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This document was substituted with a revised version.

Agenda No.
ORDINANCE NO.
Title

See final document:
188177

Amend the Official City Zoning Map, Planning and Zoning Code, Transportation System Plan, to carry out Portland's 2035 Comprehensive Plan; establish a new Community Involvement Program and Committee; amend related codes, the 2035 Comprehensive Plan and Plan Map to coordinate policies and programs (Ordinance; amend Code Titles 3, 17, 33 and Ordinance Nos. 165851, 177028, 187832)

<p>INTRODUCED BY Commissioner/Auditor: Mayor Hales</p> <p>COMMISSIONER APPROVAL</p> <p>Mayor—Finance and Administration - Hales</p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Novick</p> <p>BUREAU APPROVAL</p> <p>Bureau: Planning and Sustainability Bureau Head: Susan Anderson <i>Susan Anderson</i></p> <p>Prepared by: Al Burns Date Prepared: September 6, 2016</p> <p>Impact Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p> <p>Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <p><input checked="" type="checkbox"/> City Auditor Office Approval: required for Code Ordinances</p> <p><input checked="" type="checkbox"/> City Attorney Approval: <i>Ks Beaumont</i> required for contract, code, easement, franchise, comp plan, charter</p> <p>Council Meeting Date October 6, 2016</p>	<p>CLERK USE: DATE FILED <u>SEP 27 2016</u></p> <p>Mary Hull Caballero Auditor of the City of Portland</p> <p>By: <i>[Signature]</i> Deputy</p> <p>ACTION TAKEN:</p> <p>OCT 06 2016 CONTINUED TO OCT 13 2016 2 P.M.</p> <p>OCT 13 2016 CONTINUED TO NOV 17 2016 2 P.M.</p> <p>NOV 17 2016 CONTINUED TO NOV 22 2016 <i>TIME CERTAIN</i></p> <p>NOV 23 2016 CONTINUED TO DEC 14 2016 As Amended 2 P.M. <i>SPECIAL MEETING 9:00 A.M. TIME CERTAIN</i></p> <p><i>Testimony closed Nov 18, 5pm.</i></p>
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AGENDA
<p>TIME CERTAIN <input checked="" type="checkbox"/></p> <p>Start time: 3:00 PM</p> <p>Total amount of time needed: 3 Hours (for presentation, testimony and discussion)</p>
<p>CONSENT <input type="checkbox"/></p>
<p>REGULAR <input type="checkbox"/></p> <p>Total amount of time needed: (for presentation, testimony and discussion)</p>

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:	
	YEAS	NAYS
1. Fritz	1. Fritz	
2. Fish	2. Fish	
3. Saltzman	3. Saltzman	
4. Novick	4. Novick	
Hales	Hales	

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188177

ORDINANCE No.

Amend the Official City Zoning Map, Planning and Zoning Code and Transportation System Plan to carry out Portland's 2035 Comprehensive Plan; establish a new Community Involvement Program and Committee; amend related codes, the 2035 Comprehensive Plan and Plan Map to coordinate policies and programs (Ordinance introduced by Mayor Hales; amend Code Titles 3, 17, 33 and Ordinance Nos. 165851, 177028, 187832)

The City of Portland ordains:

Section 1. The Council finds:

1. Portland's *2035 Comprehensive Plan* describes how the City will accommodate future growth and development. For the plan to fulfill this purpose, it must be carried out by sufficient and effective implementing measures.
2. Ordinance No. 150580 adopted Portland's first Comprehensive Plan on October 16, 1980. All three parts of the 1980 *Comprehensive Plan*, the Plan Map, the Plan Policies, and the List of Significant Projects, have been completely replaced by the 2035 Comprehensive Plan, which was adopted by Ordinance 187832 on June 15, 2016. The Official City Zoning Map and several parts of Title 33, Planning and Zoning, of the City Code, originally written to carry out the 1980, plan must be amended to carry out the 2035 plan.
3. The Transportation Element of the *Comprehensive Plan* was first adopted by Ordinance No. 165851 on September 23, 1992, expanded with adoption of a *Transportation System Plan* by Ordinance No. 177028 on October 30, 2002, and updated by Ordinance 187832 on June 15, 2016. The *Transportation System Plan* must be further amended to fully comport with the *2035 Comprehensive Plan*.
4. Extensive community involvement was essential for the development and adoption of the *2035 Comprehensive Plan*, and for the implementing measures adopted by this ordinance. The community involvement program must be adjusted and adopted as binding City policy to extend this essential function to plan implementation. Similarly, the involvement committee must be reconstituted to support broad participation during ongoing plan implementation.
5. Although not comprehensive plan implementing measures, certain provisions of Title 3, Administration, and Title 17, Public Works, would benefit from amendment to better coordinate these non-land use programs with future city and planning and zoning decisions.
6. There are a few instances where amendments to the *2035 Comprehensive Plan* are warranted, to correct minor errors and omissions, and better align policy and recommended implementing measures.

