

John Southgate, LLC
1020 SW Taylor Street, Suite 440
Portland, Oregon 97205

July 20, 2016

Portland Planning & Sustainability Commission
1900 SW 4th Avenue, Suite 7100
Portland, Oregon 97201

Re: Properties on NW Front Avenue – Maximum Height & FAR

Dear Commissioners:

I am writing on behalf of the owners of properties located on the south/west side of Front Avenue between NW 17th & 19th Avenues. They want me to express their appreciation and continued support for the rezoning of their properties from the current IH to EXd, per the *Proposed Draft* of the City's Central City 2035 Plan, and in accordance with the Comprehensive Plan designation for these properties.

The owners of the properties are Ken Unkeles (TL 1N1E28DB 1500 & 1600) and Tom Goldsmith (TL 1N1E28DB 1400 & 400).

With Mr. Unkeles' and Mr. Goldsmith's consent, I am also seeking in this letter to set forth some arguments in favor of increasing the maximum height and FAR for the properties, beyond the 100 feet and 2:1 (respectively) as set forth in the Proposed Draft.

We propose an increase in the height of these properties to 250 feet, and the FAR to 4:1, chiefly based on the policies set forth in this letter. The heart of our arguments are as follows:

- First, the City seeks to promote higher density mixed use development in the Central City (i.e. both residential and job growth), so as to decrease the development pressure on other more sensitive areas, such as single family neighborhoods and industrial areas. This is a particularly suitable area for higher densities, insofar as the area is safely buffered (by train tracks, the Fremont Bridge, and nearby industrial uses) from neighborhoods that might resist higher density. There are no single family neighborhoods anywhere close to the properties.
- Second, there is a strong pattern throughout the Central City, at least on the west side, to "stair step" buildings the further one gets from the River. For instance, on the south side of the Fremont Bridge, the maximum FAR is *generally* 2:1 on the river side of Naito Parkway, and 4:1 on the upland side. Heights don't follow as clear of a pattern, although generally the maximum allowed heights further south (i.e. south of Burnside) follow the same general stair step pattern as the FAR caps. In addition, much of the Pearl District is eligible for bonus height provisions in accordance with the "North Pearl subarea bonus

target area”. Since our properties are not within this target area, it will be more challenging to achieve the taller buildings that we believe the City wants to encourage.

- Third, we note that the *current* IH zoning on our properties, as well as the nearby IG-1 zoning immediately west of the site, does not have *any* maximum FAR or height. It is ironic that the “up”-zoning to EXd comes with restrictions on height and density that do not apply to the current zoning.

The balance of this letter sets forth the general policy documentation that favors increased height and density on the Front Avenue properties.

At the outset, we wish to reiterate the policy language from the West Quadrant Plan that we cited in our July, 2015 letter (attached hereto). While that letter was intended to defend the EXd zoning on the properties (and didn’t specifically address any development standards), we believe that the West Quadrant Plan favors our proposed maximum height of 250 feet, and maximum FAR of 4:1. One specific policy citation that we would call to your particular attention is the “Land Use Emphasis” map (p. 26) which indicates the properties as “Mixed Use”. Mixed use is defined as an “eclectic mix of uses that could include residential, retail and office. In less intensive areas, smaller scale development could be expected. In more intensive areas, larger development might occur. In these areas, there may be no single predominant use.” The maximum height for this area is indicated as 175 feet (Building Height Map, p. 28).

To focus on provisions in the Discussion Draft of the Central City Plan 2035, please note that we believe the following policy language strongly supports our proposal for taller, denser development on our properties:

- (*Introduction Section of Volume 1, Goals and Policies, Page 8*): “In particular the plan focuses on:
 - Supporting a prosperous, healthy, equitable and resilient regional center.
 - Fostering more connections with the Willamette River.
 - Recognizing and cultivating the unique characteristics of the Central City’s 10 districts.
 - Creating a more fully connected public realm of streets, parks, plazas and trails”
- (*Introduction to Volume 1, Goals and Policies, Page 12*) “Portland’s 1980 Comprehensive Plan directs growth to the city’s interconnected system of centers and corridors. The strategy is to *increase density* to make great places where there is already access to public infrastructure. The result is diverse housing options and employment opportunities, robust multimodal transportation systems and access to local services and amenities. These, in turn, create complete, prosperous, healthy and equitable low-carbon communities. By 2035, 30 percent of Portland’s population growth will occur in the Central City, on just 3 percent of the land within city limits. Another 50 percent of the growth will be in other centers and corridors, with the remaining 20 percent in residential infill. Between 2010 and 2035, Portland’s Central City is projected to add approximately 38,000 new households (165 percent increase) and about 51,000 new jobs (40 percent increase)... focusing growth and investments in the Central City reduces pressure for growth and development in other, more sensitive parts of the City, including Portland’s

distinct neighborhoods and industrial or employment centers... Of the nearly 3000 acres of land in the Central City, half is right-of-way or the Willamette River. Of the other 1500 acres, approximately 460 have been identified by the City as vacant or under-utilized.”

