercial nodes in areas between centers to expand local access to goods and services.</p> <p>Staff Recommendation: Consider requiring commercial use in CM1 zone; exempt vacant sites and sites in residential use as of effective date of new code.</p>
G	Ground floor window height issue.	<p>PSC received testimony from community members concerned about the placement, height and measurement of ground floor windows.</p> <p>Staff Recommendation: Consider suggested code revisions and incorporate changes, if necessary, to ensure windows relate to pedestrian viewing areas.</p>
H	Rooftop Mechanical and stairwell enclosures allowances	<p>Concern raised that required step backs combined with open space requirements will make meeting the exceptions of 15' setbacks for stair enclosures in 33.130.210.D difficult to achieve.</p> <p>Staff Recommendation: Retain this existing code language pending further discussion with BDS; return to PSC for further discussion and with a revision if this is an issue.</p>
I	Auto-Accommodating Development (33.910)	<p>Suggestion to re-label the section in 33.910 from "Auto-Accommodating Development" to "Auto-Oriented Development," and also amend references to it in other parts of the code.</p> <p>Staff Recommendation: Retain Auto Accommodating language. The term "Auto-Accommodating" is used in the zoning code to describe uses, situations and developments that are designed to facilitate access for vehicles, but that still have pedestrian orientation (limited setback from street, entrances close to sidewalk, windows etc.). Recasting as "Auto-Oriented" might suggest that pedestrian oriented features of development are less important.</p>

7.2 Design Commission and Historic Landmarks Commission Issues

	Issue	Comment and Staff Recommendation
A	Ground Floor Windows - require 50% overall.	<p>The Portland Design Commission recommended that the Ground Floor Window standard be increased to 50% coverage, or an average of 50% for multiple facades.</p> <p>Staff Recommendation: retain the proposed standard.</p>



B	Limit Ground Floor Residential uses and require separate entrances for each ground-level residential unit.	The Portland Design Commission recommended that residential uses should not be allowed on a corridor unless it is a live/work unit, and that all ground floor residential units be required to have an individual entrance. With many miles of CM zoning, it may be difficult to require active uses or live/work in all situations. Although an option, requiring individual entries may not be appropriate in all cases. Staff Recommendation: Retain the proposed standard.
C	TDR radius - apply a two-mile radius standard.	The Portland Historic Landmarks Commission recommended that the radius for TDR be extended to two miles. Staff Recommendation: Revise the standard to two miles.
D	Apply minimum FARs to all Commercial/Mixed Use Zones.	The Portland Design Commission recommended that minimum FARs be established for all Commercial/Mixed-Use zones. The MUZ proposed minimum FAR in the CMSO, where intense activity and development is desired. Because the zones are applied citywide in a number of development contexts, staff does not support applying minimum FARs broadly. Staff Recommendation: Retain the proposed standard.

7.3 Urban Forestry Commission Issues

	Issue	Comment and Staff Recommendation
A.	Relationship between MUZ and Title 11, Trees.	The Commission Chair expressed concerns about the relationship of Mixed Use Zones project goals to Title 11: Trees, and about the proposed future amendments to Title 11. Staff Recommendation: Staff will meet with the Urban Forestry Commission and staff to review and discuss the MUZ, and any future proposed changes to Title 11.

7.4 Bureau of Development Services (BDS) Issues

Many thematic comments/concerns raised by BDS are addressed through the topics above. Staff will continue to work with BDS on technical fixes to code issues identified by BDS and others. Substantive issues raised by BDS that are not addressed in other topics are outlined in the table below.

	Issue	Comment and Staff Recommendation
A	Height measurement standards for Commercial/Mixed-Use zones.	BDS expressed concern about applying a new height measurement standard to C/MU zones, and different height measurement standards for other zones, including new standards that may be developed for the Residential Infill Project.



