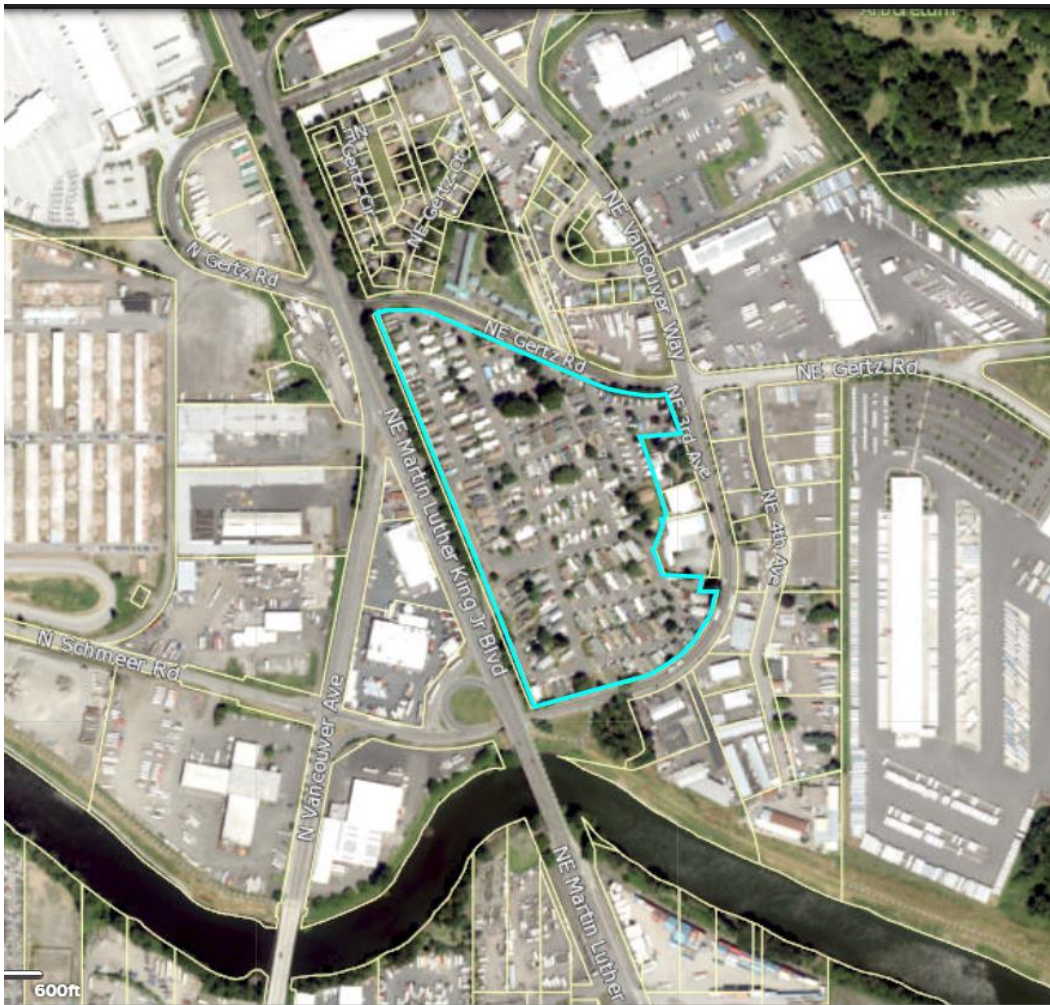


Fox Run Manufactured Dwelling Park Map Changes Comprehensive Plan Map Amendment Zoning Map Change



Proposed Draft

City of Portland, Oregon
September 4, 2018

Acknowledgments

Portland City Council

Ted Wheeler, Mayor

Nick Fish, Commissioner

Amanda Fritz, Commissioner

Chloe Eudaly, Commissioner

Dan Saltzman, Commissioner

Portland Planning and Sustainability Commission

Katherine Schultz (Chair); André Baugh (Vice Chair); Chris Smith (Vice Chair); Jeff Bachrach, Mike Houck; Katie Larsell; Andrés Oswill; Ben Bortalazo; Michelle Rudd; Eli Spevak; Teresa St. Martin

Bureau of Planning and Sustainability

Ted Wheeler, Mayor, Commissioner-in-charge

Susan Anderson, Director

Joe Zehnder, Chief Planner

Project Staff

Tom Armstrong, Supervising Planner

Leslie Lum, City Planner

Jena Hughes, Planning Assistant

Stephanie Routh, Intern

Esmeralda Sanchez, Intern

Other Contributors

Neil Loehlein, GIS Mapping

Carmen Piekarski, GIS Mapping

Eden Dabbs, Communications

Krista Gust, Graphic Design

Julie Ocken, Code Development

Julie Hernandez, Web Design

Table of Contents

Section I: Introduction	4
Displacement Risk Analysis	7
Long-term Stability of MDPs	8
Residential Development Capacity	9
Section II: Comprehensive Plan Map Amendments	10
Proposed Map Amendments	12
Policy Overview	10
Section III: Zoning Map Amendments	13

