



Bureau of Planning and Sustainability

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## MEMO P

**DATE:** January 13, 2017

**TO:** Planning and Sustainability Commission

**FROM:** Troy Doss, Senior Planner

**CC:** Susan Anderson, Director; Joe Zehnder, Chief Planner; Sallie Edmunds, Central City Planning Manager

**SUBJECT:** **Attachment for Decision Table P, Attachment 1: Family Compatible Housing and Services**

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This memorandum contains BPS staff-recommended amendments pertaining to Decision Table P, Proposed family compatible housing and services. This memorandum provides background information and action items.

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In 1990, the City of Portland implemented a number of zoning regulations and incentives aimed at increasing the total number of units in the Central City. Development bonus incentives that provided more floor area and height were granted to projects developing residential units. Additionally, residential target areas were established, development agreements were created for specific districts required residential densities to increase over time, and no-net housing loss provisions were adopted.

All of these measures were intended to reverse a four-decade decline in residents in Portland's city center following the loss of tens of thousands of units. These efforts and further zoning amendments in the Pearl, South Waterfront, and West End reversed this tide with over 14,000 units being created and several new neighborhoods that did not exist prior to these initiatives.

In 2008, an effort known as the North Pearl District Plan (NPDP) sought to refine these approaches to increase the diversity of the housing stock. Although the risk to developing housing had been abated, and approximately 30% of all housing was affordable to those earning less than 60% of the regional median family income (MFI), the majority of all housing consisted of studios and 1-bedroom units. These statistics became a concern to city officials and neighborhood advocates as the number of families with children was significantly increasing in the Pearl and other Central City neighborhoods.

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**Annual Housing Projects and Total Units Developed in Central City**

<b>Year</b>	<b>Housing Projects</b>	<b>Total Units All Projects</b>
1990	1	110
1991	1	132
1992	3	102
1993	4	522
1994	2	121
1995	8	286
1996	5	464
1997	15	1,293
1998	8	668
1999	4	517
2000	8	684
2001	8	1,171
2002	8	1,463
2003	7	1,046
2004	6	866
2005	13	2,736
2006	5	1,148
2007	3	513
2008	2	328
<b>Total</b>	<b>111</b>	<b>14,170</b>

For instance, in 2008 Multnomah County records show that 52 children were born to families in the Pearl, while an additional 60 new families with children were created in the other neighborhoods of the Central City.

Thus, the NPDP proposed new development bonuses intended to encourage the development of modest 2- and 3-bedroom units in projects that also included other family-supportive amenities such as indoor and outdoor plays areas and gathering spaces for families. Incentives to create family supportive amenities and services such as play grounds, daycare, public schools, community centers, and libraries were also adopted. In the eight years since these provisions were adopted two projects specifically designed for families have been developed, and the market has shifted such that the majority of new development in the North Pearl now has more 2-bedroom units than before the adoption of the plan.

Specifically, prior to 2008 only about 15% of all housing in the Pearl District consisted of 2-bedroom or larger units; however, between 2009 and 2015, approximately 1,054 2-bedroom units were developed which was 32% of all housing developed. The market outside of the North Pearl also showed an increase in multi-bedroom units. Of the 9,211 housing units built Central City-wide during this same period, approximately 27%, or 2,080 units were 2- and 3-bedroom units.

**Annual Housing Projects and Total Units Developed in Central City 2009-2015**

District	Projects	Studios	1 Bedroom	2 Bedroom	3 Bedroom	Total Units
Pearl	19	467	1,647	1,054	110	3,278
Old Town / China Town	1	46	13	6	0	65
Goose Hollow	5	187	97	62	4	350
West End	3	52	173	33	0	258
Downtown	1	34	124	43	0	201
University / South Downtown	0	0	0	0	0	0
South Waterfront	5	113	821	214	0	1,248
Central Eastside	9	331	644	202	3	1,340
Lloyd	5	415	1,602	453	13	2,471
Lower Albina	0	0	0	0	0	0
<b>Totals</b>	<b>48</b>	<b>1,645</b>	<b>5,121</b>	<b>2,067</b>	<b>130</b>	<b>9,211</b>
<b>Percentages</b>	<b>-</b>	<b>18%</b>	<b>56%</b>	<b>22%</b>	<b>5%</b>	<b>-</b>

This trend correlated with an increase in the total number of children born to families in the Central City. Between 2010 and 2015, approximately 407 children (547 children between 2009-2015) were born to families living on west side of the Central City. If all of these children began attendance at Chapman Elementary, the sole public elementary school serving the west side of the Central City, these students would constitute approximately 68% of the school's total current attendance of 600 students.