- *(Introduction Section of Volume 1, Goals and Policies Page 13)* This section identifies seven Significant Challenges which the CC2035 Plan is intended to address. Higher density on Front Ave Properties will be supportive of at least three of these, as follows:
 - ”Livable High Density: Encourage dense, urban living while maintaining and enhancing neighborhood character and livability.
 - Employment Diversity: Grow the Central City’s share of regional employment and providing diverse opportunities for Portlanders with different interests, skills and education.
 - Willamette River: Connect Portlanders to the Willamette River in a more meaningful way and integrating opportunities for recreation and environmental protection.”
- *(Introduction Section of Volume 1, Goals and Policies, Page 14)* “Central City 2035 envisions a prosperous, health, equitable and resilient Central City, where people collaborate, innovate and create a more vibrant future together.”
- *(Introduction Section of Volume 1, Goals and Policies, Page 17)* This area is identified as an area of modest change. We believe this is missing an opportunity – there is an opportunity for significant change on the Front Avenue properties, especially if higher height and FAR is allowed than what is proposed in the Discussion Craft. Again, we believe that the properties represent an opportunity to help the City achieve its goals for a dense CC to protect neighborhoods and employment centers elsewhere.”

The following language is from the Goals & Policies of Volume 1:

- “Goal 1. REGIONAL CENTER (Page 32): Portland’s Central City serves as the region’s economic, cultural and civic center. To maintain and enhance this role, stakeholders identified the need to enhance the cultural and civic role of the Central City; support economic growth, particularly in traded sector industries; protect industrial and employment districts; capitalize on opportunities for partnering with higher education institutions; and address affordability barriers so that entrepreneurs and small businesses can thrive.
 - GOAL 1.A: Portland’s Central City is the preeminent regional center for commerce and employment, arts and culture, entertainment, tourism, education and government.
 - GOAL 1.B: The Central City is economically competitive, especially relative to West Coast and regional markets, with robust and expanding business and development activity.
 - Economic Vitality: The Central City is home to professional service industries that support the entire region; a growing number of colleges and universities; and

a manufacturing base that hosts a number of emerging business sectors. Policies in this section support the continued economic vitality of the Central City, Portland and the region.

- (Pearl District Policy 1.PL-1): Mixed Use Office Center: Support the continued development of a vibrant, mixed-use area with new commercial, retail, office and creative office opportunities.”
- “GOAL 2 Housing & Neighborhoods (Page 42): When the last Central City Plan was developed, nearly 30 years ago, there were relatively few people living in Portland’s Central City. Today, this area has become the fastest growing area in the City. To enhance the livability of Central City neighborhoods, stakeholders felt affordability should be the top priority – housing should be available for households at all income levels, near Central City jobs and within complete neighborhoods. Further, a desire for a broader range of housing types was expressed – in particular, units that support students, families, and older adults.
 - GOAL 2.A: The Central City is a successful dense mixed-use center composed of livable neighborhoods with housing, services and amenities that support the needs of people of all ages, incomes and abilities.
 - (Pearl District Policy 2.PL-3): Housing Diversity: Encourage new development, including housing, along Naito Parkway in order to bring more people and activities to the riverfront. Throughout the district, encourage multifamily housing supportive of families and students.”
- Goal 4 Willamette River (page 61): “More than any other feature in the regional landscape, the Willamette River has influenced human settlement since Native Americans arrived, through European settlement to the urban Central City of today. The extremely high usage of public riverfront spaces like Governor Tom McCall Waterfront Park and the Vera Katz Eastbank Esplanade speak to the public’s desire to activate the riverfront as a vital Central City feature. As the City developed, docks, sea walls, buildings, roads and bridges were constructed in the riverfront area that greatly altered the natural function and habitat values. Members of the public expressed a strong desire to restore physical, social, environmental, economic and historical connections for a variety of reasons: a desire for more river-related commerce; increased opportunities for riverfront and river-based recreation and transit; and the need to identify how and where to best enhance critical habitat to restore river health. The Willamette River goals and policies are intended to address these priorities.
 - Policy 4.9 Commercial development. Encourage new clusters of commercial uses adjacent to the Willamette River, at appropriate setback distances, in order to bring more people, events and activities to the riverfront.”
- Goal 5, Urban Design (Page 64): “The practice of urban design involved the physical features of both the built and natural environments that define the character of a place. It can be thought of as the art of making places for people. Urban design works at a variety of scales. It includes everything from urban form of the entire city down to the design of buildings, streets and the public realm, parks and open spaces, and historic districts.