		<p>Staff Recommendation: Staff will work with BDS and BPS staff to determine if a singular new approach may be used. Alternatively, retain the proposed approach, but relocate the standard to Chapter 33.930.</p>
B	Setback requirements for residential windows.	<p>The building code currently requires windows to setback a minimum of 3-feet from property lines. Staff proposed a minimum setback of 5 feet for windows adjacent to property lines to address livability and provide light and air.</p> <p>Staff Recommendation: Retain the proposed 5-foot setback.</p>
C	Ground floor windows: clarify qualifying areas; add minimum 24" depth of display area; clarify parking structures; application on sloped sites.	<p>PSC received testimony from BDS concerned about the measurement of ground floor windows in situations with sloped lots as well as other aspects of ground floor window requirements.</p> <p>Staff Recommendation: Staff will work with BDS to clarify code, including qualifying areas and depth of display. Some sites, such as sloped sites may require an adjustment.</p>
D	Consider eliminating specific plan districts, or incorporate plan district provisions into base zone. Drop specific references to allowed and prohibited materials in plan districts.	<p>The Sandy, Division, and Lombard Plan Districts were formerly part of a Main Street overlay zone. They were the result of specific area planning efforts. The overlay zone was broken into separate plan districts in keeping with current code practice. Where redundant with base zone, standards were dropped from plan districts; what remains is unique to the area.</p> <p>Staff Recommendation: Retain the plan districts. Staff will work with BDS to clarify the regulations of plan districts and make changes where appropriate to incorporate in or reference other codes.</p>

7.5 Bureau of Planning and Sustainability Issues

BPS continues to identify substantive zoning code and zoning map issues that warrant discussion by PSC.

	Issue	Comment and Staff Recommendation
A.	Agriculture uses.	<p>Agriculture is currently a CU in Commercial/Mixed Use zones. Agriculture is Allowed/Limited use in E/I zones. New state law allows marijuana grow operations; these are currently being permitted in EX. Allowing/Limiting Agriculture use in CM3 will be consistent with existing EX code. Allowing Agriculture uses in CE with size with limits will relieve pressure on E/I zones to accommodate these facilities.</p> <p>Staff Recommendation: Consider allowing Limited Agriculture use in CM3 and CE zone up to the size limits allowed for industrial uses.</p>



6.1 CE Zoning Discussion: (7/12 time permitting; alternate dates: 8/2 or 8/9)

The proposed MUZ zoning map is based on a process described on page 316-318 of the Proposed Draft. Its foundation is a conversion table that assigns new MUZ zones based generally on the existing zoning and the new Comprehensive Plan. As part of the zoning map conversion, some areas or sites that are currently zoned for auto-accommodating zoning (CN2, CG) were converted to a more pedestrian-oriented mixed use zone (CM1, CM2); this primarily occurred in areas designated as “centers” in the Comp Plan. This resulted in an overall loss of area zoned for auto-accommodating uses. Several stakeholders (RTF, Space-Age Fuel, Albertsons, Fred Meyer, U-Haul, McDonalds, others) have testified that they wish to retain or be zoned to CE, the most auto-accommodating zone, to support business operations or to anticipate future development where pedestrian-oriented or mixed use development is not economically feasible in the foreseeable future.

6.1 CE Zoning – Staff Recommendations:

	Recommendation	Comment
A	Apply CE zoning on a limited number of sites outside of Inner Ring and town centers in response to testimony to accommodate large/grocery retail, and other uses.	Staff is analyzing opportunities to rezone specific properties where CE zoning was requested through testimony. A preliminary map for PSC feedback will be shown with a complete proposed map by August 9, 2016.
B	Consider selective rezoning from CM1 and CM2 to CE outside of Inner Ring and Centers more broadly map CE.	Staff is analyzing opportunities for rezoning from CM1 or CM2 to CE outside of Inner Ring districts and Centers. A preliminary map for PSC feedback will be shown with a complete proposed map by August 9, 2016.

6.1 CE Zoning Map – Alternatives/Options:

	Option	Comment
C	Rezone to CE as requested by those that testified (all areas).	Several pieces of testimony were received requesting application of the CE zone. Many of these locations are within designated centers and may not be appropriate for CE zoning and allowances.
D	Broad rezoning to CE outside of centers to accommodate additional/new auto-accommodating uses.	Some testimony was received requesting a much broader application of CE zoning and/or allowance for drive through facilities (RTF, Space-Age Fuel, Albertsons, Fred Meyer, U-Haul, McDonalds, Bitar, others). Testimony suggests taking this approach in support of new Comp Plan Policy 4.24. This approach would create opportunity for auto-accommodating and auto oriented development in areas where this type of activity has been prohibited since at least 1990; it may be counter to the desires of neighborhoods that have developed plans and/or worked with city staff on rezoning proposals. <i>Staff does not support this approach.</i>