**Annual Birth Rates in Central City Districts**

General Neighborhood	2009	2010	2011	2012	2013	2014	2015	Totals
Central Eastside/Inner SE	41	45	34	42	38	38	36	274
Lloyd District/Irvington	32	44	47	44	35	44	34	280
Pearl	68	63	70	70	70	74	83	498
Goose Hollow	22	30	21	32	26	28	18	177
Downtown	8	4	8	15	4	9	13	61
University District	13	21	16	13	13	26	19	121
South Waterfront	29	22	27	41	29	19	21	188
<b>TOTALS</b>	<b>213</b>	<b>229</b>	<b>223</b>	<b>257</b>	<b>215</b>	<b>238</b>	<b>224</b>	<b>1,599</b>

To ensure more family compatible housing is developed through the life of the CC2035 Plan, BPS proposes the new policies and action items presented in Table P, Attachment 1.

**Decision Table P. Policy (and associated actions) Amendments**

*Testimony included requests for changes to policies. Some of these requests have been incorporated into other decision tables where they covered a specific topic such as tree canopy. All other policy requests as well as staff identified amendments are presented below. Attachments at the end of this packet cover areas where more detailed information has been provided.*

**Contents of Decision Packet P: Policy Amendments**

- Decision Table P
- Attachment 1

**Items Marked for PSC Discussion:**

None

Ref #	Comment #	Commenter(s)	Area	Proposed draft	Request(s)	Staff recommendation	Staff rationale	Discuss?	PSC decision
P1	20397, 20399, 21019, 21098, 20980, 21017, 20968, 21064	Gates, Gnich, Dennis, Linden, McNamara	Central City	<p><b>Central Citywide Policy 2.8 Housing Diversity supports family housing as part of the mixture of housing types, but there is no policy that specifically states this objective.</b></p> <p>The policy reads: “Create attractive, dense, high-quality affordable housing throughout the Central City that accommodates a broad range of needs, preferences, and financial capability in terms of different types, tenures, sizes, costs and locations. Support new housing opportunities for students, families and older adults.” There are also subdistrict-specific versions of this policy.</p> <p><b>Reference:</b> Volume 1 (pg. 43)</p>	<p><b>CC2035 needs stronger support for family friendly housing and related services such as schools, community centers and parks.</b></p>	<p><b>New policies are proposed below. Attachment 1 shows the package of policies and actions staff propose to adequately address this important issue.</b></p> <p>Proposed new policies:  <b><u>Policy 2.7 Family-compatible housing.</u></b>  <u>Encourage the development of housing projects and units that are compatible with the needs of families with children.</u></p> <p><b><u>Policy 2.8 Family supportive services.</u></b>  <u>Provide and create access to public schools, parks, daycare facilities, playgrounds, community centers, libraries, and other essential services needed to sustain families in the Central City.</u></p>	<ul style="list-style-type: none"> <li>• Staff research over the last five years shows there is a trend of families locating in the Central City and increasingly a market response through the creation of more multi-bedroom housing units.</li> <li>• Specifically, between 2009 and 2015, approximately 550 children were born to families living on the west side of the Central City. This is equivalent to 68% of the current enrolment for Chapman Elementary, the sole public elementary school serving this area.</li> <li>• During this period, approximately 1,000 2-bedroom housing units were built in the Pearl District, 32% of all housing developed in this district. This is consistent with a shift in the market across the Central City where approximately 27% of the housing units in the last 6 years had 2 or more bedrooms.</li> <li>• Although the Central City has many daycare facilities and a small number of schools, demand consistently outstrips supply.</li> <li>• There is an increased and critical need that these affordable housing provisions are trying to meet. It remains uncertain if the cost of providing these while subsidizing the costs of affordable units can both be met. As such, staff are proposing a strong policy and action framework.</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/> Support staff rec. <input type="checkbox"/> Other
P2	20438, 20924	Woodsong, Vogel	Central City	<p><b>The Proposed Draft includes actions (Goose Hollow UD31, West End UD80, University District/South Downtown UD66) that seek to cap I-405 at SW Columbia and Jefferson, and at SW Morrison and Yamhill, but does not currently have a policy that explicitly supports the concept.</b></p> <p><b>References:</b> Volume 1 (pg. 53, 93), Volume 5 (pg. 173, 175, 178)</p>	<p><b>Create a new policy for the SW Columbia/Jefferson I-405 cap.</b></p>	<p><b>Create a new Central Citywide policy that supports the capping of freeways.</b></p> <p>Proposed new policy:  <b><u>Housing and Neighborhoods Policy 2.7 Reconnecting neighborhoods across infrastructure.</u></b>  <u>Develop and implement strategies to lessen the impact of freeways and other transportation systems on neighborhood continuity including capping, burying or developing other innovative approaches.</u></p>	<ul style="list-style-type: none"> <li>• This is an oversight and staff have proposed new policy language to address this issue.</li> <li>• The language has been written to cover the different project ideas already incorporated into Volume 5 as actions and to support innovative solutions developed at a later time that may address other infrastructure barriers.</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/> Support staff rec. <input type="checkbox"/> Other