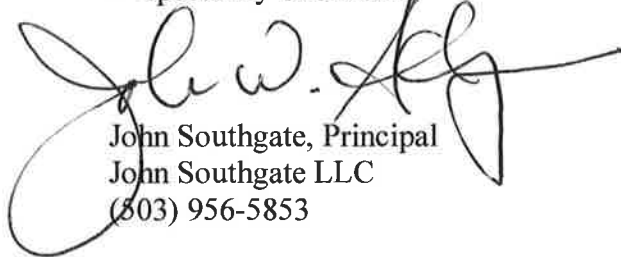
- GOAL 5.B: The Central City is composed of diverse, high-density districts that feature high-quality spaces and a character that facilitates social interaction and expands activities unique to the Central City.
- Policy 5.3, Dynamic Skyline. Encourage the tallest buildings to locate adjacent to transit hubs and corridors, generally stepping down in height to the Willamette River. Allow taller buildings at bridgeheads and contextually sensitive heights within historic districts. Encourage heights that preserve sunlight on public open spaces and parks.
- Policy 5.PL-2 Under I-405 Repurposing. Support redevelopment of areas under I-405 to create safe, attractive, and engaging spaces.”

Finally, the Targets section of the Proposed Draft calls for increasing the job density in the Pearl District from 10,600 in 2010 to 14,700 in 2035; and increasing number of households during the same time frame from 5,300 to 11,600.

Conclusion

We have attempted in this letter to identify policy language in the Proposed Draft of the Central City 2035 Plan which supports high density, mixed use development in the Central City, and particularly on the Front Avenue properties. Our proposal to establish higher, denser development on the properties is more consonant with the goals and policies set forth in the Proposed Draft, as well as in the West Quadrant Plan, than would be the case under the proposed caps of 100 feet and 2:1 FAR. We hope that you will concur with us, and would welcome the opportunity to discuss this matter further.

Respectfully Submitted,



John Southgate, Principal
John Southgate LLC
(803) 956-5853

cc: J. Clayton Hering, representing Tom Goldsmith
Nicholas Starin
Ken Unkeles

Attachments:

- Map of Affected Properties
- Letter dated July 10, 2015 regarding Rezoning of Affected Properties

Attachment A: Map of Affected Properties

**A. Owner: Ken Unkeles
Tax Lot: 1N1E28DB 1600**

**B. Owner: Ken Unkeles
Tax Lot: 1N1E28DB 1500**

**C. Owner: Tom Goldsmith
Tax Lot: 1N1E28DB 1400**



Attachment B: Letter dated July 10, 2015 regarding Rezoning of Affected Properties

John Southgate, LLC
1020 SW Taylor Street, Suite 440
Portland, Oregon 97205

July 10, 2015

Nicholas Starin
Portland Bureau of Planning & Sustainability
1900 SW 4th Avenue, Suite 7100
Portland, Oregon 97201

Re: West Quadrant Plan – Zoning Amendments on NW Front Avenue

Dear Mr. Starin:

Thanks for our recent conversation about properties located on the west side of NW Front Avenue, north of the Fremont Bridge, which are currently zoned IH (Heavy Industrial) with a Comprehensive Plan designation of EXd (Central Employment, with the “d” Design Review overlay). The owners of these properties are supportive of a Zone Change to EXd as a part of the Implementation phase of the West Quadrant Plan, which I understand the City will be undertaking in the coming months.

