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VIA HAND DELIVERY

November 17, 2016

Honorable Mayor Charlie Hales  
Commissioner Amanda Fritz  
Commissioner Steve Novick  
Commissioner Nick Fish  
Commissioner Dan Saltzman  
Jamie Dunphy, Policy Advisor  
Claire Adamsick, Senior Policy Advisor  
Zach Klonoski, Policy Advisor,  
Katie Shriver, Policy Director  
Matt Grumm, Senior Policy Manager

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Re: **Comprehensive Plan Implementation Item 22**  
**Lower Sylvan Rezoning Request; 1512 and 1434 SW 58<sup>th</sup> Ave**

Dear Portland City Council:

This letter supplements my letters of October 4, 2016 and October 13, 2016, and the testimony presented on October 6, 2016 by Michael Foster and Joseph Schaefer regarding these two abutting properties which total one acre on SW 58th Ave in Lower Sylvan, near the commercial node along Skyline Blvd. We seek a middle housing rezone from R20 to R2 to match the R2 comprehensive plan designation and the R2 zoning of our adjacent neighbors to the south who have townhouses in various stages of development.

**The staff recommendation achieves nothing but delay in constructing a needed sidewalk.**

Approval of Item 22 will implement a comprehensive plan designation that has been in place for over 25 years to enable development which will fill in a missing sidewalk linkage on SW 58<sup>th</sup>. Delay in implementation will only postpone completion of the sidewalk network the community wants and needs. While staff presents its position as a smart move to obtain leverage to obtain street improvements, its true effect is to stymie and delay a street frontage improvement that no one objects to.

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**Staff's theory that requiring a quasi-judicial zone change is essential to obtaining street improvements is wrong.**

This claim ignores what we all know: the principal way we construct street improvements in Portland is by conditioning development approvals that do not include zone changes. The sidewalk and street improvements that we see around us every day vividly contradict the baseless claim that street upgrades cannot be obtained unless connected to a zone change application. When conditioned to provide street improvements, new building projects consistently provide the needed upgrades as a routine part of complying with conditions. No zone change is required.

With respect to SW 58<sup>th</sup>, the staff recommendation omits two crucial facts. First, the existing sidewalk gaps are being filled in by two new projects. Immediately south of the subject property, at 1530 SW 58<sup>th</sup>, which is already zoned R2, new townhouses are going in, along with a full half street improvement including a wide sidewalk. And down at the corner of SW 58<sup>th</sup> and SW Montgomery (1742 SW 58<sup>th</sup>), another approved project will close the other sidewalk gap.

Second, the City has conditioned both of these quasi-judicial applications to construct the missing sidewalks and neither application included a zone change. Despite staff's apparent lack of comfort, the fact is that the City routinely conditions quasi-judicial applications to install sidewalks on our street. The City is simultaneously approving dozens of other upzones in this comprehensive plan update without hesitation on this issue, and we ask the council to consider why staff proposes to treat this neighborhood differently from others around the city.

The code authority to require the sidewalks in a quasi-judicial application is in Title 17.88.020.A (for a building permit without a land division), and Titles 17.82.070 and 33.641 (for a land division). Obtaining street improvements for SW 58<sup>th</sup> Ave has clearly not been a problem with any of the other redeveloping properties on the street, as shown in the attached photo of the Sylvan Crest Townhomes' frontage, and in city documents for the pending projects at 1530 SW 58<sup>th</sup> Ave, immediately south of our properties, and at 1742 SW 58<sup>th</sup> Ave, at the northeast corner of SW 58<sup>th</sup> Ave and SW Montgomery.

**The claim that the site lacks "good transit access or walkable access to a wide range of commercial services" is unsupported.**

The site is a four minute walk to a transit stop with frequent service to both downtown and Washington County. It is a four and one half minute drive to drop a rider off to the Zoo Max stop. It is also a four minute walk to the Skyline/Montgomery intersection which is serviced by stores, restaurants, coffee shops, cleaners, a fire station, gas station and a range of neighborhood support services. This location in lower Sylvan is supported by long range planning that has led to private investment in convenient neighborhood services and public investments in excellent transit service. Failing to match the zoning with the plan designation is a waste of the substantial investment that the City, region and private sector have made to transform lower Sylvan into a suitable place for adding middle housing.

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**Conclusion**

Mr. Foster and I support the sidewalk, and will gladly volunteer it in an application, or include it in a development agreement, or accept it as a condition of this zone change. We will utilize whichever method is preferred by City staff.

Approving the zone change now will create new housing a year sooner, and reduce the cost of each unit by approximately \$2,000, half of which is the city application fee for the quasi-judicial zone change. We urge you to bring these missing middle housing units to the city quickly and efficiently, without needless delay and expense.

Thank you for your assistance.

Sincerely,

JORDAN RAMIS PC



Timothy V. Ramis

*Admitted in Oregon*

tim.ramis@jordanramis.com

OR Direct Dial (503) 598-5573

Enclosures

SW 58th Ave  
Portland, Oregon

Street View - May 2016





# Public Works Alternative Review Decision Form



Review Number: 16 - 119685 - PW

Original Requirement: 14 - 252357 - SD

Date Reviewed: 2 / 17 / 2016

## PUBLIC WORKS ALTERNATIVE REVIEW COMMITTEE DECISION

A decision has been made for this review and the submitted proposal will not receive further consideration as a Public Works Alternative Review. Please read this decision carefully and take any needed actions such as correcting a building permit plan set or contacting the affected reviewers assigned to an active land use review.

This decision can be appealed through the Public Works Appeals program. Please visit <http://www.portlandoregon.gov/transportation/PublicWorksAppeal> for more information on Public Works Appeals.

Approved as Proposed       Approved with Conditions       Denied

The Public Works Alternative Review Committee has reviewed and considered the applicant's request to maintain existing conditions along SW Montgomery Street. The Committee supports maintaining the existing conditions along SW Montgomery Street provided that signs & poles can be relocated to provide minimum 48" wide clear pedestrian passage. The applicant will be required to reconstruct the ADA corner ramp and **complete the required frontage improvements along SW 58th Avenue.**

RECEIVED  
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516  
DOCUMENT SERVICES

*[Handwritten Signature]*

Signature, Public Works Alternative Review Committee Member

Date: 2 / 26 / 2016

14-252325/43/49/52/53-RS  
14-252357 SD



November 13, 2014

Sylvan-Highlands Neighborhood Association,  
And  
Neighbors West/Northwest  
2257 NW Raleigh St,  
Portland, OR 97210

Hello Gretchen, & Dave:

Thank you for allowing me to share the details of our new project on the corner of SW 58<sup>th</sup> Ave and SW Montgomery St. at your meeting Tuesday night.