Ref #	Comment #	Commenter(s)	Area	Proposed draft	Request(s)	Staff recommendation	Staff rationale	Discuss?	PSC decision
P3	20343, 20417	Bliss	West End	<p><b>“Policy 1.OT-4 Strategic redevelopment” applies only to Old Town/Chinatown subdistrict.</b> It reads: “Encourage the reuse, rehabilitation and seismic upgrade of underutilized buildings to increase useable space and economic activity in the district. Support location of retail uses in the ground floors of buildings, including retail businesses that complement and enhance the cultural and historical significance of the area.”</p> <p><b>Reference:</b> Volume 1 (pg. 36)</p>	<b>Apply this policy to the West End subdistrict.</b>	<b>Retain Proposed Draft version.</b>	<ul style="list-style-type: none"> <li>The policy was the result of specific and detailed discussions with the Old Town/Chinatown community and was tailored to that community’s shared interests. Staff do not support applying a similar policy elsewhere based on one individual’s request.</li> <li>Policy 5.18 encourages the use, preservation and rehabilitation of historic buildings Central Citywide including the West End.</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/> Support staff rec. <input type="checkbox"/> Other
P4	20438, 20924	Woodsong, Vogel	West End	<p><b>The Proposed Draft identifies Salmon Street as having a signature boulevard/flexible character in various parts of the Central City (Policies 5.DT-3, 5.GH-3, 5.CE-6).</b></p> <p><b>References:</b> Volume 1 (pg. 70, 71, 74)</p>	<b>Add a policy for the West End that supports the development of a SW Salmon Green Street.</b>	<p><b>Amend “Policy 5.WE-2 Street hierarchy and development character” to include mention of the intended boulevard/flexible character of Salmon in this subdistrict.</b></p> <p>Proposed amended policy:  <b>POLICY 5.WE-2 Street hierarchy and development character.</b> Support the retail/commercial character of SW 10th Avenue, Jefferson and Yamhill streets, <del>and</del> the boulevard character of Morrison, Columbia, Clay and Market streets and 12th Avenue, <u>and the boulevard/flexible character of SW Salmon Street.</u></p>	<ul style="list-style-type: none"> <li>Staff believe this is an oversight in the Proposed Draft. The Plan identifies the intended street hierarchy and development character of Salmon Street in the neighborhoods where it exists on both sides of the Willamette River.</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/> Support staff rec. <input type="checkbox"/> Other