Attachment: Summary of Division Design Initiative Testimony Requests and Staff Responses

Testimony Request	Response	
	MUZ Proposed Draft (citywide code)	Other Additional Responses/Approaches
Building Form		
Step-back building façades at the 4 th floor.	<p>YES, PARTLY</p> <p>Current proposal does not include a step-back at the 4th floor, but would be one option for meeting façade articulation requirements.</p> <p>A small portion of Division is part of the CM1 low-rise storefront proposal (with height limited to 3 stories).</p> <p>This topic is addressed by the Community Design Guidelines, which includes a guideline (D7) that calls for new development to respond to the “massing, proportions, and materials” of nearby quality buildings.</p> <p>Staff does not support application of a mandatory step-back to the whole corridor. Division is not a uniquely low-scale corridor, and the lower threshold for requiring a step back would add to construction costs.</p>	<p>YES, PARTLY</p> <p>There could be an opportunity to consider design guideline language specific to Division or SE main streets as part of the DOZA recommendations to update to the Community Design Guidelines.</p>
Building facades – divide into smaller building segments to match older neighborhood context (request 25 - 50’ increments).	<p>YES, PARTLY</p> <p>MUZ project proposes façade articulation requirements and setting maximum building length at 200’, but these do not specify dividing buildings into 50’ increments.</p>	<p>YES, PARTLY</p> <p>There could be an opportunity to consider design guideline language specific to Division or SE main streets as part of the DOZA recommendations to update to the Community Design Guidelines.</p>

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Testimony Request	Response	
	MUZ Proposed Draft (citywide code)	Other Additional Responses/Approaches
	<p>Staff believes that a requirement for a 25-50-foot increment would unreasonably restrict architectural options.</p> <p>This topic is addressed by Community Design Guideline D7, which calls for new development to respond to the “massing, proportions, and materials” of nearby quality buildings. Design review allows for a broader, more flexible range of approaches for responding to neighborhood patterns than would Zoning Code standards.</p>	
<p>Require side step-backs on upper level sides (to encourage more windows and access to light on sides of buildings).</p>	<p>YES, PARTLY</p> <p>The proposal includes a 5’ setback for walls with windows.</p> <p>Applying an upper-level setback to all side property lines along SE Division could result in a gap-tooth street wall. Applying these step-backs along side property lines could also add to the costs related to the proposed height step-downs adjacent to residential zones and to the step-backs proposed for bonus height (above 45’). Additional step-backs may also have implications on housing capacity and development feasibility.</p>	<p>NO</p>

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Testimony Request	Response	
	MUZ Proposed Draft (citywide code)	Other Additional Responses/Approaches
Landscape and Parking Approaches		
Add screening requirements to prevent light, privacy, noise impacts.	<p>YES, PARTLY</p> <p>Screening for privacy impacts is addressed in part by proposed landscaping requirements (see below) and new limits on balconies in setback areas.</p> <p>Off-site impacts (including noise and glare) are regulated by Chapter 33.262, changes to which are outside the MUZ Project scope.</p>	NO
Increase building & site landscape requirements.	<p>YES</p> <p>MUZ Project includes draft regulations that would:</p> <ol style="list-style-type: none"> 1. Increase the amount of landscaped area adjacent to residential (10' depth instead of current 5'). 2. Require landscaping/green options in areas that currently do not require landscaping (including the C/MU zoning that applies along SE Division). 	NO
Parking impact management plans – require for buildings 10 or more units when no parking included.	<p>YES, PARTLY</p> <p>MUZ Project includes draft requirements for TDM approaches for projects with more than 10 units.</p>	<p>YES, PARTLY</p> <p>Parallel with the MUZ Project PBOT is proposing a new option for residential parking permits in high growth mixed use areas.</p>