It seemed that our project was fairly well received, but it was apparent there were a couple major concerns. One was the significant increase in the traffic flow over the past several years on SW 58<sup>th</sup> and the congestion it causes around East Sylvan GS and Montgomery St.; coupled with the traffic, both vehicle and pedestrian, generated by East Sylvan Grade School. Making matters worse, the corner is somewhat of a blind intersection on the NE corner, due to the sharpness of the turn and the tall trees on the lot.

Another area of concern was street parking. 58<sup>th</sup> is a narrow street, leaving little room for cars to pass and when you add parked cars on the side of the road it is very narrow.

As I indicated in the meeting, part of our project includes a half street improvement along 58<sup>th</sup> street for the full length of our property and as part of that, we are dedicating an additional 8' to widen 58<sup>th</sup> street. It was also suggested that we talk with East Sylvan Grade School and see if we could work out a deal where if we improved the staff parking lot directly across the street from our project, we could use it during off school hours. We will pursue that as we get closer to start of construction.

With regard to the traffic problem several things were suggested, one was that we do not install any tall plantings along the NE corner of SW 58<sup>th</sup> and Montgomery and we have modified the landscape plan to reflect this. We are however required by the City to plant street trees along SW 58<sup>th</sup> Ave.

In addition we pointed out that our buildings will set approximately 20' back from SW 58 and 28' back from SW Montgomery.

It was also suggested that when we start construction we talk to East Sylvan GS regarding high traffic hour and try and coordinate large delivers and heavy equipment drop off around these times. We will discuss this with the East Sylvan prior to start of construction.

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Sylvan - Highlands N.A.  
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Another suggestion was that a blinking red light be installed at the intersection to slow traffic and perhaps traffic cameras at the Developers expense. As mentioned Sylvan Development's office is across the street from East Sylvan GS, and we see first hand the congestion. We too are concerned with the safety of the children and parents as they move to and from school as well as neighbors. We have noticed the many rolling stops at the intersection. We however do not understand the thinking that we should be burdened with the entire cost of the traffic light. We are not increasing a large burden to the traffic count with our project.

As an alternative we would suggest that if the concern is as wide spread as indicated among the neighbors that the neighborhood association raise the money to install it. Sylvan Investments will certainly contribute to the effort both monetarily as well as add any influence we can to the cause. If we can assist with the coordination of the construction of the light we would also be willing to do that.

One final concern we heard at the meeting was that the holly hedge along the North property line of our property be retained as a buffer. We will provide a buffer, if the City allows the hedge to remain we will trim it up and leave it.

Thanks,  
Sylvan Investment Inc

by: Rick Caffall

**RESPONSE TO THE BUREAU OF DEVELOPMENT SERVICES  
LAND USE REVIEW REQUEST**

**Portland Transportation  
Development Review  
Bureau of Transportation Engineering & Development**

LU: 15-221513-000-00-LU

Date: September 29, 2016

To: Shawn Burgett, Bureau of Development Services, B299/R5000

From: Fabio de Freitas, B106/800, (503) 823-4227

Applicant: Mark Dane  
MARK DANE PLANNING  
12725 SW GLENHAVEN ST  
PORTLAND OR 97225

Location: 1530 SW 58<sup>th</sup> Avenue

TYPE OF REQUEST: Type 3 procedure LDS - Land Division Review (Subdivision)

**DESCRIPTION OF PROJECT**

7 lot land division

**RESPONSE**

Portland Transportation/Development Review (PBOT) has reviewed the application for its potential impacts regarding the public right-of-way, traffic impacts and conformance with adopted policies, street designations, Title 33, Title 17, and for potential impacts upon transportation services.

**A. Approval Criteria**

The following discussion includes the transportation related approval criteria in Title 33 for this land use review:

**1. Transportation Impacts (33.641.020)**

The transportation system must be capable of safely supporting the proposed development in addition to the existing uses in the area. Evaluation factors include: street capacity and level-of-service; vehicle access and loading; on-street parking impacts; the availability of transit service and facilities and connections to transit; impacts on the immediate and adjacent neighborhoods; and safety for all modes.

Street capacity and level-of-service

**Findings:** Per Portland Policy Document TRN-10.27 - Traffic Capacity Analysis for Land Use Review Cases: For traffic impact studies required in the course of land use review or development, the following standards apply:

1. For signalized intersections, adequate level of service is LOS D, based on a weighted average of vehicle delay for the intersection.
2. For stop-controlled intersections, adequate level of service is LOS E, based on individual vehicle movement.

The industry standard is to measure street capacity and level-of-service (LOS) only at intersections during the critical time period, such as AM or PM peak hour. Although capacity is a part of the LOS, the City of Portland's performance standards are defined only by LOS, which is defined by average vehicle delay. The City does not have performance standards for any of the other evaluation factors.

Using the evaluation factors listed in this code section, the applicant should provide a narrative and all necessary plans and documentation to demonstrate that the transportation system is capable of safely supporting the proposed development in addition to the existing uses in the area. The applicant included a professionally prepared Traffic Impact Study (TIS) to adequately address the above referenced approval criterion. The following discussion is based on PBOT's assessment of the submitted TIS and transportation impacts for this proposal.



The proposed land division will create 7 lots from the current lot in order to accommodate a combination of attached and detached homes. Referring to the ITE Trip Generation Manual, 9<sup>th</sup> Edition, the proposed development on the site will generate 5 vehicle trips during the morning peak hour and 7 vehicle trips during the evening peak hour. The new residences are projected to generate a total of 66 trips in total each weekday.

The applicant's traffic consultant obtained actual traffic counts and conducted observations during a different day at the following several nearby intersections during the traditional morning and evening peak hours to obtain data/traffic volumes in order to determine existing levels of service and to project the capacity of the intersections in relation to the proposed development. Additionally, to assess the impacts of the proposed development with regard to the existing Portland Public School District/Odyssey Program located at the intersection of SW 58<sup>th</sup> Ave/SW Montgomery, additional traffic counts were obtained for this intersection during the morning peak hour on a recent school-day. These traffic counts were hand-collected, and occurred in tandem with additional observations of school-related traffic.