Fulfillment of Periodic Review Requirements

7. Portland's *Comprehensive Plan* is and implementing measures are being updated within the structure of a state-mandated process called "periodic review."
8. The City undertook a self-evaluation and determined updates were warranted for all three parts of the 1980 *Comprehensive Plan*: the policies, the map and the list of projects. The City Council adopted Resolution No. 36626 on August 6, 2008, which forwarded a proposed periodic review work program to the Oregon Department of Land Conservation and Development (DLCD). The Land Conservation and Development Commission (LCDC) approved the City's proposal with minor modifications on September 30, 2009.
9. Portland's work program is organized into the following five tasks.
 - Task I, Community Involvement Plan
 - Task II, Inventory and Analysis
 - Task III, Consideration of Alternatives
 - Task IV, Policy Choices
 - Task V, Implementation
10. Under Periodic Review Task I – Community Involvement Plan a Community Involvement Committee (CIC) was established with a continuing obligation to help "ensure, meaningful, timely, and sufficient community participation in all phases of plan update." This committee is also charged with submitting a report to the City Council as each periodic review task is proposed for adoption (Task 1, Subtask C). With this ordinance the City Council accepts the required report from the CIC for Periodic Review Task V. The Periodic Review Work Program (Task 1, Subtask D) also requires beneficial policy and code amendments to carry involvement programs forward. On June 15, 2016, by Ordinance No. 187832, the City Council adopted beneficial policy changes as part of the *2035 Comprehensive Plan*. This ordinance adopts the corresponding code changes.
11. Task II – Inventory and Analysis required adoption of supporting documents that provide a sufficient factual basis for updating the 1980 *Comprehensive Plan*. The LCDC approved all of the City's Task II submittal, except for five withdrawn *Economic Opportunities Analysis* documents, by Order No. 001850 (May 23, 2014). On June 15, 2016, by Ordinance No. 187831, the City Council adopted minor updates to the inventory of vacant and underutilized residential and employment land that was approved by Order No 001850, including updated estimates of remaining growth capacity. These inventory maps of vacant and re-developable residential and employment land serve as official *2035 Comprehensive Plan* supporting documents.
12. Task II also required an analysis of employment-related needs and opportunities. The City prepared, submitted, but subsequently withdrew this analysis from LCDC's review of Task II. In its order approving all other components of the Task II submission, the Oregon Land Conservation and Development Commission amended Task III of the

City's periodic work program to require resubmittal of this analysis (Task III, Subtask D). On June 15, 2016, by Ordinance No. 187831, the City Council adopted five official *2035 Comprehensive Plan* supporting documents, which in total comprise a revised *Economic Opportunities Analysis*, to fulfill periodic review Task III, Subtask D.