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Incentives and Bonuses		
Incentives for adaptive reuse of existing buildings.	<p>YES</p> <p>MUZ project is expanding possibilities for historic TDR (but not available for properties that are not documented historic resources).</p> <p>Other incentives for adaptive reuse such as broader waivers of SDCs are beyond the current scope of this project.</p>	<p>YES</p> <p>BPS' historic preservation work plan includes updating the Historic resources Inventory, which may prompt additional preservation strategies.</p> <p>BPS has also suggested that the City advocate for changes in state law to enable stronger historic preservation tools.</p>
Beneficial Uses – incentives for affordable housing, senior housing, day care and alternative transit-oriented businesses.	<p>YES, PARTLY</p> <p>The MUZ proposal includes bonuses for affordable housing and affordable commercial spaces.</p> <p>SDC waivers are already provided for affordable housing projects.</p>	<p>NO</p>
Innovative Energy Performance	<p>YES, PARTLY</p> <p>Requirements for low carbon development are part of the Planned Development bonus. (The MUZ Discussion Draft also included a separate high-performance green bonus, but this was not included in the Proposed Draft.)</p>	<p>YES</p> <p>BPS is expanding building energy performance reporting requirements through a separate project.</p>
Residential FAR - Close the residential floor area ratio gap now (include residential in FAR calculations).	<p>NO</p> <p>There is no proposal to change regulations to count residential as part of floor area limits prior to effective date of the MUZ code amendments (Jan 1,</p>	<p>YES, PARTLY</p> <p>Adoption of inclusionary housing regulations in late 2016 may provide a mechanism to partly implement this request, because including residential floor</p>

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	<p>2018).</p> <p>There is not a practical and legal mechanism to make a portion of the proposed MUZ code go into effect sooner than early 2018. Oregon law requires due process, public hearings, a decision by City Council, and a process for state acknowledgement.</p>	<p>areas will be necessary to allow for a zoning bonus to be part of the state-required incentive package.</p>
New Division Plan District		
Integrate the Division Design Guidelines into the Division Plan District	<p>YES, PARTLY</p> <p>Design guidelines are typically not part of plan district regulations, because they are guidelines, and not clear and objective standards.</p> <p>The Design overlay zone is proposed for Division, which will make the Community Design Guidelines applicable to Division as design review criteria.</p>	<p>YES, PARTLY</p> <p>There could be an opportunity to consider design guideline language specific to Division or SE main streets as part of the DOZA recommendations to update to the Community Design Guidelines.</p>
Expand the Division Plan District to extend from SE 11 th to SE 60 th	<p>NO</p> <p>Proposed Division Plan District extends from SE 18th to SE 50th, corresponding to current m-overlay mapping.</p> <p>Staff does not support expanding the plan district as part of the MUZ Project. The proposed plan district includes most of the more intense zoning (CS/CM2) along Division. Extending the plan district would bring in lower-intensity zoning,</p>	<p>NOT NOW</p> <p>This could be considered as part of a future SE or main streets planning project.</p>

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	including CM1 and R2, and overlap with the Ladd's Addition Historic District.	
<p>Add permit submittal requirements to evaluate context sensitivity and compatibility, including:</p> <ul style="list-style-type: none"> • Submittal of building elevations showing existing context, • Statement of compatibility with existing neighborhood goals and design guidelines, • Solar shading analysis, • Visual impact analysis. 	<p>NO</p> <p>The City is required to provide clear and objective regulations for residential development, and as currently proposed, none of those regulations would require the type of analysis mentioned in this request. This type of analysis is more common in a discretionary decision-making context. The City typically would not require analysis that is not relevant to any of the zoning standards.</p>	<p>YES, PARTLY</p> <p>Some of these elements could be incorporated into submittal requirements for neighborhood contact and/or for design review, both of which will be the subject of upcoming projects.</p>
45-degree angle cut building corners.	<p>NO</p> <p>Existing base zone and Division-specific regulations provide this as an option. This topic is addressed by Community Design Guidelines (E4 - "Corners that Build Active Intersections").</p> <p>Staff believes this is too specific for a zoning code regulation, and it is not clear that this feature should be required in all situations.</p>	<p>YES, PARTLY</p> <p>There could be an opportunity to consider design guideline language specific to Division or SE main streets as part of the DOZA recommendations to update to the Community Design Guidelines.</p>
Raised window sills.	<p>NO</p> <p>Not a requirement in the MUZ Proposed Draft.</p>	<p>YES, PARTLY</p> <p>Could be addressed by future Community Design Standards (CDS) geared to continuing Streetcar Era storefront characteristics.</p>