The owners of the properties are:

Owner: Emerson Hardwood (Chris Mongrain)
Address: 2279 NW Front Avenue
Tax Lot: 1N1E28DB 1700

Owner: Ken Unkeles
Address: 2211 NW Front Avenue
Tax Lot: 1N1E28DB 1500 & 1600

Owner: Tom Goldsmith
Address: 2121 NW Front Avenue
Tax Lot: 1N1E28DB 1400

Owner: Terry Peterson
Address: 2047 NW Front Avenue
Tax Lot: 1N1E28DC 300

I represent Mr. Unkeles, identified above. Mr. Unkeles has contacted Messrs. Mongrain, Goldsmith and Peterson to confirm their support for the zoning action; they are copied on this letter. Their support – including that of Mr. Unkeles – is predicated on their being able to continue their current operations “as is”. That is, any element of their operation currently in place would be “grandfathered” should that element become nonconforming once the properties are re-zoned EXd. This includes the outdoor storage component of their operations.

This proposed action – of establishing EXd zoning on the affected properties, in compliance with the Comprehensive Plan, is consistent with the West Quadrant Plan, adopted by Resolution by the City Council on March 5, 2015. While not intended to be a complete analysis, I note the following elements of the Plan with which the rezoning would be particularly consistent, particularly insofar as rezoning would allow a broader array of uses consistent with the desire for mixed use development in the area. Below is a preliminary list of plan elements with which the proposed rezoning is consistent:

“The Riverfront. No other topic generated more shared enthusiasm among participants than activating the Willamette River, in the water and along the edges. The plan envisions a true 21st century urban riverfront, with *additional development along an enhanced Naito Parkway* and a rejuvenated Waterfront Park with improved trail facilities. A healthy and vibrant river, featuring increased human and boat access along with enhanced and restored natural areas, including shallow water habitat is also envisioned. The plan calls for a redesign of Waterfront Park and restoration of several habitat areas to help realize this vision.” (Executive Summary, p. vi, *my emphasis*).

“Mixed Use. Informed by the successes of the Pearl District, the plan calls for zoning tools that increase flexibility where possible, allowing more mixing of office, retail and residential within buildings and specific districts than previously possible....” (Executive Summary, p. vi)

The “Land Use Emphasis” map (p. 26) indicates this area as “Mixed Use”, defined as “An eclectic mix of uses that could include residential, retail and office. In less intensive areas, smaller scale development could be expected. In more intensive areas, larger development might occur. In these areas, there may be no single predominant use.” The maximum height for this area is indicated as 175 feet (Building Height Map, p. 28).

Urban Design Key Element #4 “Create Unique Urban Riverfront”: “**Create unique, urban riverfront with centerpiece at Centennial Mills.** Develop a uniquely urban riverfront that features an iconic segment of the Greenway Trail with a “jewel” civic space at Centennial Mills, framed by high density development along the riverfront.” (p. 99)

Regional Center Economy & Innovation Policy 1 Employment: “**Employment.** Support the continued development of a vibrant, mixed-use area with new commercial, retail, office and creative office opportunities.” (p. 99)

Regional Center Economy & Innovation Policy 4: “Naito Parkway Commercial Development. Encourage new development near the riverfront, including targeted clusters of commercial uses in order to bring more people, events and activities to the riverfront.” (p. 100)

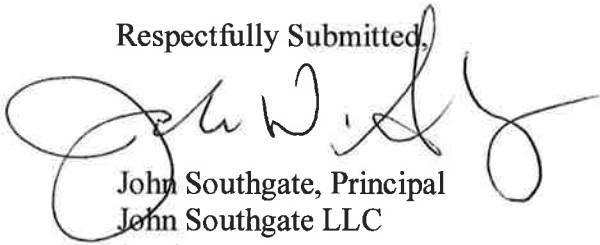
Regional Center Housing & Neighborhoods Policy 4 Housing and Neighborhoods Policy 4, “**Naito Parkway Residential Development**. Encourage new development, including housing, along Naito Parkway in order to bring more people and activities to the riverfront.” (p. 102)

I trust you will agree that these policies set forth in the West Quadrant Plan are all generally favorable of a rezoning of the properties in question to EXd, which is also consistent with the current Comprehensive Plan.

Nicholas I look forward to further discussion in the coming weeks and months. I will reach out to you in August, to see where you and your colleagues are as you develop specific zoning actions to implement the West Quadrant Plan.

Thanks again for your assistance, and please call me if you have any thoughts or questions.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'John Southgate', written in a cursive style.

John Southgate, Principal
John Southgate LLC
(503) 956-5853

cc: Tom Goldsmith
Chris Mongrain
Terry Peterson
Ken Unkeles