

Portland Planning and Sustainability Commission

October 10, 2017

12:30 p.m.

Meeting Minutes

Commissioners Present: Jeff Bachrach (arrived 12:38 p.m.), Ben Bortolazzo, Katie Larsell, Andres Oswill, Michelle Rudd, Katherine Schultz, Chris Smith, Eli Spevak, Teresa St Martin (arrived 12:45 p.m.)

Commissioners Absent: Andre' Baugh, Mike Houck

City Staff Presenting: Susan Anderson, Bruce Walker, Arianne Sperry, Barry Manning, Eric Engstrom, Steve Kountz

Chair Schultz called the meeting to order at 12:31 p.m. and gave an overview of the agenda.

Documents and Presentations for today's meeting

Items of Interest from Commissioners

- *Commissioner Larsell* went to the National Community Reinvestment Coalition meeting, supporting Karen Gray as she spoke about the Gateway Education Workforce Education Center. It's an "organizing organization", and I'm interested in seeing it help the education center get off the ground.
- *Commissioner Spevak* has fliers for the Build Small, Live Large Conference that will be here on November 3. In May is the Congress for New Urbanism national gathering. I highly recommend it. They have a new focus on using existing urban land more efficiently rather than on 'green field' development projects; it's in Savannah, GA.

Director's Report

Susan Anderson

- Room Update: The "real" Commission room, just on the other side of that wall, will be ready for us for our November 14 PSC meeting. The October 24 meeting will be back in the Lincoln Room beginning at 5 p.m. Thanks for your patience as the rooms get their final remodel.
- BPS postponed the City Council hearing on the deconstruction ordinance to increase the age of the buildings covered by the requirement until next year, so we won't have a briefing about this project at the October 24 PSC meeting. We decided to see how the proposed new rules around lead abatement that Commissioner Eudaly proposed will impact the demolition industry as a whole. In addition, we anticipate that the results of the economic analysis by PSU will be complete by the end of the year, providing valuable data and insight into how the policy worked in its first year. Staff will return to PSC once this information is available and the State and/or City have promulgated the lead rules.

Consent Agenda

- Consideration of Minutes from September 26, 2017 PSC meeting.
- RW #8301: NW Roosevelt between NW 29th and NW 30th

Commissioner Smith moved to approve the Consent Agenda. *Commissioner Spevak* seconded.

The Consent Agenda was approved with an aye vote.
(Y7 —Bortolazzo, Larsell, Oswill, Rudd, Schultz, Smith, Spevak)

Haulers' Franchise Review

Briefing: Bruce Walker, Arianne Sperry

Bruce reminded the Commission about their meeting at the end of June, in which they discussed review of the residential hauler system. The residential system is a franchise system that BPS oversees. Council unanimously adopted our moving forward with the franchise review on August 3. Today is a brief update on the process and timeline.

Arianne noted the timeline, which has shifted since last June. We are required to report back to Council by the end of January. We had a PSC hearing scheduled for November 28, but have decided to shift the timeline to allow more thorough engagement and analysis of the complex issues we're encountering; we will report back to the PSC on December 12. We will report back to Council at the end of January as required. We'll share our process and progress and then request additional time to develop a recommended course of action.

Along with the resolution launching the review process, Council adopted a set of guiding principles to provide focus for the review, which direct staff to evaluate how well the franchise. These include Climate Action Plan goals; ensuring cost-effective, safe and environmentally-sound operations; exemplary customer service; and help develop a resilient and equitable system. Equity is a new area of focus, and our two main goals are to (1) increase workforce diversity and (2) reduce barriers to entry for minority-owned and women-owned companies.

In terms of these equity-related principles, we hired a consultant team to help. They've conducted interviews with many stakeholders. We've learned lots and are developing a broader list of stakeholders to participate. BPS is also working with Worksystems, Inc to launch a survey of current franchisees' workforce as a baseline. This will also will help franchisees find qualified applicants, and they are enthusiastic about this. Haulers will submit survey results this week.

We've learned a lot about the barriers to economic opportunity in this industry for minority and women-owned companies. We've gathered an array of options and the consultant team is researching best practices in other industries and jurisdictions and assembling a set of potential scenarios. BPS staff has met with the City Attorney's office to understand the implications of any changes, either to the current franchise agreement or for any new approach.

To assess the target operating margin, we've contracted with an economist who's looking at similar industries and other jurisdictions.