Map 1. Proposed Map Changes

Appendix A. Vulnerability Analysis

Section I: Introduction

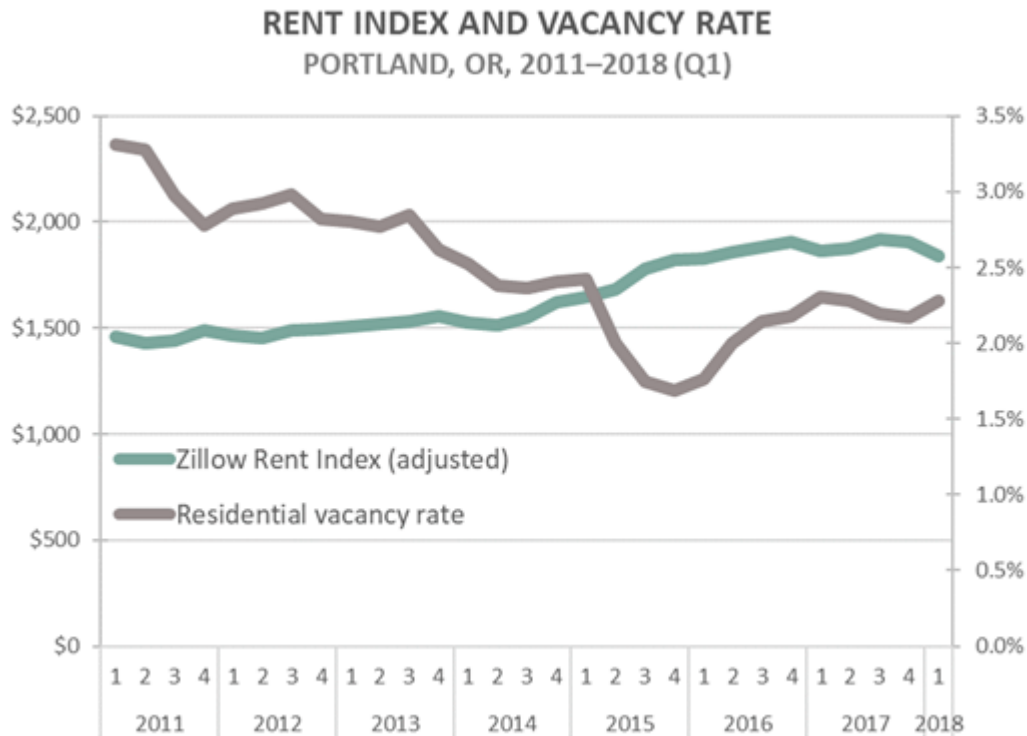
Project Summary

The City of Portland recently adopted a new residential multi-dwelling base zone specifically for manufactured dwelling parks (<https://www.portlandoregon.gov/bps/77578>). The Residential Manufactured Dwelling Park (RMP) zone creates consistent land use regulations for manufactured dwelling parks, with development standards to address the unique nature of MDPs in terms of density, access, setbacks and landscaping requirements.

The proposed amendments will change Comprehensive Plan Map and the Zoning Map to apply the new RMP zone to the Fox Run Mobile Home Community (Fox Run MDP) at 9000 NE Martin Luther King, Jr. Boulevard in NE Portland. The Fox Run MDP has 143 spaces on 18 acres of land.

Housing Affordability

Portland’s continued population and economic growth have had a significant impact on rental housing, resulting in a more than 30% increase in average rents from 2011-2017 and consistently low vacancy rates between 1.7% and 3.3% from 2011-2017. As noted in the City’s 2017 State of Housing Report, after four consecutive years of seeing rent increases of 5 percent or more, Portland saw a smaller overall rent increase in 2017 of 2 percent. However, rents for larger units continued to rise—5 percent for two bedrooms and 10 percent for three bedrooms. At the same time, when adjusted for inflation, renter incomes are still below their pre-recession levels.



Source: [HUD Aggregated USPS Administrative Data](#) on Address Vacancies; [Zillow Rent Index](#) (ZRI) time series for MFR, SFR and condos/co-ops.