13. Task III – Consideration of Alternatives required a consequence analysis of alternative placements of housing and job growth (Task III, Subtasks A, B and C). On June 15, 2016, by Ordinance No. 187831, the City Council adopted a *Growth Scenario Report* as an official *2035 Comprehensive Plan* supporting document to fulfill this periodic review obligation.
14. Task IV – Policy Choices required a new public facilities plan to meet service requirements of both existing development and twenty-years of new development allowed by the *2035 Comprehensive Plan* map (Task IV, Subtask D). On June 15, 2016, by Ordinance No. 187831, the City Council adopted a *Citywide Systems Plan* that contains complete public facilities plan elements for water, sewer, and stormwater services as an official *2035 Comprehensive Plan* supporting document.
15. The acknowledged documents, reports and maps approved by LCDC Order No. 001850, along with the additional documents reports and maps adopted by City Council on June 15, 2016, by Ordinance No. 187831, constitute an adequate factual base for all three components of Portland's new comprehensive plan, the *2035 Comprehensive Plan*, the *Comprehensive Plan Map* and the *List of Significant Projects*.
16. Task IV required the City to employ its assembled factual base to make policy choices adopting at least the following work products:
 - *New Comprehensive Plan Map*
 - *New economic element of the Comprehensive Plan*
 - *New housing element of the Comprehensive Plan*
 - *New public facilities element of the Comprehensive Plan*
 - *New List of Significant Projects*
 - *New transportation element of the Comprehensive Plan*
17. To fulfill Task IV periodic review obligations on June 15, 2016, the City Council, by Ordinance No. 187832, adopted the following:
 - a. The *2035 Comprehensive Plan* document containing a vision statement, guiding principles, and goals and policies. In particular, this plan included
 - Housing goals and policies in Chapter 5, (Task IV, Subtask C), and
 - Economic development goals and policies in Chapter 6 (Task IV, Subtask B);
 - b. A *Comprehensive Plan Map* (Task IV, Subtask A);
 - c. Public facilities goals and policies in Chapter 8 (part of Task IV, Subtask D); and
 - d. A *List of Significant Projects* (part of Task IV, Subtask D and E).
18. Adoption of Ordinance No. 187832 also fulfilled periodic review Task IV, Subtask E by amending the *Transportation System Plan* by adopting:
 - a. New transportation goals and policies for the *Comprehensive Plan* in Chapters 3, 8 and 9;

- b. A new list of significant transportation projects; and
- c. A corresponding financial plan.

What Task V of Periodic Review Requires

19. Task V requires the adoption of “sufficiently robust implementing measures” for the *2035 Comprehensive Plan*. The work program includes a list of advisory measures that Task V “might include,” but determination of the exact measures is left to recommendation of the Planning and Sustainability Commission and the final decision of the Portland City Council.

Task V Periodic Review Task Requirements Adopted by this Ordinance

20. By this ordinance the Portland City Council adopts the following implementing measures for the *2035 Comprehensive Plan*, to fulfill periodic review Task V obligations:
- a. An amended *Official City Zoning Map*, Exhibit D; and
 - b. An amended City Zoning Code, Exhibit E

Task I Periodic Review Task Requirements Accepted and Adopted by this Ordinance

21. By this ordinance the Portland City Council:
- a. Accepts the Task V CIC evaluation (Task 1, Subtask C), Exhibit I; and
 - b. Adopts Exhibit H (excluding Title 3 amendments) as binding City policy, and as an updated Community Involvement Program, (Task 1, Subtask D).

Task IV Periodic Review Task Requirements Amended by this Ordinance

22. By this ordinance the Portland City Council amends Ordinance No. 187832 to:
- a. Make minor changes and corrections to certain policies of the *2035 Comprehensive Plan*, Exhibit C;
 - b. Add public recreational trails to the *Comprehensive Plan Map*, Exhibit H, Exhibit B; and
 - c. Further update the *Transportation System Plan*, Exhibit F (excluding Title 17 amendments).

Other Provisions Adopted by this Ordinance

23. This ordinance also amends Title 3 and Title 17 of the Portland City Code. The Title 3, Administration, amendments reestablish a CIC as a permanent City advisory committee amongst a list of other City committees. The Title 17, Public Works, amendments clarify the authorities of the Portland Bureau of Transportation. These amendments are not required by periodic review nor are they “land use decisions” or “limited land use

decisions” within the meaning ORS 197, or “permits” within the meaning of ORS 227. The Title 3 and 17 amendments demonstrate that the city is coordinating its land use program with non-land use programs, but will not be submitted to DLCDC for approval as completed periodic review work.