So we've made lots of progress, and we'll have more to update the PSC about on December 12.

Bruce noted that we are also undertaking a truck safety pilot project. Sideguards will be installed on a number of collection vehicles to help test their performance in Portland given that collisions have occurred. Haulers have been actively getting involved, and we'll also report back on this in the future.

Commissioner Smith: I had a chance to meet with Bruce and be briefed on the pilot. I appreciate this so we can do some learning and see what it will take to accomplish this.

2035 Comprehensive Plan Code Reconciliation Project

Briefing: Barry Manning

Barry provided an overview of the project and introduced the Proposed Draft. Barry thanked BPS staff for their work on the project: Shannon Buono, John Cole and Steve Kountz.

There are four titles that are impacted: Title 33, Title 11, Title 18 and Title 32.

The PSC has purview over titles 33, 11 and 32. The UFC oversees Title 11; and the Noise Review Board oversees Title 18 issues.

Barry walked through the Title 33 amendments.

Commissioner Rudd: In the NW Plan District, some sections don't have maps. There are sections, for example references to maps that aren't included in the Plan. Are the maps online the correct maps to reference?

- Barry: In these cases, the maps will be the same as the current maps are.

Lots of what we're doing is to amend the codes to include the Inclusionary Housing (IH) codes, which happened right after the Mixed Use Zones project. Some of this project is to implement the 2035 Comp Plan and other sections and language relates to the IH zoning updates.

Lots of the Title 33 amendments are technical, but the plan district changes do have some nuances, so you likely will hear testimony about these at the October 24 hearing.

Hayden Island is one of the more significant changes. The Supercenter was planned when light-rail was thought to be coming there in the not-too-distant future. The floor area ration (FAR) remained pretty low, but lots of development was allowed (about 1M square feet in each sub-district). We are proposing to change the square footage to an FAR of .75:1 in the Jantzen Beach sub-district.

Chair Schultz: In Hollywood, for example, you're amending the code to work with IH based on what was there in converting in the existing characteristics there. Is this working in terms of the IH bonus?

- Barry: There aren't areas where we're reducing that. In Hollywood, we have a large 65' CS area, and we're applying a base 4:1 FAR. Height limit would stay the same and there would be an additional 1:1 FAR with IH. The 4:1 base and 1:1 bonus is the same as what RH was, so we assumed it would work here as well (slide 28).

Chair Schultz: Can you research the plan districts that don't meet the intent of what we had outlined for how the IH bonus can work?

For Title 11, Trees, there are some changes that the PSC has purview over and will be asked to make a recommendation about.

Certain types of development would still be exempt from tree preservation and tree density requirements (CS and CM zones). The Urban Forestry Commission (UFC) expressed initial support for this.

In Title 18 (the PSC does not have purview over this title), we're trying to do a straight replacement for similar zones in the code. The only differences are that we're assigning CI2 and CM3 zones to the Commercial use zone category (many CM3 properties were previously [or are currently] zoned EX, and assigned the Industrial zone category). And we're proposing to assign CR and CI1 zones to the Residential use zone category.

For Title 32, which the PSC does have purview over, we're trying to do a 1:1 substitution with the new zone categories. For CM1, they get the smallest sign allowance, CM2 is similar to CS today, and CM3 would be similar to today's EX. There were lots of shifts from CM to CS3, which gives them a larger sign allowance, but there are some from CM1 that will get a smaller allowance. We have contacted Venture Portland to have them alert their constituents.

Chair Schultz: Will businesses that already have signs get grandfathered in even if they want to change their sign?

- Barry: They can change the content but not lots of the detail about the sign.

Commissioner Smith: A trigger phrase for me is Level of Service (LoS). On page 449 of the proposal, we see this. We just finished negotiating for the TSP3 that we're going to limit the use of LoS since it favors single-occupancy vehicles. This seems to be using LoS more than I'd like to see. For example, the new multi-modal criteria for land use review is what PBOT is going to work on.

- Eric: Here we have similar language that was adopted with Periodic Review Task 5, so that's what this proposal covers. We're at a point where the change we're making does make it more multi-modal. We weren't yet ready to remove LoS. That's the conversation we're headed towards, and it's a question of timing. We still have requirements from the State and Metro to use this measure.

I'm meeting with PBOT tomorrow, and I'm going to raise this so we can discuss before the October 24 hearing.

Commissioner Spevak: For affordable commercial, can a summary of that come to us before we vote on this project?