Ref #	Comment #	Commenter(s)	Area	Proposed draft	Request(s)	Staff recommendation	Staff rationale	Discuss?	PSC decision
P5	20438, 20924	Woodsong, Vogel	West End	<p><b>The Proposed Draft includes “Policy 5.WE-2 Street hierarchy and development character. Support the retail/commercial character of SW 10th Avenue, Jefferson and Yamhill streets and the boulevard character of Morrison, Columbia, Clay and Market streets and 12th Avenue.”</b></p> <p>Reference: Volume 1 (pg. 71)</p>	<p><b>Make it clearer in the policy language that this is an aspiration.</b></p> <p>The revised policy would read:  <b>Policy 5.WE-2 Street hierarchy and development character.</b>                      Support the retail/commercial character of SW 10th Avenue, Jefferson and Yamhill streets <u>and develop the</u> boulevard character of Morrison, Columbia, Clay and Market streets and 12th Avenue.</p>	<b>Adopt the amendment as proposed.</b>	<ul style="list-style-type: none"> <li>Staff agree that the amendment makes it clearer that future improvements will be needed to develop a boulevard character on Morrison, Columbia, Clay, Market and 12th Ave.</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/> Support staff rec. <input type="checkbox"/> Other
P6	20984	Matson	Central City	<p><b>The Proposed Draft includes many policies that are supportive of alternative and community uses of the public right-of-way. The Comprehensive Plan includes citywide policies.</b></p>	<p><b>Policies supportive of community uses of the right-of-way in CC2035 should be adopted citywide (beyond the Central City Plan District).</b></p> <p>Specifically, the request is to apply the following policies citywide: 3.6 Street Diversity, 3.7 Streetscape, 3.CE-3 Green Streets, 4.1 Portland's Commons, 5.1 Experimentation and Innovation, 5.8 Public Realm, 5.9 Wayfinding, 5.12 "Green Loop" Concept, 6.9 Strategic Tree Canopy Enhancement, and 6.CE-1 Freight-Compatible Green Infrastructure.</p>	<b>Do not apply these policies citywide. Policies in the 2035 Comprehensive Plan support many of the same aims citywide.</b>	<ul style="list-style-type: none"> <li>The update to Comprehensive Plan policies had its own public development and review process and this outcome needs to be respected.</li> <li>Many of the policies in CC2035 have similar aims to those applied citywide through the updated Comprehensive Plan.</li> <li>Other policies are specific to parts of the Central City and not relevant to other parts of Portland (e.g., 5.12 Green Loop and 6.CE-1 Freight Compatible Green Infrastructure).</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/> Support staff rec. <input type="checkbox"/> Other