Further Findings of Fact

24. The implementing measures adopted by this ordinance must comply with all applicable provisions of Oregon land use law, the *2035 Comprehensive Plan*, the regional *Urban Growth Management Functional Plan*, the *Regional Transportation Plan*, and Title 33 of the *Municipal Code of the City of Portland Oregon*. These requirements have been met as explained in the reports contained in Exhibits I through N and in the findings contained in Exhibit A; these exhibits are attached and made a part of this ordinance by this reference.

Conclusion

25. For the reasons stated in the findings above, the facts and reasons contained within the Exhibit Reports I through N, and the further findings in Exhibit A, this ordinance fulfills requirements of Task I (Subtasks C and D), and Task V of the City’s state-mandated periodic review order.

NOW, THEREFORE, the Council directs:

- a. The Further Findings of Fact in Exhibit A are adopted.
- b. The facts and reasons contained within Exhibits J through N are adopted.
- c. The report and evaluation of the CIC in Exhibit I is accepted to fulfill Task 1 (Subtask C) of DLCDC’s periodic review work order.
- d. Exhibit C of Ordinance No. 187832 is amended to depict “Major Public Trails” on the Comprehensive Plan Map as shown in Exhibit B, “Comprehensive Plan Map, Comprehensive Plan Update, July 15, 2016,” of this ordinance. The “City Boundary,” “Urban Service Boundary,” “Greenway Boundary,” “Centers,” the land use designations, and all other map features are for reference only and are not affected by the amendment.
- e. Exhibit B of Ordinance No. 187832 is amended to re-depict “Major Public Trails” on Figure 8-2 on page GP8-29 of the *2035 Comprehensive Plan* as shown in Exhibit B, “Comprehensive Plan Map, Comprehensive Plan Update, July 15, 2016,” of this ordinance. The “City Boundary,” “Urban Service Boundary,” “Greenway Boundary,” “Centers,” the land use designations, and all other map features are for reference only and are not affected by the amendment.
- f. Exhibit B of Ordinance No. 187832 is further amended to make minor changes and corrections to certain policies of the 2035 comprehensive Plan as described within Exhibit C of this ordinance.

- g. Ordinance No. 187832 is amended to supplement Chapters 2, 8 and 9 of the *2035 Comprehensive Plan* with additional *Transportation System Plan* objectives contained within Exhibit G.
- h. Ordinance Nos. 165851, 177028 and 187832 are amended to revise Chapters 1, 2,4, 6, 8, 11, 12 and 15 of the *Transportation System Plan* as described within Exhibit F to fulfill Task IV, Subtask E, of the DLCD's Periodic Review Work Order 001850.
- i. The *Official City Zoning Map* is amended as depicted within Exhibits D-1 through D-8 to fulfill Task V of DLCD's Periodic Review Work Order 001850. In particular:

Exhibit D-1, "Recommended Zoning Map Changes (August 23, 2016), Citywide" adds "Major Public Trails" to the zoning map and amends the base zones. The "City Boundary," and "Urban Service Boundary" and all other features depicted on the map are for reference only, and are not affected by the amendment.

Exhibit D-2, "Overlay Zone Changes (August 23, 2016), Prime Industrial (l) overlay," adds an "l" overlay. The "City Boundary," and "Urban Service Boundary" and all other features depicted on the map are for reference only, and are not affected by the amendment.

Exhibit D-3, "Overlay Zone Changes (August 23, 2016), Centers Main Street (m) overlay zone," adds a revised and updated "m" overlay. In instances where a "m" overlay is removed by Exhibit D-7 and added in the same place by Exhibit D-3, the addition by Exhibit D-3 controls. The "City Boundary," and "Urban Service Boundary" and all other features depicted on the map are for reference only, and are not affected by the amendment.

Exhibit D-4, "Overlay Zone Changes (August 23, 2016), Buffer (b) overlay zone," removes the "b" overlay. The "City Boundary," and "Urban Service Boundary" and all other features depicted on the map are for reference only, and are not affected by the amendment.

Exhibit D-5, "Overlay Zone Changes (August 23, 2016), Design (d) overlay zone," adds the "d" overlay to some parts of the city and removes it from others. The "Existing Design (d) overlay," "City Boundary," and "Urban Service Boundary" and all other features depicted on the map are for reference only, and are not affected by the amendment.