- Barry: We plan to have Prosper Portland staff here at the hearing and at our work sessions. They will at least have an outline of the criteria, but they may need a bit more time to develop that.

Commissioner Spevak: Much of this code package relates to the roll-out of newly created commercial zoning classifications, including "Commercial Residential". I like this new zoning designation for how it deals with existing conditions, and hope it can work in other places as well. What about a lower bar to entry for this zone? Could that be addressed in this code update without too much scope creep?

- Barry: Our thought was that CR could be applied in more places over time. It may be a bit outside of the scope of this project. We could look at what would be involved, and it may require a Comp Plan amendment to make that happen.

Commissioner Spevak: That was the exact question raised when we introduced the zone with the Mixed Use Zones Project. If not now, I'd like to know when we might see that come through at least.

Chair Schultz: Using the example of affordable commercial and putting some into Admin Rules, will there be a reference in the Zoning Code to the Admin Rules?

- Barry: Conforming to the Prosper Portland Affordable Commercial Program is in there.

Chair Schultz: I'd also like to have a reference to the Admin Rules run by PHB that are tied to implementing IH, so I want to be sure that reference is in here as well.

Commissioner Oswill: As you talked about density bonuses, what are the parameters when establishing these bonuses and what you can require? In the realm of what's possible, what can be used as a trade-off? Are there legal parameters to what can be included or incentivized?

- Barry: The range is broad. Over the last 2+ years, the focus has narrowed considerably. Lots were too generous or not effective for the return. Given today's conditions, we want to focus on key bonuses, and housing rose to the top of the list. For the Mixed Use Project, we talked about multiple bonuses. Over time, we winnowed that list down to focus the bonuses strategically.

Commissioner Bortolazzo: On Title 11 in preparing for the alternative scenarios, I assume all the alternatives related to the property line. What about alternatives within the right-of-way (ROW) as improvements?

- Barry: We didn't look at ROW, because that's dealt with separately in the Tree Code. We can look into this if you have ideas or suggestions off-line.

Commissioner Bachrach: On Commercial Residential, I've also had clients that have had reasonable Comp Plan amendments, but they end up being too expensive. I think you could come up with a tweak to accommodate what *Commissioner Spevak* is asking in this code update. I don't see this as an issue, but I'd ask you to think through this nuance. The same thing with *Chair Schultz's* question: We have things in the Zoning Code that end up with implementation in someone else's Admin Rules. We should have footnotes and references to where you can find the information. For example, I can't find the IH Admin Rules online. On Title 11, as your representative on DRAC, people bring up their frustrations lots. I don't know exactly what the issues are, but I know builders have frustration with this title. What does the exemption mean in terms of trade-offs?

- Barry: I can outline and show you where and approximate acreage included in these exemptions.

Commissioner Rudd: Does the Comp Plan say which zones implement which Comp Plan designations so that you would have to crack open the Comp Plan to make the changes as *Commissioner Spevak* noted?

- Barry: I do think we have to open the Comp Plan to work on this, but we can see.

Commissioner Spevak: Looking at the fee schedule for land use reviews, there is a Tier A for Comp Plan with Zone Map amendments for \$14k. There may be a way to make a shift from residential to CR qualify for this fee amount. A standard zone change is actually higher, over \$17k

Chair Schultz: A similar notion came up with the buffer overlay. What are we talking about in terms of buildable land area? That could be a similar way to look at the new requirements.

- Steve: The buffer overlay varies a lot. It's sparsely created across the city. It's typically 50' feet wide, but up to 300' in some places. While some buffer overlay sites are landscaped areas now, the overlay restrictions are limited, and all sites can be developed to setback standards of 10-20' width. One code change proposed to replace the overlay will affect outdoor use activities, which is being changed to a 25' setback in the large-site IG2 and IH zones. That change does not necessarily limit development activity, but the small area of buffer overlay restrictions is being replaced by Citywide requirements. There is also a minor code change proposed on the setbacks in the small-lot IG1 and EG1 zones.

Chair Schultz: In the Macadam Plan District, base zone states a maximum height. So if you apply IH, even though you may get the extra 1:1, you can't really do anything with it. I'm trying to understand if we're really able to use the incentive we want to provide for IH. If we can't, where can't we really use the incentive so we can address it? I want to be sure we're consistent with the incentive across the plan districts.

Adjourn

Chair Shultz adjourned the meeting at 2:04 p.m.

Submitted by Julie Ocken