Definition of Terms

Under State and City regulations, a manufactured dwelling park or mobile home park or trailer park generally refer to the same type of use – a place where four or more manufactured dwellings are located on a single site. Manufactured dwellings, mobile homes, and residential trailers generally refer to a residential structure that is constructed off site and designed to be moved on public streets and highways. The difference between the terms is dependent on when the structure was constructed and what building codes were in place at the time. A manufactured dwelling is different from a recreational vehicle, which is constructed to a different code standard and intended for temporary occupation.

The following is a list of terms from the Zoning Code (33.910 Definitions)

Manufactured Dwelling Park. Four or more manufactured dwellings which are located on a single site for 30 days or more and intended for residential use. Manufactured dwelling park does not include sites where unoccupied manufactured dwellings are offered for sale or lease. See also Recreational Vehicle Park.

Manufactured Dwelling. A dwelling unit constructed off of the site which can be moved on the public roadways. Manufactured dwellings include residential trailers, mobile homes, and manufactured homes.

- Manufactured Home. A manufactured home is a manufactured dwelling constructed after June 15, 1976 in accordance with federal manufactured housing construction and safety standards (HUD code) in effect at the time of construction.
- Mobile Home. A mobile home is a manufactured dwelling constructed between January 1, 1962, and June 15, 1976, in accordance with the construction requirements of Oregon mobile home law in effect at the time of construction.
- Residential Trailer. A residential trailer is a manufactured dwelling constructed before January 1, 1962, which was not constructed in accordance with federal manufactured housing construction and safety standards (HUD code), or the construction requirements of Oregon mobile home law.

Recreational Vehicle Park. A commercial use providing space and facilities for motor homes or other recreational vehicles for recreational use or transient lodging. There is no minimum required stay in a recreational vehicle park. Uses where unoccupied recreational vehicles are offered for sale or lease, or are stored, are not included as Recreational Vehicle Parks.

Recreational Vehicle. A vehicle with or without motive power, which is designed for sport or recreational use, or which is designed for human occupancy on an intermittent basis. Recreational vehicle is divided into two categories as follows:

- Accessory recreational vehicle. Accessory recreational vehicle includes nonmotorized vehicles designed for human occupancy on an intermittent basis such as vacation trailers and fifth-wheel trailers. A camper is considered an accessory recreational vehicle when it is standing alone. Accessory recreational vehicle also includes vehicles designed for off-road use, such as off-road vehicles, dune buggies, and recreational boats.
- Motor home. Motor home includes motorized vehicles designed for human occupancy on an intermittent basis. A camper is considered a motor home when it is on the back of a pick-up or truck. Motor homes are regulated as trucks unless the regulations specifically indicate otherwise.

Purpose

The 2035 Comprehensive Plan Policy 5.37 established the importance of MDPs as an affordable housing option. Manufactured dwellings (including mobile homes) in manufactured dwelling parks provide some of Portland's most affordable housing. Manufactured housing plays a small — but important — role in providing lower-cost market-rate rental housing. It is often the housing of last resort for households that are struggling to cope with rising housing costs. At the same time, it can be the first choice of housing for low-income households, especially families.

MDPs have different business models. Some residents own their manufactured dwelling and rent the space from the MDP owner. Some residents rent both the dwelling and the space from the MDP owner.

There are 57 MDPs with 3,000 spaces for manufactured homes in Portland. In August 2018, the Portland City Council adopted an ordinance to create a new Comprehensive Plan Map designation (Manufactured Dwelling Park - MDP) and a new multi-dwelling base zone (Residential Manufactured Dwelling Park – RMP).

As part of that project, the Comprehensive Plan Map and the Zoning Map were amended to apply the new designations to 56 of the 57 MDPs in Portland. The Fox Run MDP was not included at that time because it is located in a Prime Industrial Area, which raises policy issues regarding the City's industrial land supply that will be addressed in this proposal.

<p>Policy 5.37 Mobile home parks. Encourage preservation of mobile home parks as a low/moderate-income housing option. Evaluate plans and investments for potential redevelopment pressures on existing mobile home parks and impacts on park residents and protect this low/moderate-income housing option. Facilitate replacement and alteration of manufactured homes within an existing mobile home park.</p>

Current Map Designations

The Fox Run MDP parcel has a Comprehensive Plan designation of Mixed Employment (ME) with General Employment 2 (EG2) zoning with Aircraft Landing (h) and Prime Industrial (k) overlay zones. Fox Run MDP was created through a Conditional Use land review in 1986. Subsequently, the zoning code has changed so that residential (household living) uses are no longer allowed in the EG2 zone. Therefore, the Fox Run MDP is a nonconforming use.