Exhibit D-6, "Overlay Zone Changes (August 23, 2016), Alternative Design Density (a) overlay zone," adds the "a" overlay to some parts of the City and removes it from others. The "Existing Alternative Design Density "a" overlay," "City Boundary," and "Urban Service Boundary" and all other features depicted on the map are for reference only, and are not affected by the amendment.

Exhibit D-7, "Overlay Zone Changes (August 23, 2016), Main Street Corridor (m) and Main Street Node (j) overlay zones," removes the "j" overlay and "m" overlays. The "City Boundary," and "Urban Service Boundary" and all other features depicted on the map are for reference only, and are not affected by the amendment.

Exhibit D-8, "Plan District Changes (August 23, 2016), Plan Districts and Subdistricts" adds

new plan districts and amends existing plan district and subdistrict boundaries. The “Existing Subdistrict B/Guild’s lake PD,” “City Boundary,” and “Urban Service Boundary” and all other features depicted on the map are for reference only, and are not affected by the amendment.

- j. Title 33 of the City Code is amended as described within Exhibit E to fulfill Task V of DLCD’s Periodic Review Work Order 001850.
- k. The Community Involvement Program contained within Exhibit H is adopted as binding City policy, to fulfill Task 1, Subtask D, of DLCD’s Periodic Review Work Order 001850.
- l. Title 3 of the City Code is amended as described within Exhibit H.
- m. Title 17 of the City Code is amended as described within Exhibit F.
- n. The Bureau of Planning and Sustainability shall submit Exhibits B, C, D, E, F (excluding the Title 17 amendments), G, H (excluding the Title 3 amendments) and I to the Oregon Department of Land Conservation and Development for approval.

Section 2. The directives in this ordinance shall become effective as follows: directives a, b, c, j, k, l, m and n become effective 30 days after Council adoption of this ordinance and directives d, e, f, g, h, i and j become effective on January 1, 2018.

Section 3. Severability

If any section, subsection, sentence, clause, phrase, diagram or drawing contained in this ordinance, or the map, report, inventory, analysis, or document it adopts or amends, is held to be deficient, invalid or unconstitutional, that shall not affect the validity of the remaining portions. The Council declares that it would have adopted the map, report, inventory, analysis, or document each section, subsection, sentence, clause, phrase, diagram and drawing thereof, regardless of the fact that any one or more sections, subsections, sentences, clauses, phrases, diagrams or drawings contained in this Ordinance, may be found to be deficient, invalid or unconstitutional.

Passed by the Council:

Mayor Charlie Hales
Prepared by: Al Burns
Date Prepared: September 6, 2016

Mary Hull Caballero
Auditor of the City of Portland
By

Deputy

LIST OF ORDINANCE EXHIBITS

EXHIBIT A – Document “Further Findings of Fact”

EXHIBIT B – Map “Comprehensive Plan Map, Comprehensive Plan Update, July 15, 2016”

EXHIBIT C – Document “Comprehensive Plan Amendments”

EXHIBIT D-1 – Map “Recommended Zoning Map Changes (August 23, 2016), Citywide”

EXHIBIT D-2 – Map “Overlay Zone Changes (August 23, 2016), Prime Industrial (l) overlay”

EXHIBIT D-3 – Map “Overlay Zone Changes (August 23, 2016), Centers Main Street (m) overlay zone”

EXHIBIT D-4 – Map “Overlay Zone Changes (August 23, 2016), Buffer (b) overlay zone”

EXHIBIT D-5 – Map “Overlay Zone Changes (August 23, 2016), Design (d) overlay zone”

EXHIBIT D-6 – Map “Overlay Zone Changes (August 23, 2016), Alternative Design Density (a) overlay zone”

EXHIBIT D-7– Map “Overlay Zone Changes (August 23, 2016), Main Street Corridor (m) and Main Street Node (j) overlay zones”

EXHIBIT D-8– Map “Plan District Changes (August 23, 2016), Plan Districts and Subdistricts”

EXHIBIT E – Document “2035 Comprehensive Plan Early Implementation, Zoning Code Amendments, Recommended Draft – August 2016”

EXHIBIT F – Document “Amendments to the Transportation System Plan, Initial Steps to Implement the 2035 Comprehensive Plan, Recommended Draft – August 2016”