Ref #	Comment #	Commenter(s)	Area	Proposed draft	Request(s)	Staff recommendation	Staff rationale	Discuss?	PSC decision
P7	20979, 20985, 20991, 21068	Anderson, Olsen, Schwab	Downtown	<p><b>The Proposed Draft includes “Policy 2.1 Complete Neighborhoods” which supports creating public schools and other amenities as needed to accommodate population growth. In addition, there are subdistrict specific versions of this policy for all subdistricts except for Lower Albina.</b></p> <p>Policy 2.1 Complete neighborhoods. Ensure Central City neighborhoods have access to essential public services, including public schools, parks, open space and recreation opportunities, community centers, urban canopy and amenities such as neighborhood-serving retail and commercial services that support sustainable and diverse community structure.</p> <p><b>Reference:</b> Volume 1 (pg. 42)</p>	<p><b>Need policy supportive of building new schools and particularly a new high school on the west side.</b></p>	<p><b>Amend the language of the Central Citywide policy to incorporate common elements repeated in the subdistrict policies. Convert components to actions where necessary.</b></p> <p>Proposed amended policy:  <b>Policy 2.1 Complete neighborhoods.</b> Ensure Central City neighborhoods have access to essential public services, including <del>public schools,</del> parks, open space and recreation opportunities, <del>senior centers,</del> community centers <del>and spaces,</del> <u>family serving amenities such as public schools, urban canopy, and amenities such as grocery stores and other</u> neighborhood-serving retail and commercial services that support sustainable and diverse community structure.</p>	<ul style="list-style-type: none"> <li>• Staff conducted a thorough analysis of the subdistrict specific versions of Policy 2.1 to produce the proposed amended Central Citywide policy that staff believe satisfies this request.</li> <li>• Staff also concluded that the new Central Citywide policy language covers much of the needs addressed by the subdistrict policies and propose deleting all but Policy 2.OT-1 which has policy language that is unique to Old Town/Chinatown.</li> <li>• A number of the subdistrict policies were clearly actions and have been added to the proposed amendments in the Action Decision Table (see Table R).</li> <li>• None of the content from the subdistrict policies has been lost. It is either incorporated into the Central Citywide policy, retained as a subdistrict policy, or added as a new action.</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/> Support staff rec. <input type="checkbox"/> Other
P8		Staff	Lloyd District	<p><b>The Proposed Draft includes “Regional Center Policy 1.LD-4 Union Pacific alignment. Support relocation of the Union Pacific rail tracks to improve freight and passenger rail operations; create new public open space and riverbank enhancement opportunities; improve access to and along the Willamette River; and enhance the development potential of the ‘Thunderbird’ site.”</b></p> <p><b>Reference:</b> Volume 1 (pg. 37)</p>	<p><b>Amend this policy to remove elements that are duplicative of Willamette River Policies 4.LD-1 Lloyd urban riverfront, 4.LD-2 Public trails, and 4.LD-3 Watershed health and native species recovery.</b></p>	<p>Amend policy:  <b>Regional Center Policy 1.LD-4 Union Pacific alignment.</b> Support relocation of the Union Pacific rail tracks to improve freight and passenger rail operations; <del>create new public open space and riverbank enhancement opportunities; improve access to and along the Willamette River; and enhance the development potential of the ‘Thunderbird’ site.”</del></p>	<ul style="list-style-type: none"> <li>• In addition to reducing policy redundancy, this amendment retains policy support for Lloyd District action TR72: Work with property owners to confirm the benefits and feasibility of straightening the “s curve” in the Union Pacific rail tracks for freight and passenger rail operations. Options pursued should prioritize maintaining the development potential of the “Thunderbird” site.</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/> Support staff rec. <input type="checkbox"/> Other

## Attachment 1: Proposed family compatible housing and services policies and actions

### New Policies

**Policy 2.7 Family-compatible housing.** Encourage the development of housing projects and units that are compatible with the needs of families with children.

**Policy 2.8 Family supportive services.** Provide and create access to public schools, parks, daycare facilities, playgrounds, community centers, libraries, and other essential services needed to sustain families in the Central City.

### New Actions – Listed for reference here. See Action Decision Table.

The North Pearl District Plan (NPDP) and CC2035 Quadrant Plans included a number of objectives addressing the development of housing and essential services that serve the growing number of families with children. To ensure this direction is included in the Adopted Central City 2035 Plan, staff proposes 5 new actions addressing the need for public school facilities, public recreation facilities, and housing that would meet the needs of residents of all ages and income levels, including families with children.

#### Public Schools

**New Action 1:** Support PPS in the redevelopment of Lincoln High School and including the development of new K-8<sup>th</sup> grade facilities to serve the significant growth of families with children living in the Central City.

Timeline: Next 5 years

Implementers: **BPS**, PPS, PDC

#### Public Parks and Recreation

**New Action 2:** Develop a community center that offers access to a range of services for residents of all ages and abilities in the Central City.

Timeline Next 5 years

Implementers: **PPR**

**New Action 3:** When public parks are created and upgraded in the Central City, explore opportunities to include recreation facilities and play grounds to promote active living and human health.

Timeline Ongoing

Implementers: **PPR**

#### Housing Diversity

**New Action 4:** Encourage the development of affordable family housing projects with two-bedroom units or larger that are compatible with the needs of families with children at all income levels.

Timeline: Ongoing

Implementers: **BPS**, **PHB**, PDC, Private

**New Action 5:** Establish and maintain a publicly accessible system as a way to track and report on housing diversity and development in the Central City. The system must capture the number and type of all housing units created, the percent that are affordable and at what percent of MFI. Use this data to produce annual report to the Planning and Sustainability Commission and Portland City Council.

Timeline: Next 5 years

Implementers: **BDS**, **PHB**, **BPS**