<u>Intersection</u>	<u>Existing LOS AM Peak/PM Peak</u>	<u>Projected LOS AM Peak/PM Peak</u>
SW Skyline/SW Montgomery (signalized)	B/B	B/B
SW 58 <sup>th</sup> Ave/SW Montgomery (stop controlled)	B/-- *	B/--*

\*There is no PM Peak Hour LOS assessment for this intersection as the hours of the Odyssey Program do not coincide with the traditional PM Peak Hour.

As demonstrated above, all study intersections are currently operating well within City operational standards, and will continue to do so following the addition of the project trips from the proposed development. As found by the applicant's traffic consultant, site generated vehicle trips will have negligible impacts to the capacity of nearby intersections. This evaluation factor is satisfied.

The following should be considered as additional information only – PBOT compliments the applicant and his traffic consultant for providing this assessment of school-related traffic as background information from concerns that were raised several years ago in relation to another nearby land division proposal.

As of September 2016, Portland Public Schools' Odyssey Program, a focus option for PPS students in grades K-8 has occupied the school building at the SW 58<sup>th</sup> Ave/SW Montgomery intersection. The most recent previous use of the building was to house sixth-grade classes from nearby West Sylvan Middle School.

The morning peak period was determined to be the critical period for analysis of school traffic and its impacts on the adjacent roadways. The 2015 traffic counts at the nearby SW Skyline/SW Montgomery St intersection showed that the intersection of SW 58<sup>th</sup> Ave/SW Montgomery St experiences slightly higher volumes during the AM peak period than during the evening. Further, the AM peak periods of the proposed development and the existing school are concurrent, while the school's later-day peak period occurs between 2:00-4:00 PM and the expected peak for the residential development occurs between 4:00-6:00 PM. Observations were therefore conducted during the morning peak period, between 7:00-9:00 AM.

Drop-off activities occurred almost exclusively between 7:40-8:05 AM. Most vehicles arriving to drop-off a student approached from the east, turning left onto southbound 58<sup>th</sup> Ave at the intersection of SW 58<sup>th</sup> SW Montgomery. Along the west side of SW 58<sup>th</sup> Ave just south of this intersection, there is an approximately 90-ft section of frontage adjacent to the school that has the capacity to accommodate 5 stopped vehicles. Though signed as 2-hour parking, this area was observed to be used only for short-term drop-offs during the AM peak hour. Vehicles arriving for drop-off activities would typically utilize a parking space along this stretch if one was free. Vehicles were then observed to continue south, turning into the school driveway and looping around the school before exiting eastbound along the school driveway approach to the SW 58<sup>th</sup>/SW Montgomery intersection. If space along the SW 58<sup>th</sup> Ave frontage was unavailable when a particular vehicle arrived, the vehicle would then loop around the school as described above, dropping off the student prior to re-entering the intersection from the school driveway. Queues resulting from drop-offs occurring along SW 58<sup>th</sup> Ave were thus not observed to have a significant impact on the operation of this intersection, extending into the intersection for a total of only about 20 seconds of the peak hour. It is noted that no school buses arrived at or departed from the site during the observation period.

Based upon this analysis, it is not expected that the proposed new homes will have a significant impact on school traffic, nor will the new Odyssey Program significantly impact traffic generated by the project. The impacts from the school are concentrated along the southern leg of the SW 58<sup>th</sup>/SW Montgomery intersection; the proposed project is not anticipated to add any new trips to this leg of the intersection. Further, the expected peaks and travel patterns of the two properties do not significantly overlap. The study intersections and nearby roadways can safely accommodate both the proposed new use in addition to all existing uses.

#### Vehicle access and loading

**Findings:** Access to the proposed subdivision will be via a private street (shared court) with one curb cut along the site's SW 58<sup>th</sup> Ave frontage. Loading is expected to take place using the shared court and the approx 68-ft of remaining curb length along the property frontage (subtracting the curb-cut length). Loading activities associated with residential land uses are typically light and infrequent, and there is ample space for these activities to occur on-site on the proposed driveways. The subject site provides adequate access for motor vehicles as well as other modes. Vehicle access and loading space at this location are sufficient to accommodate the existing uses as well as the proposed project. This evaluation factor is satisfied.

#### On-street parking impacts

**Findings:** The parking demand that will be generated as a result of the proposed project was estimated using rates from *Parking Generation*. The data utilized to determine the parking demand for the proposed new office use were for land use #210, *Single-family Detached Housing*. Based upon these data, the mean peak parking demand for the proposed new office space is 15 parking spaces.

The applicant's traffic consultant conducted on-street parking observations during the analysis period recognized as the expected peak period for residential parking. There are approximately 31 on-street parking spaces within the parking survey area (SW 58<sup>th</sup> Ave between SW Montgomery and SW Clay). During the observation period, the applicant's traffic consultant counted 13 vehicles parked within the surveyed area. With the proposed development, 8 on-site parking spaces will be included.

Even if all of the expected demand (15 spaces) was to occupy the on-street parking supply in the area, there would be sufficient to accommodate the entire project's demand. Based on observations conducted, the area will be able to accommodate the existing and new parking needs. This evaluation factor is satisfied.

#### Availability of transit service and facilities and connections to transit

**Findings:** Available transit service in the area exists via Tri-Met bus route #58 (Canyon Rd). The nearest stops to the subject site are at the Sunset Hwy ramp at the SW Skyline interchange. The site is well served by transit, and comfortable and safe walking routes between the site and all stops are available. This evaluation factor is satisfied.

#### Impacts on the immediate/adjacent neighborhoods

**Findings:** As analyzed above, the impact of the proposed project's generated vehicle trips on area intersections and streets will be negligible and the operations of the transportation system will continue to be acceptable. Currently, there is sufficient on-street parking to serve the demand of the existing uses in the area. As demonstrated above, adequate on-street parking opportunities will remain after the construction of the proposed subdivision. From a transportation perspective, these noted areas (transportation system and parking impacts) are impacts that can adversely affect neighborhoods. These issues are not expected to negatively impact the immediate or adjacent neighborhoods. This evaluation factor is satisfied.

#### Safety for all modes

**Findings:** Crash records were examined by the applicant's traffic consultant for the most recent reporting time frame available (2010-2014) for the study intersections. Crash rates and patterns were below a level indicative of potential safety concerns, and there were no apparent safety deficiencies noted during site visits. Crash rates greater than 1.0 CMEV (crashes per million entering vehicles) are generally indicative of a need for further investigation and possible mitigation. Based on the detailed crash data and the calculated crash rates, there are no apparent existing safety deficiencies at the study intersections. Accordingly, the vicinity of the site is safe for motor vehicles.

Regarding active modes, the streets in the vicinity of the site are low-speed, low-volume residential roads that can safely be shared between bicycles and motor vehicles. With regard to bicyclists, there are identified bike facilities (Portland Bike/Walk Map) in the area, including a shared roadway (SW Skyline) and a Multi-use path/paved facility and Bile lane (SW Canyon Ct).

Sidewalks are not regularly available throughout the immediate area other than along the multi-dwelling residential development abutting the subject site to the south and then further south at the intersection of SW 58<sup>th</sup> Ave/SW Montgomery. As a condition of approval of the proposed subdivision, the applicant will be required to construct a new sidewalk along the site's frontage, thereby furthering the pedestrian system in the area.

The vicinity of the proposed residential land division currently has no safety concerns for any mode of transportation, and will not be adversely affected by the proposed land division. This evaluation factor is satisfied.

*In summary, as analyzed above and as evidenced in the submitted TIS, with acceptable analyses, methodologies and conclusions, all of which PBOT staff supports, the applicant has clearly demonstrated that "the transportation system is capable of safely supporting the proposed development in addition to the existing uses in the area".*

## **2. Connectivity and Locations of Rights (33.654.110)**

This section requires street and pedestrian connections where appropriate and practical, taking a number of factors into consideration. The following discussion is based on PBOT's assessment of the connectivity potential in the area. The City's spacing requirements for public through streets and public pedestrian connections is a maximum of 530-ft and 330-ft, respectively.

**Findings:** No street connections have been identified in the vicinity of this property in the Portland Master Street Plan document. The subject block, does not satisfy the above referenced spacing goals, similar to many other areas of this quadrant of the city. Given topographic, geographic and environmental overlay constraints, oddly configured partitions and subdivisions and existing development, furthering the City's connectivity goals in this area is challenging. Additionally, providing either a full width public street r.o.w. or pedestrian connection through the subject site would significantly reduce the development potential of the site. PBOT has no concerns regarding this approval criterion.

## **3. Design of Rights-of-Way (33.654.120)**

This section requires approval by PBOT for the elements within the right-of-way.

**Findings:** Frontage improvements will be required along the site's frontage (see below).

## **4. Additional Approval Criteria for Partial Rights-of-Way or Extensions (33.654.130.B-D)**

This section requires approval by the PBOT for the extension of existing public streets and pedestrian connections, provision of future extensions and/or of partial rights-of-way and improvements.

**Findings:** There are no partial rights-of-way nor are there any configurations that allow for future extensions of streets or pedestrians connections in the area. This approval criterion is not applicable.

## **B. Code/Title 17 Requirements**

### **Street Classification**

At this location, the City's Transportation System Plan classifies SW 58<sup>th</sup> Ave as a Local Service street for all modes.

At this location, according to City GIS, SW 58<sup>th</sup> Ave is improved with approx 20-24 ft of paving with no curb or sidewalk within a 40-ft wide r.o.w.

For Local Service classified streets abutting R2-zoned sites, the City's public r.o.w. standards document requires a 62-ft r.o.w. width to accommodate a 32-ft roadway width (which would allow parking along both sides) & two 15-ft wide sidewalk corridors (0.5-ft curb, 8-ft stormwater management facility, 6-ft sidewalk & 0.5-ft frontage zone).

There is insufficient r.o.w. along the street to accommodate the above referenced street section, accordingly, property dedication will be required. It appears that there will be a property dedication requirement of approx 11-ft (this has been identified in relation to City GIS, which is not supported by a survey and assuming a standard 8-ft wide stormwater management facility). The precise amount of dedication can only be determined via a survey and once the applicant's civil engineer has proposed an appropriately sized and designed stormwater management facility. The amount of dedication *may therefore vary*. *Property dedication will occur as part of the Final Plat phase of this land use process.*

*In relation to the dedication requirement, regardless of what that ultimately might be, the new curb shall be located 16-ft from the centerline of the r.o.w. This curb placement should be in alignment with the curb (sidewalk corridor) that was constructed in relation to the project immediately to the south of the subject site.*

The r.o.w. improvements will need to be designed by an Oregon licensed civil engineer and constructed under a Public Works Permit, which is separate from the Building Permit that will be necessary for construction of the proposed project. Conceptual PW Design must be submitted to Public Works Permitting in order to verify the type of PW Permit that is required and to determine the required performance guarantee amount. PW Design Review will determine specific design elements including stormwater management, bus stop, curb-cuts, landscaping, location of signage, location of utility poles and street lights, as well as other design requirements. As of the writing of this response, the applicant has already received Concept Plan (30%) approval via 16-115387 WT/TH0321 and 16-119135 WE/EP226.

Plans, fees, a contract (called the application for permit) and a performance guarantee for the estimated value of the improvement must be submitted prior to (Final Plat approval). The performance guarantee may be in the form of a surety bond, irrevocable letter of credit, set-aside account, or cash deposit. Applicant should contact Public Works at (503) 823-1987 for appropriate forms and additional information.

## **RECOMMENDATION**

PBOT has no objections to the proposed land division subdivision, subject to the following conditions:

1. Right-of-way improvements to the satisfaction of the City Engineer and consistent with current City standards will be required along the site's SW 58<sup>th</sup> Ave frontage.
2. Prior to Final Plat approval, Public Works financial guarantees for the r.o.w. improvements required along the site frontage shall be provided.
3. Prior to Final Plat approval, property dedication necessary to provide City standard r.o.w. improvements shall be completed. Public Works submitted plans for 16-115387 WT/TH0321 and 16-119135 WE/EP226 show all necessary property dedications.