EXHIBIT G – Document “Appendix A, Reference Section: Transportation Policies, Compiled Goals, Policies and Objectives”

EXHIBIT H – Document “Community Involvement Program, Early Implementation of the 2035 Comprehensive Plan, Recommended Draft – August 2016”

EXHIBIT I – Document “Evaluation of Community Engagement in Task 5 (Early Implementation Projects) of the Comprehensive Plan Update Process, May 12, 2106”

EXHIBIT J – Document “Mixed Use Zones Project, Early Implementation of the 2035 Comprehensive Plan, Recommended Draft – August 2016”

EXHIBIT K – Document “Residential and Open Space Zoning Map, Early Implementation of the 2035 Comprehensive Plan, Recommended Draft – August 2016”

EXHIBIT L – Document “Employment Zoning Project, Early Implementation of the 2035 Comprehensive Plan, Recommended Draft – August 2016”

EXHIBIT M – Document “Campus Institutional Zoning Project, Early Implementation of the 2035 Comprehensive Plan, Recommended Draft – August 2016”

EXHIBIT N – Document “Miscellaneous Zoning Amendments, Early Implementation of the 2035 Comprehensive Plan, Recommended Draft – August 2016”

IMPACT STATEMENT

Legislation title: Amend the *Official City Zoning Map* and the *Planning and Zoning Code* to carry out Portland's *2035 Comprehensive Plan*, establish new a Community Involvement Program and Committee, amend Titles 3, 17, and 33 of the City Code, amend the *2035 Comprehensive Plan* and the Plan Map, amend Ordinance Nos. 165851, 177028 and 187832 (Ordinance).

Contact name: Eric Engstrom, Principal Planner, Bureau of Planning and Sustainability
Contact phone: 503-823-3329
Presenter name: Eric Engstrom

Purpose of proposed legislation and background information:

This ordinance competes the fifth task of a five-task state planning mandate called "periodic review." The fourth task was completed on June 15, 2016 when Council adopted a new comprehensive plan and plan map. Task Five requires the City to adopt measures needed to carry out the new plan. The bulk of these measures are zoning code and zone map amendments, but other important measures include an updated community involvement program and updates to parts of the City's *Transportation System Plan*. The ordinance also makes minor updates and corrections to the plan and plan map.

Financial and budgetary impacts:

This ordinance does not amend the budget, or make any changes to appropriations.

This ordinance generally implements policies and land use changes already adopted by the Council with the 2035 Comprehensive Plan. The impact statement filed with that earlier June 2016 action (Ord. 187832) provides a broader discussion of those impacts. Broadly speaking, the underlying premise of comprehensive planning and growth management is to identify future needs related to job and household growth (needed sewer and water systems, transportation, etc.), and provide a mechanism to plan ahead for those needs. The enforcement of an orderly planned pattern of growth through zoning maps and codes can reduce public costs by enabling coordinated investment before growth occurs, rather than reactive spending to fix problems after the fact.

Fiscal impacts more specifically attributable to this implementation ordinance could include:

- The cost of administering the new zoning code provisions compared to the costs of administering the provisions they replace;
- The impact that the different zoning codes and maps may have on private and public sector development activity, which may impact city costs and City tax revenues; and
- The impact of implementing a significantly updated Community Involvement Program related to the City's land use decisions.

These potential fiscal impacts are described below.

Cost of Development Review

Zoning Code implementation costs are largely supported by development review fee revenue rather than general funds. The new code contains fewer base zone categories than the code it replaces, but some of the replacement zones are carried out by more detailed regulations than the zones they replace. Increased detail does not necessarily correlate to increased costs of administration, because a greater number of clear and objective standards can be applied with less cost than a fewer number of discretionary standards. This is so because application discretionary standards involve more procedural costs in the form of notices and public hearings.

One notable change that could have an impact on city costs is the expansion of the Design Overlay zone, the administration of which historically has been subsidized by the general fund to varying degrees. Expanding the Design Overlay may create a need for additional Design Review staff in BDS. The Council will need to consider these costs in setting development fees in 2017/18. The City is currently examining how the Design Overlay is administered through the separate “DOZA” project, which will bring recommendations to Council before the effective date of this ordinance.