The Aircraft Landing (h) Overlay Zone provides safer operating conditions for aircraft in the vicinity of Portland International Airport by limiting the height of structures, vegetation, and construction equipment. An application for a building permit or land use review for a structure that will exceed the height limits must be accompanied by an approval letter stating that the proposal will not create safety problems, called "determination of no hazard to air navigation," from the Federal Aviation Administration.

Prime Industrial (k) overlay zone protects land that has been identified in the Comprehensive Plan as Prime Industrial (Figure 6-1) and prioritizes these areas for long-term retention. Prime Industrial Land is suited for traded-sector and supportive industries and possesses characteristics that are difficult to

replace in the region. In Portland, Prime Industrial land consists of the Portland Harbor, Columbia Corridor, and Brooklyn Yard industrial districts. These freight-hub districts include Oregon’s largest seaport, rail hub, and airport. Existing and potential multimodal freight access in these districts support interregional transport, exporting industries, and associated industrial businesses and activities. The regulations protect these areas by preventing, or requiring an off-set for, conversion of the land to another zone or use that would reduce industrial development capacity.

Displacement Risk Analysis

The purpose of these proposed map changes is to provide greater stability for MDPs, especially by resolving nonconforming uses, increasing density, allowing for wider density transfers, and allowing for RV Parks to operate at MDPs.

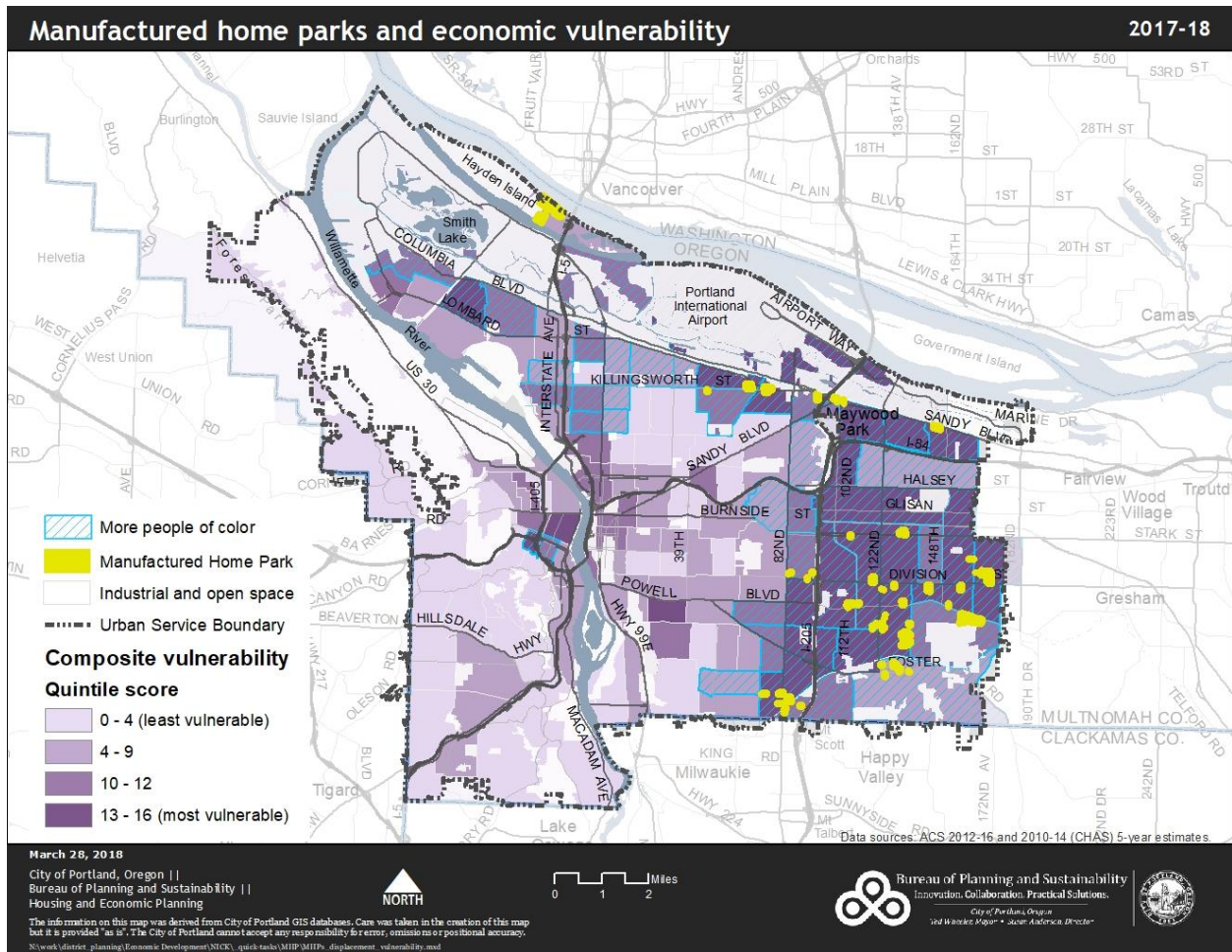
Greater stability for these parks can help maintain access to relatively affordable housing, especially for historically inequitably burdened, underserved and under-represented communities, and other vulnerable populations. Manufactured dwelling households tend to have more low-income, cost-burdened households than the city as a whole. Manufactured dwelling households have a greater share of households that do not make a self-sufficient income than the city as a whole. Manufactured dwelling residents have a greater share of communities of color and adults without a 4-year college degree.

People and households in manufactured dwellings (Portland)

	Manufactured Dwellings	All households
Households		
Below self-sufficiency	58%	33%
Cost-burdened	42%	37%
Low-income	57%	36%
People		
Communities of color	57%	29%
No four-year degree	88%	51%

Source: IPUMS-USA, University of Minnesota. 2014-2016 3-year estimates. Prepared July 30, 2018 by Portland Bureau of Planning and Sustainability.

The Bureau of Planning and Sustainability uses a vulnerability analysis to identify neighborhoods (Census tracts) with higher than average shares of people that are vulnerable to economic displacement: renters, communities of color, adults without a four-year college degree and renters. An analysis of the location of MDPs in relation to higher levels of vulnerability show that 50 out of 56 MDPs are located in vulnerable neighborhoods (see Appendix B. Vulnerability Analysis).



Long-term Stability of MDPs

MDPs are lower-cost market-rate housing. The RMP zone supports the continued operation of MDPs as lower-cost market-rate rental housing through the following measures:

1. Resolves nonconforming situations, which can make it easier to obtain development permits for park improvements because the park does not need to go through a nonconforming situation review.
2. Increases maximum density standard, which provides the ability to expand the number of spaces in the park or incorporate innovative dwelling types, such as smaller park model units or stacked manufactured dwellings.
3. Expands the area allowed for density transfers, which currently is limited to the block on which the park sits or a site across the street from the park. The amendments expand the transfer territory to any other site with multi-dwelling zoning outside the Central City.
4. Offers an affordable housing bonus, which allows for a 50 percent increase in maximum density for MDPs that reserve at least 50 percent of the spaces in the park are affordable at 60 percent area median income. This bonus is transferrable.
5. Allows RV Parks, which is considered short-term lodging and a Retail Sales and Service use that is not typically not allowed in Multi-Dwelling Residential zones.

Residential Development Capacity

The RMP zone has a maximum density standard of 1 space per 1,500 square feet of site area, which means Fox Run MDP could be allowed up to 524 spaces on the site.

In addition, the transfer of unused density from a manufactured dwelling park has been expanded. With 143 spaces, Fox Run MDP is well under the maximum number of dwelling units allowed, which results in a surplus density of 381 spaces/units that can be used on site or transferred to another multi-dwelling zoned site outside the Central City. This ability to transfer unused density provides an economic incentive to support the long-term stability of the park.

Section II: Comprehensive Plan Map Amendments

What is the difference between the Comprehensive Plan Map and Zoning Map designations?

The Comprehensive Plan Map depicts a long-term vision of how and where the city will grow and change over the next 20 years to accommodate anticipated population and job growth. In contrast, the Zoning Map tells us how land can be used and what can be built on any given property today.

The Zoning Map is more specific than the Comprehensive Plan Map designations and come with a set of rules that clarify what uses are allowed (e.g., residences, businesses, manufacturing) as well as how buildings may be developed or changed (e.g., maximum heights and required setbacks from property lines).

Policy Overview

The 2035 Comprehensive Plan provides policy direction that addresses distinct and, at times conflicting objectives. As noted above, the policies in Chapter 5 (Housing) seek to provide adequate capacity to accommodate future growth and a diversity of housing types, especially those that can serve low- and moderate-income families. The policies in Chapter 6 (Economic Development) seek to ensure there are adequate supplies of employment land that are sufficient to meet the long-term and short-term employment growth forecasts, adequate in terms of amounts and types of sites, available and practical for development and intended uses. The City Council is tasked with reconciling the application of the policies that serve to achieve different objectives.

Specifically, the 2035 Comprehensive Plan identified strategies to expand capacity for employment growth while also meeting environmental and other objectives.

Policy 6.38 seeks to more effectively protect prime industrial land, by limiting the conversion of prime industrial land through land use plans, regulations, or public land acquisition for non-industrial uses, especially land that can be used by river-dependent and river-related industrial uses. In cases where it is decided to convert industrial lands, the City should strive to offset the

reduction of development capacity as needed, with additional prime industrial capacity that includes consideration of comparable site characteristics. Offsets may include but are not limited to additional brownfield remediation, industrial use intensification, strategic investments, and other innovative tools and partnerships that increase industrial utilization of industrial land.

Policy 6.38 Prime industrial land retention. Protect the multimodal freight-hub industrial districts at the Portland Harbor, Columbia Corridor, and Brooklyn Yard as prime industrial land that is prioritized for long-term retention. See Figure 6-1 – Industrial and Employment Districts.

The policy decision to change the Comprehensive Plan Map is based on four factors:

1. **Fox Run MDP is existing development.**

This is not a vacant site that is ready for industrial development. It is an on-going business with monthly rent revenue. Moreover, in order to redevelop, the owners would need to pay residents state and local relocation fees that could make conversion to industrial uses unfeasible.

2. Location.

The Fox Run MDP site does not have access to the Willamette River nor to the Columbia River, therefore land that cannot be used by river-dependent and river-related industrial uses. The Fox Run MDP site does not have access to a railroad line.

3. Mixed Employment zoning allows wide range of uses.

The ME map designation is implemented by the General Employment 2 (EG2) zoning, which allows for a wide range of non-industrial uses. Retail Sales and Service uses are allowed up to 20,000 square feet or more with a conditional use review. Office uses are allowed up to a 3:1 FAR. There is no guarantee that this site would be redeveloped for industrial use.

4. Employment Development Capacity

The City’s acknowledged Economic Opportunities Analysis (EOA) analyzed and demonstrated adequate growth capacity for a diverse range of employment uses, which are organized into different geographies that represent a distinct mix of business sectors and building types.¹ In each of the geographies, the City analyzed the future employment growth and the developable land supply to accommodate that growth. The Fox Run MDP is located in the Harbor and Airport Districts, geography.

The EOA identified a 54-acre surplus of development capacity in the Harbor & Airport Districts. However, the EOA identified a 25-acre shortfall in the adjacent Harbor Access Land geography and uses the surplus in the Harbor and Airport Districts geography to accommodate that industrial land demand. This shift means the surplus in the Harbor and Airports District is effectively 29 acres.

As part of the initial adoption of the MDP/RMP map designations, three (3) MDPs located in the Harbor and Airport geography that had Mixed Employment comprehensive plan map designations were changed to MDP. These MDPs accounted for approximately 5 acres of employment land capacity in the Harbor and Airport Districts geography. Therefore, the surplus capacity is 24 acres in the Harbor and Airport Districts.

Harbor and Airport Districts	Change	Surplus Land Supply
2016 EOA		54 acres
2016 Harbor Access Land shortfall	-25 acres	29 acres
MDP map changes	-5 acres	24 acres
Fox Run MDP	-13.5 acres	10 acres

The Fox Run MDP accounts for 13.5 acres of employment land capacity in the Harbor and Airport Districts geography in the BLI. A further reduction of 13.5 acres to designate Fox Run MDP to residential use would be reduce the surplus in the Harbor and Airport Districts to 10 acres, still enough to meet the projected industrial land needs identified in the EOA.

¹ City of Portland Economic Opportunities Analysis, As Adopted (Ordinance 187831) and acknowledged by LCDC on April 25, 2017. <https://www.portlandoregon.gov/bps/article/543101>

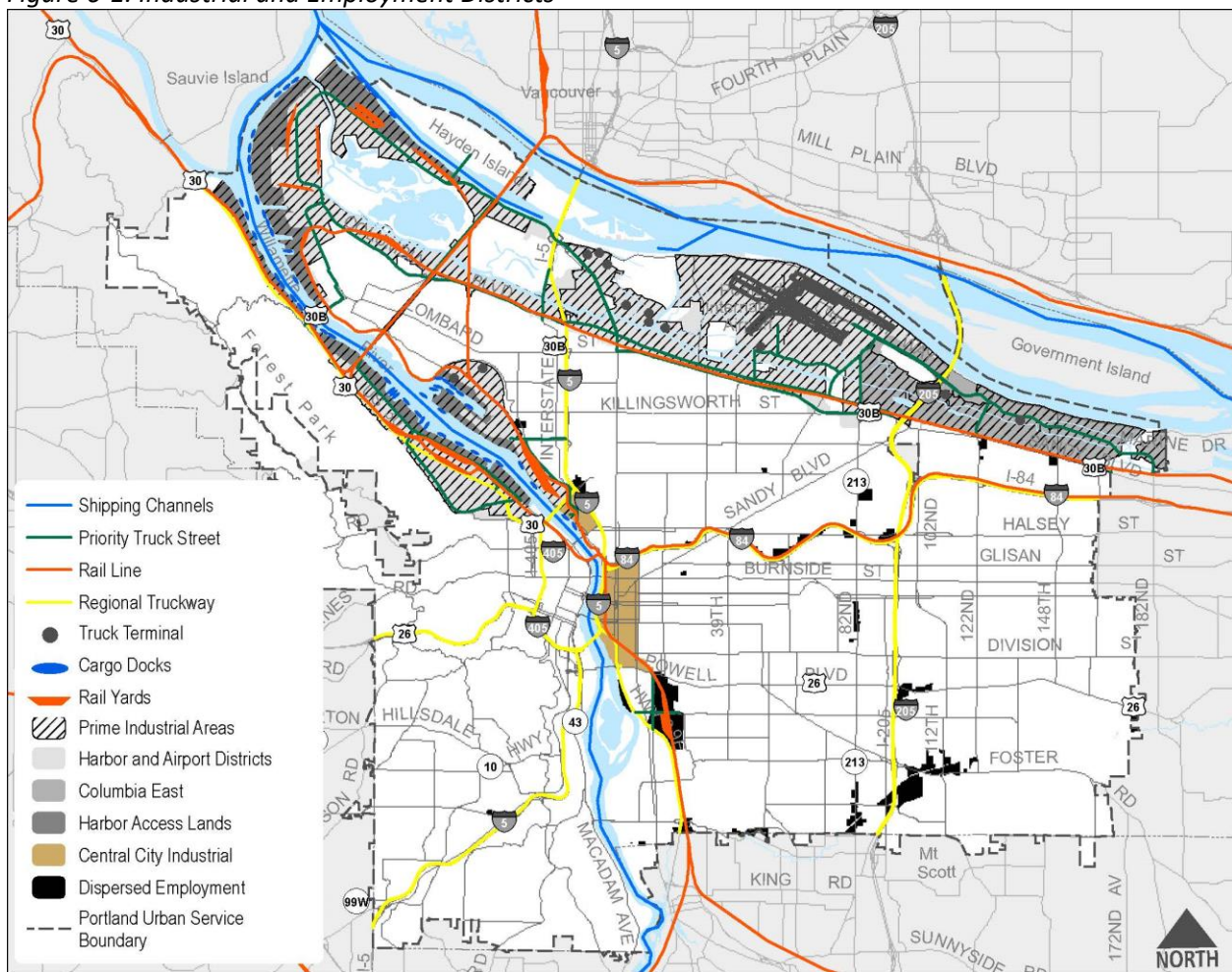
Even though the MDP amendments reduce the employment land supply, the affected EOA employment geography maintains sufficient employment capacity to accommodate the forecasted employment growth in compliance with Statewide Planning Goal 9.

Proposed Map Amendments

The proposed map amendments change the land use designation for the Fox Run MDP parcel from Mixed Employment (ME) to Manufactured Dwelling Park (MDP). See Map 1.

The proposed map amendments also change Figure 6-1 in the 2035 Comprehensive Plan to remove the Prime Industrial designation from the Fox Run MDP parcel, and in turn, remove the parcel from the Harbor and Airport Districts geography because it will be designated as residential land, and not available for employment uses.

Figure 6-1. Industrial and Employment Districts



Section III: Zoning Map Amendments

This section discusses the proposed zoning map amendments, which are shown on Map 1.

There are two types of map changes:

1. the Base Zone
2. the overlay zones

Base Zone changes

The Fox Run MDP is currently zoned General Employment 2 (EG2). As shown in Figure 10-1 of the 2035 Comprehensive Plan, the corresponding zone for the MDP map designation is Residential Manufactured Dwelling Park (RMP). The proposal is to rezone the Fox Run MDP to RMP.

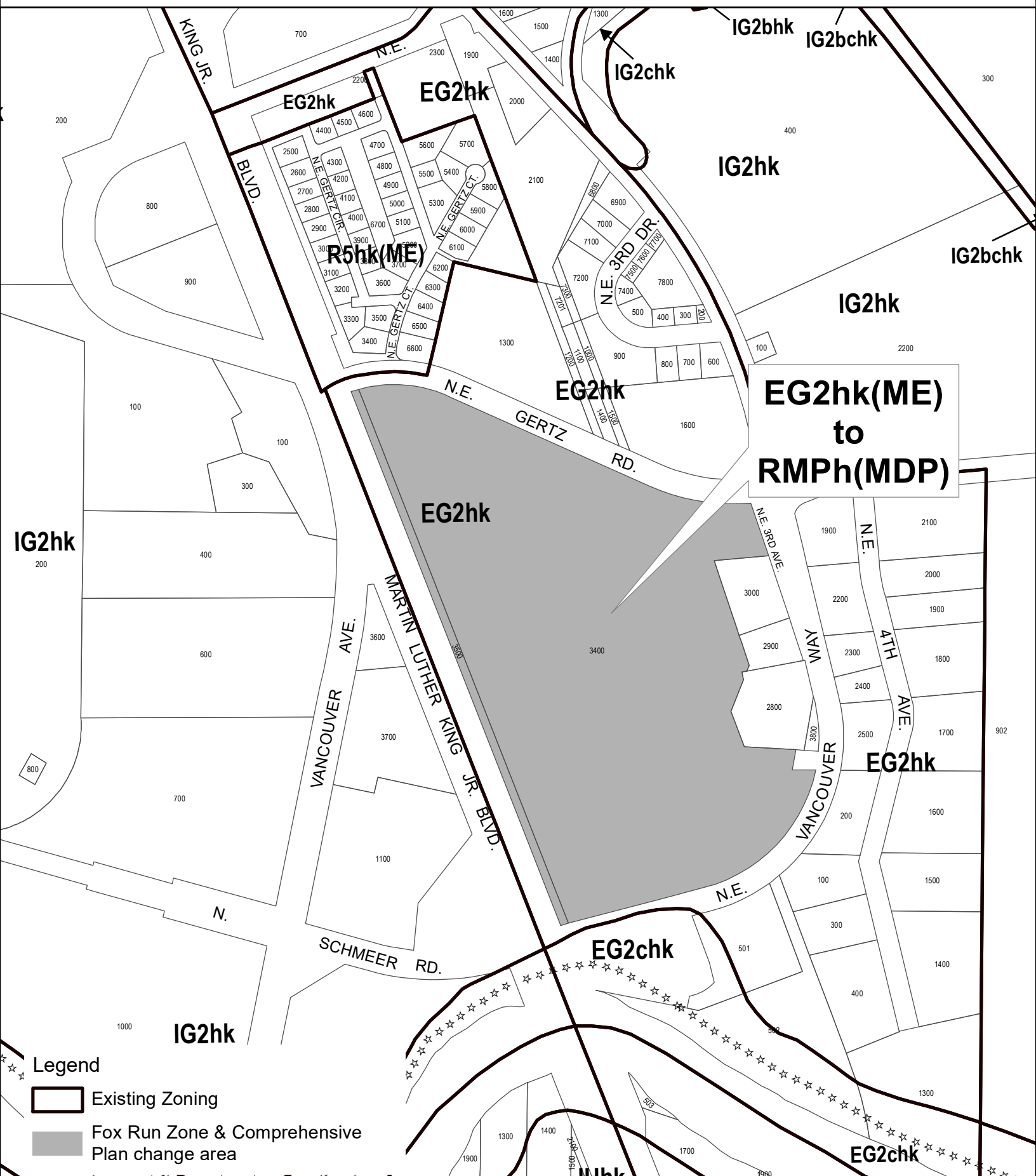
Overlay Zone

The Fox Run MDP site currently has two overlay zones - Aircraft Landing (h) and Prime Industrial (k) overlay zones.



The Aircraft Landing (h) overlay zone provides safer operating conditions for aircraft in the vicinity of Portland International Airport by limiting the height of structures, vegetation, and construction equipment. An application for a building permit or land use review for a structure that will exceed the height limits must be accompanied by an approval letter stating that the proposal will not create safety problems, called "determination of no hazard to air navigation," from the Federal Aviation Administration. The h overlay zone will remain in place with the RMP base zone.

Prime Industrial (k) overlay zone protects land that has been identified in the Comprehensive Plan as Prime Industrial (Figure 6-1) and prioritizes these areas for long-term retention. Prime Industrial Land is suited for traded-sector and supportive industries and possesses characteristics that are difficult to replace in the region. In Portland, Prime Industrial land consists of the Portland Harbor, Columbia Corridor, and Brooklyn Yard industrial districts. These freight-hub districts include Oregon's largest seaport, rail hub, and airport. Existing and potential multimodal freight access in these districts support interregional transport, exporting industries, and associated industrial businesses and activities. The regulations protect these areas by limiting conversion of the land to another zone or use that would reduce industrial development capacity. As discussed above, the k overlay zone will be removed as part of this proposal.

Map 1. Fox Run MDP



Legend

-  Existing Zoning
-  Fox Run Zone & Comprehensive Plan change area

August 23, 2018