Testimony in support of the RH FAR change to 2:1 in the Alphabet Historic District – November 17, 2016

I am here today to urge you to **select Option A with respect to Item 25** in the 2035 Comprehensive Plan Early Implementation Council Amendments. Please note the following:

- The Alphabet Historic District is comprised of a small section of the overall NW District and preserves a slice of Portland's early history and cultural heritage -- as a historic district is meant to do. The FAR of 2:1 is consistent with the historic designation and scale of surrounding historic structures.
- I fully support an affordable housing project at a site along NW 18<sup>th</sup> (proposed in Option C to retain 4:1 FAR), however, that project should meet zoning requirements and be compatible with the neighborhood context. Zoning compliance and neighborhood compatibility are key to successful affordable housing projects.
- Regardless of the FAR assigned to the site along NW 18<sup>th</sup>, this property continues to be subject to the Historic Resource Protection overlay zoning and the NW Plan District criteria. The overlay zoning supersedes base zoning. When the site in question was thoroughly analyzed under a Type IV demolition request application, the City found that the previously proposed six-story 82-unit building "is wholly incompatible with the existing urban fabric in scale, proportion, and architectural and site design" and "is not integrated with the existing urban fabric as it is not set back from the street, it does not feature intricate architectural detailing, and most significantly, it is much taller and more massive than the modest Landmark residential structures in the immediate vicinity." The City finding described the need for development to offer deference to neighboring Landmarks, particularly when compared to the scale and size of the existing building. These same criteria apply to any other proposed development at the site regardless of base zone FAR. The 2:1 FAR represents 'truth in zoning' and is consistent with what can reasonably be expected to be approvable.
- I have worked in the affordable housing field for over 30 years and do not believe an out of scale project in a historic district is acceptable; in fact, some of the much needed funding resources will be jeopardized in that route is pursued. However, a 45-unit senior project, consistent with the two most recently developed by Northwest Housing Alternative, could easily be designed to fit on the site and would increase the existing residential density on that particular half block over 700% (from 6 to 45 units).
- There are many examples of projects in our community and all across the country where affordable housing and historic preservation work together to benefit the public interests. Attached are links to specific examples.

Please adopt 2:1 FAR in the RH-zoned portion of the Alphabet District consistent with Option A. This will bring consistency to zoning requirements and enable development plans to proceed without ongoing and unnecessary contentiousness.

Thank you,

Vicki Skryha  
1728 NW Hoyt Street

**Examples of successful efforts to combine affordable housing with historic preservation:**

Woodbury, New Jersey: G.G. Green Senior Residences Revitalize Historic Building

[https://www.huduser.gov/portal/casestudies/study\\_02192015\\_1.html](https://www.huduser.gov/portal/casestudies/study_02192015_1.html)

Cleveland, Ohio: Preservation Anchors Sustainable Community Development

[https://www.huduser.gov/portal/casestudies/study\\_06132013\\_1.html](https://www.huduser.gov/portal/casestudies/study_06132013_1.html)

Historic Police Station Converted to LGBTQ-Friendly Senior Housing in Chicago

[https://www.huduser.gov/portal/pdredge/pdr\\_edge\\_inpractice\\_102615.html](https://www.huduser.gov/portal/pdredge/pdr_edge_inpractice_102615.html)

Historic Fire House in Duluth Renovated through Local Collaboration

[https://www.huduser.gov/portal/pdredge/pdr\\_edge\\_inpractice\\_041913.html](https://www.huduser.gov/portal/pdredge/pdr_edge_inpractice_041913.html)

San Francisco, California: Transforming an Historic YMCA into Supportive Housing and a Health Clinic for the Homeless

[https://www.huduser.gov/portal/casestudies/study\\_04062015\\_1.html](https://www.huduser.gov/portal/casestudies/study_04062015_1.html)

St. Louis, Missouri: Crown Square Historic Rehabilitation in Old North St. Louis

[https://www.huduser.gov/portal/casestudies/study\\_01112012\\_1.html](https://www.huduser.gov/portal/casestudies/study_01112012_1.html)

3010 Apartments - St. Louis, Missouri

<https://www.huduser.gov/portal/about/ExcellenceHistPres-2015-1.html>

Providing Affordable Housing and Cultural Assets in Harlem

[https://www.huduser.gov/portal/pdredge/pdr\\_edge\\_inpractice\\_060115.html](https://www.huduser.gov/portal/pdredge/pdr_edge_inpractice_060115.html)

Affordable Housing Revives Historic Neighborhood

[http://archives.huduser.gov/periodicals/ResearchWorks/julaug\\_09/RW\\_vol6num7t3.html](http://archives.huduser.gov/periodicals/ResearchWorks/julaug_09/RW_vol6num7t3.html)

Robert R. Taylor Homes/NorthSide Revitalization - Wilmington, North Carolina

[https://www.huduser.gov/portal/about/OppEmpowerAward\\_2012\\_1.html](https://www.huduser.gov/portal/about/OppEmpowerAward_2012_1.html)

Pacific Hotel – Seattle WA

[www.historycolorado.org/sites/default/files/files/OAHP/.../1600.pdf](http://www.historycolorado.org/sites/default/files/files/OAHP/.../1600.pdf)

Maydestone Apartment – Sacramento CA

<http://maydestone.com/about.html>

Washington DC projects – pairing historic tax credits with low income housing tax credits

<http://planning.dc.gov/release/historic-tax-credits-create-new-opportunities-affordable-housing-dc-5>

We, The Undersigned  
Petition to oppose the  
amended City of Portland  
"Transportation System Plan Stage 2"  
for Hayden Island -

Residents of Manufactured  
Home Park oppose ANY  
Bike Path Plans and/or  
removal of homes. Our residents  
were unaware of the added  
amendments due to the failed  
CRC Project/light rail system  
and veto any new proposals  
to affect our community

City of Portland  
Current meeting  
11/17/2014 for  
Stage 2 of  
Transportation Plan  
Hayden Island -

---

Residents unable to attend  
due to unknown or late to  
be informed and are in  
objection or deny agreeing  
to the bike path proposal  
True ~~and~~ actual residents  
owners in HIMHC. amended +  
others included



City of PORTLAND - "Stage 2"  
Transportation Plan for  
Hayden Island - Resident  
Petition to OBJECT or DENY  
DATED 11/14/2014 BIKE  
PATH

Print / Signature  
1. KANDY PRICE / *Kandy Price*  
2310 N. Broughton DR.  
971-302-9272 or idrequiredk@yahoo.com

2. Mary Manchestry /  
2335 N. Broughton Ct  
503-286-7345  
71 yrs old

3. Marilyn Cernik /  
2315 W. Broughton Dr.  
206-501-8967

4. Lisa Hester /  
2630 N. Hayden Island Dr #37  
360 609-4591

5. Tena Wamsley /  
2255 N Broughton Dr Portland OR  
503 442 9697  
Tenamair@aol.com

Continue →

PETITION TO OBJECT TO City Proposal  
STAGE 2 Transportation Plans for BIKE  
PATH - HAYDEN ISLAND page 2

print

sign

0 Carla L Maness / Carla L Maness  
2300 N. Broughton Dr. Port Ore 97217  
503-289-8528

~~Rodger Maness / Rodger Maness~~

2300 N Broughton DR. PLT OR 97217  
503-289-8528

~~Rodger Maness / Rodger Maness~~

6 DAVID CUELLAR  
2285 N Broughton Dr  
dsc1223@yahoo.com

~~DCUELLAR~~

9 PAULA SHERWOOD  
2285 N. Broughton Dr.

psj@sherwood@yahoo.com  
~~PSHERWOOD~~

10 Long Nguyen  
12835 N. Image Canoe Ave  
Portland OR 97217

~~Long Nguyen~~ nguyelon@gmail.com

11 Kim Reynolds  
1503 N Hayden Island Dr #1103  
Portland, OR  
97217

12 Claudia Tretze  
2386 N menzies Ct 971-207-1481  
PDX OR 97217

PETITION TO OBJECT TO City of  
Portland Stage 2 Transportation Plan for  
BIKE PATH - Hayden Island pg 3

name **13** Cynthia Sal  
address 12411 N. Westshore Dr  
contact phone or email imagebird@comcast.net

name **14** Debra Westlund Bledsoe  
address 1503 N Hayden Island Dr. #130  
contact phone or email 503 508 9045

name **15** Judy George  
address 3039 NE 15th Portland, OR 97212  
contact phone or email 503 351 0941

name **16** Mardi Lee  
address 2630 N. Hayden Is. Slip 40 97217  
email phone MardiLee1969@gmail.com


name **17** Martha Miller  
address 1503 N. Hayden Is Dr. #129 Portland OR 97217  
email phone martha@marthapoundmiller.com

name **18** Grey Hartnell 32 years  
address 12850 N IMAGE CAUSE AVE  
email phone 503/995-7520

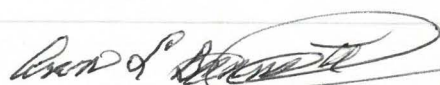
name **19** Marsha Kestander 214-802-9955  
address 2321 N. Memphis Drive

PETITION TO OBJECT to city of Portland  
Stage 2 Transportation Plan ~~Plans~~ for  
BIKE PATH - Hayden ISLAND pg. 4

name **10** print sign  
WALI THELANDER Wali Thelander  
address 445 N. Hayden Bay Dr. Portland 97217  
phone  
or email walithelander@gmail.com (503-333-2103)

name **11**  
address PAMELA Ferguson  
phone 2270 NORTH BROUGHTON  
or email pamfergusendpx.com.com 

name **12**  
address MARY LEVINER  
phone 12462 N. WESTSHORE DR. Mary LeViner  
or email MARY.LEVINER@GMAIL.COM

name **13**  
address ANN K. BERNETT  
phone 13900 N. TMASS CANYON AVE  
or email REDHEAVEN@YAHOO.COM. 

name **14**  
address JANET HALE Janet Hale  
phone 12411 N Westshore  
or email Portland OR  
97217

name **15**  
address Steve Fraenkel  
phone 12411 N Westshore  
or email 503-847-6521  
Portland OR 97217

name  
address  
email  
or phone

- 26 Janet Roxburgh 1503 N Hayden Drive Portland, OR 97217 Janet Roxburgh
- 27 Latisa Gray 1503 N. Hayden Is. Dr. #31 Portland, OR 97217 Latisa Gray
- 28 Michelle Olney 1503 N. Hayden Is. Dr. #248 Portland, Or. 97217 Michelle Olney
- 29 RAY GADDIS 2231 N. MENZIES DR PORTLAND, OR 97217 Ray Gaddis
- 30 Henry J Vanacore 12695 N Scouler Portland OR 97217
- 31 Lavin Short " same " " "

Ends OBJECTION or page 5  
 Deny to amend Bike  
 Path - Hayden Island Residents

18 years ago, my grandma  
died the small amount  
she left me I bought an  
old run down mobile home  
in jensen beach. I was a single  
mom with 2 small girls <sup>struggling</sup>  
go forward to present I have  
a place I call home <sup>it's not quite</sup> upgraded  
to making it memorable <sup>to my 2 girls</sup>  
more valuable to my neighbors <sup>now grown</sup>  
I also am caregiver & have a  
personal housekeeping business  
I do for multiple & many  
residents in Hatter Island,  
I've become a valuable resident  
in my community & successfully  
raised my two educated, law abiding,  
tax paying daughters in this city.  
Myself & neighbors love our  
homes and for many its all we have.  
I'm not going to throw #'s ~~at you~~ <sup>at you</sup> →  
& homelessness statistics and facts at  
you, your aware and will be told by  
others at this meeting but am  
going to speak "from our generation"  
those whom were raised to respect  
our elders, to have heart & show

Compassion to the older residents  
and grandmas of Hayden Island,  
also the low income such as myself,  
whom all live in affordable housing  
now. I have multiple signatures  
to give you, from the unknown  
amendment to the unable to attend  
whom are not in favor and object to  
any bike path plans proposed.

With the concern of displacement and/or  
the most residents not affording  
a move we're just asking to respect  
that now & in the future we don't  
need redevelopments & bike paths.  
We're just a tiny little island of  
many low income residents with  
out a need for this.

older  
retired

The City of Portland is so  
huge and so many many others  
would embrace the ideas <sup>of bike paths</sup> you  
could use these funds for <sup>affordable</sup> <sup>it's</sup> <sup>private</sup> <sup>property</sup>

For us, myself & signed I speak for  
we object & say no thank you

*Kandy Price*  
Kandy Price

2310 N. Broughton P.O. OR 97217

11/17/14

Jill Warren  
607 NW 18<sup>th</sup> Ave.  
1815 NW Hoyt Ave.  
Portland, OR 97209

October 17, 2016

Mayor Charlie Hales  
Portland City Council  
1221 SW Fourth Ave.  
Portland, OR 97204

Dear Mayor Hales and Council Members, RE: Comprehensive Plan Zoning  
Amendments Request re: Alphabet  
Historic District

As the owner of 2 historic properties at NW 18<sup>th</sup> and NW Hoyt in the alphabet district across the street from the Ballow & Wright building I support changing the FAR from 4:1 to 2:1, Option A. I oppose the FAR 4:1 zoning because new construction is appearing in our neighborhood that is out of character and has no architectural integrity. The municipal pipes can't handle the stormwater volume as it is, creating flooding challenges to property owners (which is not covered by insurance).

Tim Ramis and Mark O'Donnell successfully petitioned to have the value of the B&W property decreased from \$3 million to \$145,000, claiming the restrictions make their property less valuable and they are unable to sell. They are partnering with the non-profit Northwest Housing Alternatives to provide 160 units for elderly seniors on a lease agreement while demonizing neighbors claiming we are prejudiced against senior housing, which is not the case.

What would prevent them from terminating the lease agreement with NHA and bump up to market-rate housing? A theory is that seniors don't drive, but if they change the status of tenants, parking will be a nightmare.

We all knew what our buildings were when we bought them and we are all responsible for caretaking the uniqueness of the neighborhood.

Thank you for your careful consideration of a 2:1 FAR.

Respectfully submitted,







**From:** Robert McCullough  
**To:** [Council Clerk – Testimony](#)  
**Cc:** [Tom Hansen](#); [Tom Hubka](#); [Kurt Krause](#); [Theresa Langdon](#); [McCullough, Robert](#); [Meg Merrick](#); [Rod Merrick](#); [Catherine](#); [Clark Nelson](#); [Kristiana Nelson](#); [Heidi and Bill Nichols](#); [Fred Nolke](#); [Bud Oringdulph](#); [Heidi Levy](#); [Alison Starkey](#); [George Bengtson](#); [Carol Klingensmith](#); [Tim moore](#); [Loren Lutzenhiser](#); [Rod Merrick](#); [Meg Merrick](#); [Clark Nelson](#); [Tom Hubka](#); [Ed Dundon](#); [Joanne & Norm Carlson](#); [Bruce Sternberg](#); [Tim moore](#); [Carol Klingensmith](#); [Jenny Seilo](#); [Roberta Hyde](#); [Jacob Gellman](#); [Charles Noble](#)  
**Subject:** [User Approved] Testimony to be presented to the city council today at 2:00 P.M.  
**Date:** Thursday, November 17, 2016 11:17:15 AM  
**Attachments:** [20161114 Review of Economic Analysis of Proposed Changes to the Single Dwelling Zone Development Standard.pdf](#)

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# McCULLOUGH RESEARCH

ROBERT F. MCCULLOUGH, JR.  
PRINCIPAL

Date: November 14, 2016  
To: Portland City Council  
From: Robert McCullough  
Subject: Review of “Economic Analysis of Proposed Changes to the Single Dwelling Zone Development Standard”

Last month, Portland’s Bureau of Planning and Sustainability distributed a short seven-page study by Johnson Economics with some surprising conclusions.<sup>1</sup> The study is challenging to read and understand, but the gist of the study is:

**Our analysis indicates that the proposed changes in entitlements would likely result in a lower rate of development and redevelopment in the study area, yielding less in terms of units and construction investment.** While the marginal impact would be low in percentage terms, a similar impact is expected in both the close-in as well as less urban areas. The modest increase in allowable units is more than offset by the lower allowed square footage of new development, which generally reduces the supportable land value for new development. The lower supportable land value decreases the likelihood of redevelopment on a significant number of parcels.

**Sites that do redevelop under the proposed modifications would be expected to deliver units at a generally lower price point and higher unit density.**<sup>2</sup>

To a real estate investor and/or an economist, this is a perplexing conclusion. As a general rule, placing limitations on the supply tends to raise prices and reduce quantity. A model that reduces prices and quantities simultaneously cannot be easily reconciled with market economics.

In the chart below, the supply curve is shifted left towards the origin. This reflects the RIPSAC proposal that will restrict allowable floor space in new construction.

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<sup>1</sup> Economic Analysis of Proposed Changes to the Single Dwelling Zone Development Standard, Jerry Johnson, October 17, 2016.

<sup>2</sup> Ibid., page 7. Emphasis supplied. Typographic errors have not been corrected from the original text.

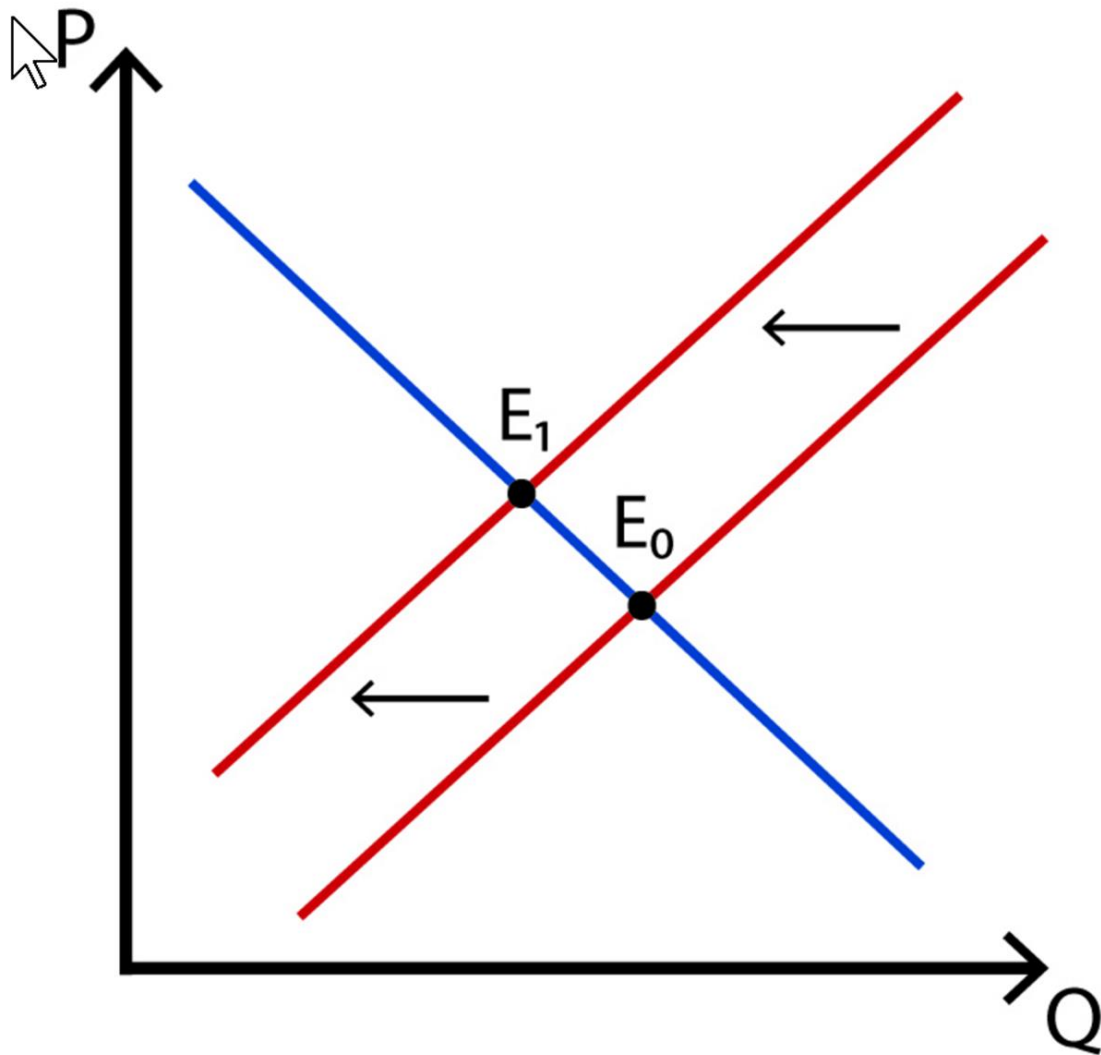
Review of “Economic Analysis of Proposed Changes to the Single Dwelling Zone Development Standard”

November 14, 2016

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As the supply curve contracts, the new equilibrium price is increased and the quantity supplied is decreased. This chart has been a staple of introductory economics courses since it was introduced in 1890 by Professor Alfred Marshall.



To understand how this study achieved such an unusual result requires a very careful reading of the seven-page report.

Such a reading identifies the following important issues with the report:

Review of “Economic Analysis of Proposed Changes to the Single Dwelling Zone Development Standard”

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1. The report only considers rental units.<sup>3</sup>
2. The only RIPSAC variable considered was allowable square footage.<sup>4</sup>
3. The assumptions have some very surprising values. For example, the required rate of return on homes is 227% of the return required on rentals.<sup>5</sup>
4. The results are based on a simple profitability calculation that assumes the critical inputs and then derives a residual land value.<sup>6</sup>
5. The basic model is not well explained or documented.<sup>7</sup>
6. The model does not include market price changes.<sup>8</sup>
7. The table on page 2 has minor computational errors and is inconsistent with the similar table in the appendix.<sup>9</sup>

In general, this appears to have been prepared hastily and without a thorough review of the issues facing Portland.

First, the high required rate of return on homes will have had a significant impact on the rate of “redevelopment” – a term that would seem to be synonymous with demolition of existing homes.<sup>10</sup> The assumption that developers view homes as more than twice as risky as rentals is both pivotal and inexplicable. And, of course, the assumption that home construction is more risky will drive the result that demolitions will be reduced.

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<sup>3</sup> Ibid., page 2.

<sup>4</sup> Ibid., page 4.

<sup>5</sup> Ibid., page 2. The term used in the report is “Threshold Yield Rate” which is not defined in the report. It is defined in a previous report for the City of Eugene (October 29, 2008) as “Threshold Returns – The return on investment necessary to induce development can change quickly, and reflects broad financial trends as well as a more localized assessment of risk. Reducing the threshold returns necessary can significantly increase viability, while an increase in those same rates would decrease viability.”

<sup>6</sup> Ibid., page 5. Terminology in the report changes to “Residual Property Value” later in their report: “Residual Property Value reflects the maximum supportable acquisition value of the property under an assumed development program.”

<sup>7</sup> Ibid., page 5. The assumptions would appear to be large and are not documented in the report: “Key inputs in the “production” model are those that impact revenues, costs, return parameters and site entitlements. The production component of the model can be broken up into three primary categories that are determinative of final development form: achievable pricing, cost to develop, and threshold returns. The marginal impacts associated with proposed change in entitlements are incorporated into a broader modeling framework designed to translate shifts in these inputs into associated patterns of investment.”

<sup>8</sup> Ibid., pages 6 and 7. See the third title line in the results tables: “No Pricing Changes.”

<sup>9</sup> Ibid., pages 2 and page 9 in the appendix.

<sup>10</sup> Ibid., page 4. The report states “This would be reflected in generally lower residual land values associate with redevelopment options. The anticipated impact would be a lower rate of redevelopment, and at lower values.”

Review of “Economic Analysis of Proposed Changes to the Single Dwelling Zone Development Standard”

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Second, there seems to be no consideration of the reduction in affordable housing demolished in the course of “redevelopment.” Our review of recent demolitions in Eastmoreland indicates that replacement homes are 158% more expensive than the homes they replace.<sup>11</sup> There is nothing mysterious about the mathematics of demolition – older and smaller homes are the first selected for demolition, reducing the affordable strata of homes in older neighborhoods and reducing economic and ethnic diversity.

Third, the undocumented production model seemingly has no recognition of the dramatic change in demand for homes closer to the urban core. The shift in demand has been discussed extensively in the economic literature.<sup>12</sup> In Portland, our estimate of the premium for proximity to the urban core has increased from \$33,000/mile in 2011 to \$55,000/mile in 2016.<sup>13</sup>

In sum, it would appear that this hasty effort will have little if any relevance to the RIPSAC recommendations and should be given little weight in policy deliberations.

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<sup>11</sup> See “How inclusive is the current wave of demolitions?”, Robert McCullough, October 6, 2016.

<sup>12</sup> See, for example, “Local House Price Dynamics: New Indices and Stylized Facts”, Federal Housing Finance Agency, Alexander Bogin, William Doerner, and William Larson, June 2016.

<sup>13</sup> “Why are house prices so high in the Portland Metropolitan Area?”. Robert McCullough, September 5, 2016. The values have been adjusted for inflation and are in current dollars.