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	Staff believes this is too specific for a zoning code regulation, and it is not clear that this feature should be required in all situations.	
Clerestory windows.	<p>NO</p> <p>Not a requirement in the MUZ Proposed Draft.</p> <p>This is addressed in part by the existing Community Design Standards, which include clerestory windows as an option for meeting requirements for distinct ground floors. With application of the Design Overlay zone in MUZ, these standards would apply to SE Division.</p>	<p>YES, PARTLY</p> <p>Could be further addressed as part of DOZA by creating Community Design Standards (CDS) geared to continuing Streetcar Era storefront characteristics.</p>
Recessed entries.	<p>NO</p> <p>Not a requirement in the MUZ Proposed Draft.</p> <p>Proposed Division Plan District regulations (currently in m overlay) require that main entrances be <u>within 5'</u> of street facades. Addressed in part by building code regulations that require entrances to be set back from sidewalks to avoid doors from being opened onto pedestrians.</p>	<p>NOT NOW</p> <p>This could be considered as part of a future planning or design update for this area.</p>

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Maintain regular rhythm of entries every 15' - 20'.	<p>NO</p> <p>Centers Main Street overlay proposes entrance frequency requirement of one entrance every 100 feet. Entrances at this frequency, or less, typically do not work for many retail/commercial uses such as grocery stores and other uses that require more than very small spaces.</p> <p>Additionally, requirements for off-street parking may lead to parking solutions that leave opportunity for shallow but wider retail spaces rather than deep and narrow spaces.</p>	<p>NOT NOW</p> <p>This could be considered as part of a future planning or design update for this area.</p>
Include permanent awnings and overhangs for windows and entries.	<p>NO</p> <p>Not a requirement in the MUZ Proposed Draft.</p> <p>Addressed in part by existing Community Design Guidelines (E5), which encourages weather protection for pedestrians.</p>	<p>NOT NOW</p> <p>This could be considered as part of a future planning or design update for this area.</p>
Window variation and patterns that relate to adjacent buildings.	<p>NO</p> <p>Not a requirement in the MUZ Proposed Draft.</p> <p>Difficult to regulate as a clear and objective standard (requires site-specific analysis of adjacent buildings).</p> <p>Addressed in part by existing Community Design Guidelines, which encourage incorporation of details and proportions of nearby buildings.</p>	<p>YES, PARTLY</p> <p>There could be an opportunity to consider design guideline language specific to Division or SE main streets as part of the DOZA recommendations to update to the Community Design Guidelines.</p>

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Articulated roofline.	<p>YES, PARTLY</p> <p>Proposed allowances for parapets to exceed building height limits helps accommodate roofline variety.</p> <p>Addressed by existing Community Design Guidelines, which includes a guideline that calls for new development to respond to the massing and proportions of nearby buildings.</p> <p>Staff does not support including this as a plan district standard. More effective to address this topic through design guidelines than by standards, due to the wide range of approaches to achieving architectural variety.</p>	<p>YES, PARTLY</p> <p>There could be an opportunity to consider design guideline language specific to Division or SE main streets as part of the DOZA recommendations to update to the Community Design Guidelines.</p>
Oriel windows (projecting bay windows).	<p>NO</p> <p>Allowed but not required by existing base zone regulations. Projections into street ROW would not qualify to meet proposed façade articulation requirements.</p> <p>Requiring projecting bay windows could work against standards designed to provide more light and solar access at the street level (step-backs above the 4th floor, façade articulation, etc.).</p>	<p>NO</p>

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Balconies that protrude from façade over street ROW (break up building massing).	<p>YES, PARTLY</p> <p>Allowed but not required by existing base zone regulations. New standards require outdoor area for each unit, which will increase the number of projects with balconies, though other options are available – such as combined outdoor areas.</p>	<p>NOT NOW</p> <p>This could be considered as part of a future planning or design update for this area.</p>
Stepdowns to adjacent lower scale development (including existing lower-scale buildings in the commercial/mixed use zones).	<p>YES, PARTLY</p> <p>Existing and proposed regulations require step-downs to adjacent SFR zones, but not to lower-scale buildings in commercial zones.</p> <p>Addressed in part by the existing Community Design Guidelines, which includes a guideline (D7) that calls for new development to respond to the massing and proportions of nearby buildings.</p> <p>Continuity of scale with main street storefront patterns is also addressed by the Community Design Standards, which include options for cornices above the ground level and changes in building materials as options for meeting requirements for distinct ground floor levels.</p>	<p>NO</p>