Another notable change is the recommended commercial/mixed use zoning code. The new commercial/mixed use zoning regulations include a provision for bonus density if certain affordable housing or affordable commercial space program goals are met. These new bonuses are dependent on new programs in the Housing Bureau and PDC to administer them. These administrative costs are similar in nature to the costs associated with the current affordable housing tax incentive programs – which include the need to determine project eligibility, certify project compliance, and longer term enforcement. BPS has worked with Housing and PDC to identify the general administrative issues surrounding these potential new programs, and has outlined work that would need to be complete before implementation. Some of these costs may be funded by fees charged to program users, but some general fund cost is likely. If the Council adopts pending Inclusionary Housing legislation, administration of the affordable housing bonus would be combined with that program.

Because this ordinance includes changes to zoning maps, including some down-zoning, there is a possibility that impacted property owners could file a “Measure 49 Claim” under ORS 197, requesting financial compensation for lost property value. The City has an established process for handling such claims (City Code Section 5.75), and the process includes an option to waive the regulation rather than paying compensation. Processing such claims may involve some staff time in BPS, BDS, and the City Attorney’s Office.

The ordinance has a delayed effective date of January 1, 2018, which allows more time for staff needs and training, and time to set up administrative details and budget form the programmatic elements noted above.

Impact on Development Activity

The new commercial/mixed use zoning designations adopted with the ordinance may have an impact on the distribution and type of commercial and mixed use development in the City. These changes could impact future property tax revenue, over the long run, either positively or negatively. The recommended zoning changes increase entitlements in some areas, and decrease them in others.

Recommended provisions to protect the supply of employment land place new limits on location of new parks in the industrial sanctuary. These changes will impact Portland Parks, potentially increasing the cost of parks acquisition in some areas.

The recommended Transportation System Plan changes are designed to decrease reliance on single-occupant vehicles, and reduce vehicle miles traveled in the City. Other the long term this shift may reduce gas tax revenues.

Community Involvement Program

This ordinance updates Portland's state-mandated community involvement program for land use decisions. The intent of the change is to broaden community engagement to better involve communities of color, renters, immigrants, low income people, and other traditionally under-represented communities. BPS implementation of some of these practices in recent years has increased our costs related to translation, child care at community events, and printing of more targeted culturally specific informational materials.

One element of this recommendation is the chartering of a new Community Involvement Committee (CIC), to provide more oversight over community involvement practices for land use decisions. Administering this new advisory body will have costs. BPS estimates the need for one additional Community Involvement and Outreach Coordinator position, to be charged with administering the new CIC, and maintaining outreach best practices for the bureau.

Community impacts and community involvement:

As Comprehensive Plan implementing measures, the regulations and programs adopted by this ordinance carry out Portland Plan goals related to prosperity, equity, health and education within the context of built and natural environments. In particular, the ordinance fulfills Portland Plan actions # 6, 41, 68, 69, 70, 74, 92, 96, and 137.

The measures adopted with this ordinance will protect and advance community livability by directing and shaping urban growth to designated places within the City, consistent with the strategic direction and policies in the Portland Plan and Comprehensive Plan.

The development of these measures benefited from eight years of public outreach and community involvement, initially as part of the Portland Plan and later the Comprehensive Plan Update. These efforts are described in detail in a state-mandated report from the project's designated Community Involvement Committee, which is attached as Exhibit I of the ordinance. In addition, the reports for each component of the plan implementing measures (Exhibits H, J, K, L, M and N) contain a section describing the public involvement for that component. All components also benefited from online engagement through the City's "MapApp," and by access to a designated call center, and from project advisory committees.

For the Council hearing the City mailed 1,459 legislative notices to persons that participated before an advisory committee or the Planning and Sustainability Commission; communicated by mail, email, MapApp, or telephone; or asked to be kept informed of project progress. An additional 36,811 notices of the Council hearing were sent to owners of property that were proposed for re-zoning or that might be affected by a new or amended land use regulation.

Budgetary Impact Worksheet

Does this action change appropriations?

- YES:** Please complete the information below.
- NO:** Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount