



City of Portland, Oregon
Bureau of Development Services
Land Use Services

1900 SW 4th Avenue, Suite 5000
Portland, Oregon 97201
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www.portlandonline.com/bds

Date: May 13, 2011
To: Interested Person
From: Dave Skilton, Land Use Services 503-823-0660
dave.skilton@portlandoregon.gov

**NOTICE OF A TYPE II DECISION ON A PROPOSAL IN
YOUR NEIGHBORHOOD**

The Bureau of Development Services has approved a proposal in your neighborhood. The reasons for the decision are included in this notice. If you disagree with the decision, you can appeal it and request a public hearing. Information on how to appeal this decision is listed at the end of this notice.

**CASE FILE NUMBER: LU 11-125773 HDZ – STOREFRONTS,
ENTRY, LIGHTING, AND SIGNS**

GENERAL INFORMATION

Applicant: Pegg Investment Company
888 SW 5th Avenue
Portland, OR 97204-2012

Representative: John Heili 503-220-0668
TVA Architects
920 SW 6th Avenue Suite 1500
Portland, OR 97204

Site Address: 638 SW 5th Avenue

Legal Description: BLOCK 62 LOT 5&6, PORTLAND
Tax Account No.: R667707290
State ID No.: 1S1E03BB 00100
Quarter Section: 3129
Neighborhood: Portland Downtown, contact Jennifer Geske at 503-750-9843.
District Coalition: Neighbors West/Northwest, contact Mark Sieber at 503-823-4212.
Plan District: Central City - Downtown
Other Designations: Portland Historic Landmark pursuant to listing in the National Register of Historic Places, as the Kress Building, on September 12, 1996.

Zoning: CXd, Central Commercial with HistoricResource Protection and Design overlay zoning.

Case Type: HDZ, Historic Design Review
Procedure: Type II, an administrative decision with appeal to the Historic Landmarks Commission.

Proposal:

The applicant is seeking Historic Design Review approval for a proposal to alter the existing non-historic storefronts (below the transom windows), return the building to a corner entry configuration, install building and accent lighting at various locations, and install seven signs

and sixteen interpretive plaques. Historic Design Review is required because the building is a Portland Historic Landmark and the proposal is for non-exempt exterior alterations.

Relevant Approval Criteria:

In order to be approved, this proposal must comply with the approval criteria of Title 33, Portland Zoning Code. The relevant criteria are:

- 33.846.060 G – Other Approval Criteria
- Central City Fundamental Design Guidelines

ANALYSIS

Site and Vicinity: The terra cotta clad S. H. Kress Building, to which the neighboring building to the east was annexed in 1953, was one of hundreds of Kress & Co. buildings erected around the United States in the first decades of the Twentieth Century. Completed in 1928, the main building was designed by Emil Hoffman, an in-house architect practicing in Memphis, Tennessee, at the time, but who happens to have gotten his start locally, as a draftsman for the firm of Bennes, Hendricks, & Thompson. The composition is a fairly conservative example of the Commercial Style, with Beaux Arts ornamental elements. The annex, which represents an earlier structure re-clad with a much simpler terra cotta system following acquisition in 1953, is compatible but distinct in character. At the time of nomination, in 1996, the annex had not reached the base age of fifty years for consideration as a historic element of the building.

The S. H. Kress building occupies a prominent corner in the heart of the commercial core of downtown Portland. The area is designated as a pedestrian zone. SW Morrison includes the westbound track of the MAX light rail blue and red lines, and the location is also served nearby by buses and other MAX lines on the Transit Mall (SW 5th and 6th Avenues).

Zoning: The commercial zones implement the commercial policies and plan map designations of the Comprehensive Plan. The zones are for areas of the City designated by the Comprehensive Plan for commercial uses. The differences in the zones reflect the diversity of commercial areas in the City. The zones are distinguished by the uses allowed and the intensity of development allowed. Some of the zones encourage commercial areas that are supportive of surrounding residential areas, while other zones allow commercial areas which have a community or regional market. The regulations promote uses and development which will enhance the economic viability of the specific commercial district and the city as a whole. In general, a wide range of uses is allowed in each zone. Limits on the intensity of uses and the development standards promote the desired character for the commercial area. The development standards are designed to allow a large degree of development flexibility within parameters which support the intent of the specific zone. In addition, the regulations provide certainty to property owners, developers, and neighbors about the limits of what is allowed.

The Central Commercial (CX) zone is intended to provide for commercial development within Portland's most urban and intense areas. A broad range of uses is allowed to reflect Portland's role as a commercial, cultural and governmental center. Development is intended to be very intense with high building coverage, large buildings, and buildings placed close together. Development is intended to be pedestrian-oriented with a strong emphasis on a safe and attractive streetscape.

The Historic Resource Protection chapter protects certain historic resources in the region and preserves significant parts of the region's heritage. The regulations implement Portland's Comprehensive Plan policies that address historic preservation. These policies recognize the role historic resources have in promoting the education and enjoyment of those living in and visiting the region. The regulations foster pride among the region's citizens in their city and its heritage. Historic preservation beautifies the city, promotes the city's economic health, and helps to preserve and enhance the value of historic properties.

The Design Overlay Zone promotes the conservation, enhancement, and continued vitality of areas of the City with special scenic, architectural, or cultural value. The Design Overlay Zone also promotes quality high-density development adjacent to transit facilities. This is achieved through the creation of design districts and applying the Design Overlay Zone as part of community planning projects, development of design guidelines for each district, and by requiring design review or compliance with the Community Design Standards. In addition, design review or compliance with the Community Design Standards ensures that certain types of infill development will be compatible with the neighborhood and enhance the area.

Land Use History: City records indicate no prior related land use reviews.

Notice of Proposal: A “Notice of Proposal” was mailed **April 12, 2011**.

Agency Review: None of the notified Bureaus has responded with issues or concerns.

Neighborhood Review: No written responses have been received from either the Neighborhood Association or notified property owners in response to the proposal.

ZONING CODE APPROVAL CRITERIA

Chapter 33.846, Historic Reviews

Purpose of Historic Design Review

Historic Design Review ensures the conservation and enhancement of the special characteristics of historic resources.

Historic Design Review Approval Criteria

Requests for historic design review will be approved if the review body finds the applicant has shown that all of the approval criteria have been met.

Findings: The site is a designated Historic Landmark and the proposal is for non-exempt exterior alterations. Therefore the proposal requires Historic Design Review approval. The approval criteria are listed in 33.846.060 G. Because the site is located within the Central City Plan District, the approval criteria also include the *Central City Fundamental Design Guidelines*.

Staff has considered all the approval criteria and addressed only those applicable to the proposal.

G. Other Approval Criteria:

- 1. Historic character.** The historic character of the property will be retained and preserved. Removal of historic materials or alteration of features and spaces that contribute to the property's historic significance will be avoided.

Findings: The historic character of the Kress Building is defined by a retail ground floor/mezzanine with upper floors in office use. Also characteristically, the ground floor has been altered a number of times, most recently by the return of a semblance of its original character in 1986. The current proposal maintains the open commercial ground floor and restores a historic corner entry configuration. No historic materials will be altered. *This criterion is met.*

- 2. Record of its time.** The historic resource will remain a physical record of its time, place, and use. Changes that create a false sense of historic development, such as adding conjectural features or architectural elements from other buildings will be avoided.

Findings: While the proposal would restore a corner entry configuration known to have existed in the past, no attempt is made to detail it in a way that would suggest it is historic. *This criterion is met.*

- 3. Historic changes.** Most properties change over time. Those changes that have acquired historic significance will be preserved.

Findings: The earlier changes that will be changed occurred in 1986, and do not meet the base criterion for significance, an age of fifty years or more. *This criterion is met.*

- 8. Architectural compatibility.** New additions, exterior alterations, or related new construction will be compatible with the resource's massing, size, scale, and architectural features. When retrofitting buildings or sites to improve accessibility for persons with disabilities, design solutions will not compromise the architectural integrity of the historic resource.

- 10. Hierarchy of compatibility.** Exterior alterations and additions will be designed to be compatible primarily with the original resource, secondarily with adjacent properties, and finally, if located within a Historic or Conservation District, with the rest of the district. Where practical, compatibility will be pursued on all three levels.

Findings for 8 and 10: The proposal adapts the existing storefront system, which is compatible in character with the rest of the building, without significantly altering its patterns or materials. Relocation of the entry to the corner is supported by a demonstration of known historic configuration. Other proposed alterations, changes to signage and building lighting, are minor and related to the new ground floor tenancy. They are in keeping with the traditional treatment of storefront spaces and the open retail character of the downtown in general. *These criteria are met.*

Central City Fundamental Design Guidelines

- A6. Reuse/Rehabilitate/Restore Buildings.** Where practical, reuse, rehabilitate, and restore buildings and/or building elements.

Findings: The proposal adapts an existing ground floor retail space for a new tenant without damaging historic character or materials. *This guideline is met*

- C2. Promote Quality and Permanence in Development.** Use design principles and building materials that promote quality and permanence.

- C3. Respect Architectural Integrity.** Respect the original character of an existing building when modifying its exterior. Develop vertical and horizontal additions that are compatible with the existing building, to enhance the overall proposal's architectural integrity.

- C7. Design Corners that Build Active Intersections.** Use design elements including, but not limited to, varying building heights, changes in façade plane, large windows, awnings, canopies, marquees, signs and pedestrian entrances to highlight building corners. Locate flexible sidewalk-level retail opportunities at building corners. Locate stairs, elevators, and other upper floor building access points toward the middle of the block.

Findings for C2, C3, and C7: The proposed storefront materials and detailing are of exceptionally high quality. As noted in the historic resource protection finding above, they are closely patterned after the original design and hence are architecturally well integrated with the building. Restoration of a corner entry, a pattern that the applicant has demonstrated existed during the period of historic significance, has the added value of helping to create a lively corner condition. *These guidelines are met.*

- C12. Integrate Exterior Lighting.** Integrate exterior lighting and its staging or structural components with the building's overall design concept. Use exterior lighting to highlight the building's architecture, being sensitive to its impacts on the skyline at night.

Findings: The proposed lighting, a subtle washing of the upper floor columns will be provided by small fixtures mounted atop the ground level sub-cornice and out of view from below. Attachments will be at mortar joints between terra cotta pieces and will be detailed to avoid water intrusion. They will not have any effect on the skyline. *This guideline is met.*

C13. Integrate Signs. Integrate signs and their associated structural components with the building's overall design concept. Size, place, design, and light signs to not dominate the skyline. Signs should have only a minimal presence in the Portland skyline.

Findings: The proposed sign package includes the following:

- an internally illuminated, diagonally projecting, corner blade sign, 18 square feet in face area;
- two internally illuminated, projecting blade signs, each 6.4 square feet in face area;
- two non-illuminated, pin-mounted letter signs, in the traditional sign band above the transom windows, each 10.4 square feet in face area;
- two internally illuminated, push-through logos, each approximately .5 square feet in face area ; and
- sixteen square brass product logo plaques, in four vertically oriented arrays of four each, mounted on the inset panels of the sides of the freestanding corner column, each array having a face area of approximately 9 square feet.

While the signs employ modern technologies, their basic types, modest sizes and traditional locations are all in keeping with the historic character of the building. None of the signs is mounted to historic material and none will have any effect on the skyline. *This guideline is met.*

DEVELOPMENT STANDARDS

Unless specifically required in the approval criteria listed above, this proposal does not have to meet the development standards in order to be approved during this review process. The plans submitted for a building or zoning permit must demonstrate that all development standards of Title 33 can be met, or have received an Adjustment or Modification via a land use review prior to the approval of a building or zoning permit.

CONCLUSIONS

The proposal reinstates a corner entry for the ground floor retail space, approximating an earlier configuration and enlivening a prominent downtown corner. The purpose of the Historic Design Review process is to ensure that additions, new construction, and exterior alterations to historic resources do not compromise their ability to convey historic significance. This proposal meets the applicable Historic Design Review criteria and therefore warrants approval.

ADMINISTRATIVE DECISION

Approval of a new entry, storefronts, building and lighting, on the Historic Landmark Kress Building, in the Central City Plan District – Downtown Sub-District, as follows:


- replacement of existing non-historic storefront glass with double-glazed units (below the transoms);
- restoration of a corner entry configuration
- installation of building lighting;
- one internally illuminated, diagonally projecting, corner blade sign, 18 square feet in face area;
- two internally illuminated, projecting blade signs, each 6.4 square feet in face area;
- two non-illuminated, pin-mounted letter signs, in the traditional sign band above the transom windows, each 10.4 square feet in face area;

- two internally illuminated, push-through logos, each approximately .5 square feet in face area; and
- sixteen square brass product logo plaques, in four vertically oriented arrays of four each, mounted on the inset panels of the sides of the freestanding corner column, each array having a face area of approximately 9 square feet.

Approval per Exhibits C-1 through C-15, signed and dated May 9, 2011, subject to the following condition:

- A. As part of the building permit application submittal, each of the 4 required site plans and any additional drawings must reflect the information and design approved by this land use review as indicated in Exhibits C-1 through C15. The sheets on which this information appears must be labeled, "Proposal and design as approved in Case File # LU 11-125773 HDZ. No field changes allowed."

Staff Planner: Dave Skilton

Decision rendered by:  **on May 9, 2011.**

By authority of the Director of the Bureau of Development Services

Decision mailed: May 13, 2011

About this Decision. This land use decision is **not a permit** for development. Permits may be required prior to any work. Contact the Development Services Center at 503-823-7310 for information about permits.

Procedural Information. The application for this land use review was submitted on April 1, 2011, and was determined to be complete on **April 8, 2011**.

Zoning Code Section 33.700.080 states that Land Use Review applications are reviewed under the regulations in effect at the time the application was submitted, provided that the application is complete at the time of submittal, or complete within 180 days. Therefore this application was reviewed against the Zoning Code in effect on April 1, 2011.

ORS 227.178 states the City must issue a final decision on Land Use Review applications within 120-days of the application being deemed complete. The 120-day review period may be waived or extended at the request of the applicant. In this case, the applicant did not waive or extend the 120-day review period.

Some of the information contained in this report was provided by the applicant.

As required by Section 33.800.060 of the Portland Zoning Code, the burden of proof is on the applicant to show that the approval criteria are met. The Bureau of Development Services has independently reviewed the information submitted by the applicant and has included this information only where the Bureau of Development Services has determined the information satisfactorily demonstrates compliance with the applicable approval criteria. This report is the decision of the Bureau of Development Services with input from other City and public agencies.

Conditions of Approval. If approved, this project may be subject to a number of specific conditions, listed above. Compliance with the applicable conditions of approval must be documented in all related permit applications. Plans and drawings submitted during the permitting process must illustrate how applicable conditions of approval are met. Any project elements that are specifically required by conditions of approval must be shown on the plans, and labeled as such.

These conditions of approval run with the land, unless modified by future land use reviews. As used in the conditions, the term "applicant" includes the applicant for this land use review,

any person undertaking development pursuant to this land use review, the proprietor of the use or development approved by this land use review, and the current owner and future owners of the property subject to this land use review.

Appealing this decision. This decision may be appealed to the Historic Landmarks Commission, which will hold a public hearing. Appeals must be filed **by 4:30 PM on May 27, 2011** at 1900 SW Fourth Ave. Appeals can be filed Tuesday through Friday on the first floor of the Development Services Center until 3 p.m. After 3 p.m. and Mondays, appeals must be submitted to the receptionist at the front desk on the fifth floor. **An appeal fee of \$250 will be charged.** The appeal fee will be refunded if the appellant prevails. There is no fee for ONI recognized organizations appealing a land use decision for property within the organization's boundaries. The vote to appeal must be in accordance with the organization's bylaws. Assistance in filing the appeal and information on fee waivers is available from BDS in the Development Services Center. Please see the appeal form for additional information.

The file and all evidence on this case are available for your review by appointment only. Please call the Request Line at our office, 1900 SW Fourth Avenue, Suite 5000, phone 503-823-7617, to schedule an appointment. I can provide some information over the phone. Copies of all information in the file can be obtained for a fee equal to the cost of services. Additional information about the City of Portland, city bureaus, and a digital copy of the Portland Zoning Code is available on the internet at www.portlandonline.com.

Attending the hearing. If this decision is appealed, a hearing will be scheduled, and you will be notified of the date and time of the hearing. The decision of the Historic Landmarks Commission is final; any further appeal must be made to the Oregon Land Use Board of Appeals (LUBA) within 21 days of the date of mailing the decision, pursuant to ORS 197.620 and 197.830. Contact LUBA at 550 Capitol St. NE, Suite 235, Salem, Oregon 97301, or phone 1-503-373-1265 for further information.

Failure to raise an issue by the close of the record at or following the final hearing on this case, in person or by letter, may preclude an appeal to the Land Use Board of Appeals (LUBA) on that issue. Also, if you do not raise an issue with enough specificity to give the Historic Landmarks Commission an opportunity to respond to it, that also may preclude an appeal to LUBA on that issue.

Recording the final decision.

If this Land Use Review is approved the final decision must be recorded with the Multnomah County Recorder. A few days prior to the last day to appeal, the City will mail instructions to the applicant for recording the documents associated with their final land use decision.

- *Unless appealed*, The final decision may be recorded on or after **May 31, 2011**.
- A building or zoning permit will be issued only after the final decision is recorded.

The applicant, builder, or a representative may record the final decision as follows:

- By Mail: Send the two recording sheets (sent in separate mailing) and the final Land Use Review decision with a check made payable to the Multnomah County Recorder to: Multnomah County Recorder, P.O. Box 5007, Portland OR 97208. The recording fee is identified on the recording sheet. Please include a self-addressed, stamped envelope.
- In Person: Bring the two recording sheets (sent in separate mailing) and the final Land Use Review decision with a check made payable to the Multnomah County Recorder to the County Recorder's office located at 501 SE Hawthorne Boulevard, #158, Portland OR 97214. The recording fee is identified on the recording sheet.

For further information on recording, please call the County Recorder at 503-988-3034. For further information on your recording documents please call the Bureau of Development Services Land Use Services Division at 503-823-0625.

Expiration of this approval. An approval expires three years from the date the final decision is rendered unless a building permit has been issued, or the approved activity has begun.

Where a site has received approval for multiple developments, and a building permit is not issued for all of the approved development within three years of the date of the final decision, a new land use review will be required before a permit will be issued for the remaining development, subject to the Zoning Code in effect at that time.

Zone Change and Comprehensive Plan Map Amendment approvals do not expire.

Applying for your permits. A building permit, occupancy permit, or development permit may be required before carrying out an approved project. At the time they apply for a permit, permittees must demonstrate compliance with:

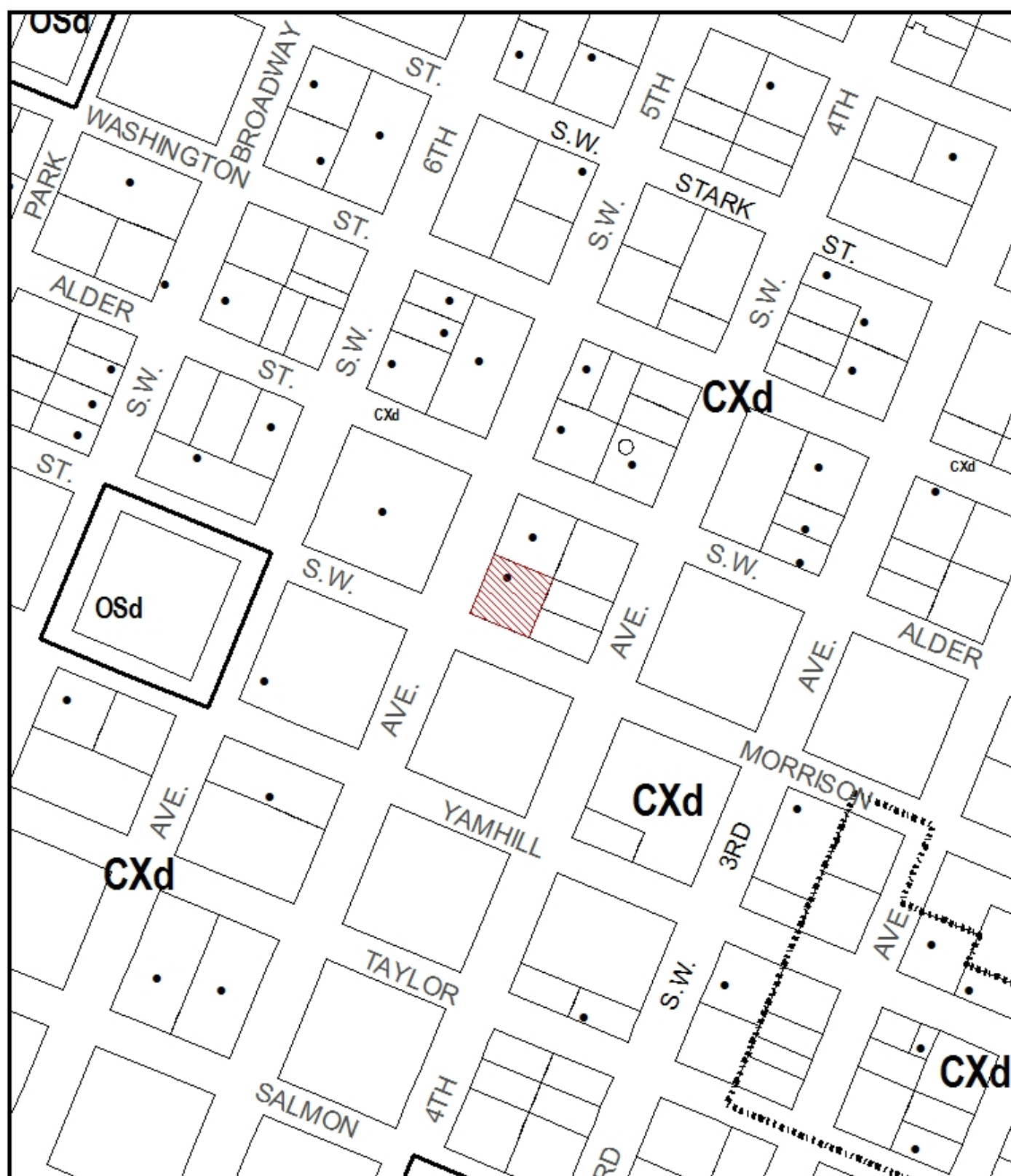
- All conditions imposed herein;
- All applicable development standards, unless specifically exempted as part of this land use review;
- All requirements of the building code; and
- All provisions of the Municipal Code of the City of Portland, and all other applicable ordinances, provisions and regulations of the City.

EXHIBITS

NOT ATTACHED UNLESS INDICATED

- A. Applicant's Statement
- B. Zoning Map (attached)
- C. Drawings:
 - 1. Site Plan (attached)
 - 2. West and South Elevations (attached)
 - 3. Partial South Elevation (attached)
 - 4. Partial West Elevation (attached)
 - 5. West and South Wall Sections
 - 6. Entry Details
 - 7. Storefront Section Details
 - 8. Entry Doors Section Details
 - 9. Section Details
 - 10. Projecting Sign Details
 - 11. Lighting and Plaque Details
 - 12. Photo Simulation
 - 13. Night Photo Simulation
 - 14. Photo Simulation
 - 15. Photo Simulation
- D. Notification information:
 - 1. Mailing list
 - 2. Mailed notice
- E. Agency Responses: none
- F. Correspondence: none
- G. Other:
 - 1. Original LU Application
 - 2. Site History Research

The Bureau of Development Services is committed to providing equal access to information and hearings. Please notify us no less than five business days prior to the event if you need special accommodations. Call 503-823-7300 (TTY 503-823-6868).



ZONING



Site



Historic Landmark



NORTH

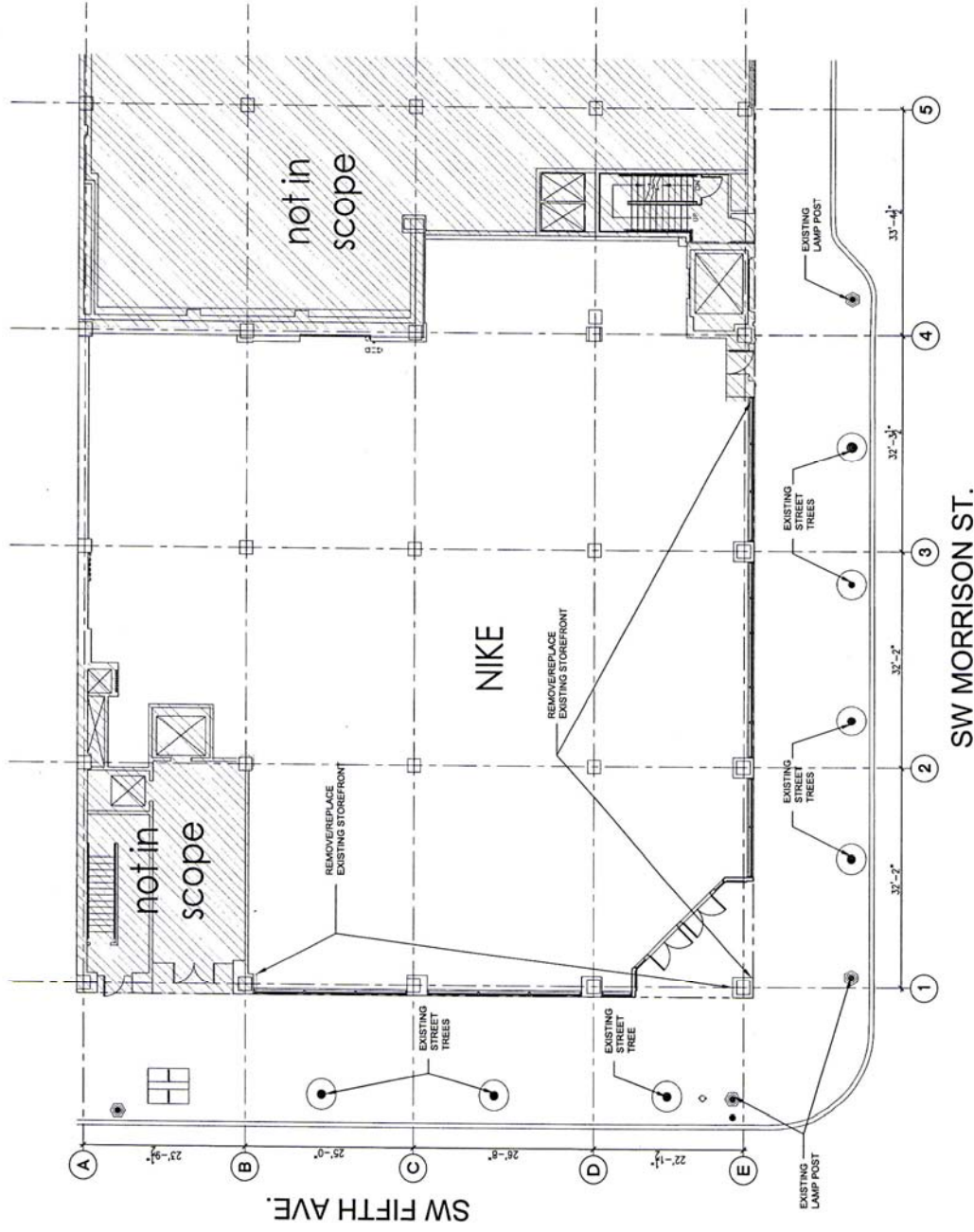
This site lies within the:
CENTRAL CITY PLAN DISTRICT

File No.	LU 11-125773 HDZ
1/4 Section	3129
Scale	1 inch = 200 feet
State_Id	1S1E03BB 100
Exhibit	B (Apr 08,2011)

DRAWING PACKAGE NOTES:

1. ALL ORIGINAL TERRA COTTA TILES REMOVED DURING SCOPE OF WORK SHALL BE SECURELY STORED IN THE LOWER LEVEL OF THE KRESS BUILDING UNDER STEWARDSHIP OF THE TENANT FOR POSSIBLE RE-INSTALLATION AT THE TERMINATION OF LEASE FOR FUTURE TENANT FACADE MODIFICATIONS.
2. TERRA COTTA REMOVAL AND ATTACHMENT SPECIFICATIONS SHALL REQUIRE THAT CONTRACTOR HAVE PREVIOUS WORK EXPERIENCE MODIFYING HISTORIC TERRA COTTA FACADES. ALL METHODS OF FASTENING AND CARE OF TERRA COTTA PANELS TO BE IN KEEPING WITH HISTORIC MEANS AND METHODS.
3. TVA ARCHITECTS IN CONJUNCTION WITH HERITAGE CONSULTING SHALL PROVIDE FULL SCALE SPECIFICATION WITH EXTERIOR FACADE CONSULTANT REVIEW AND APPROVAL PRIOR TO CONSTRUCTION.

Approved _____
City of Portland - Bureau of Development Services
Date 5-9-11
Planner *Barbara White*
* This approval applies only to the reviews requested and is subject to conditions of approval. Additional zoning requirements may apply.



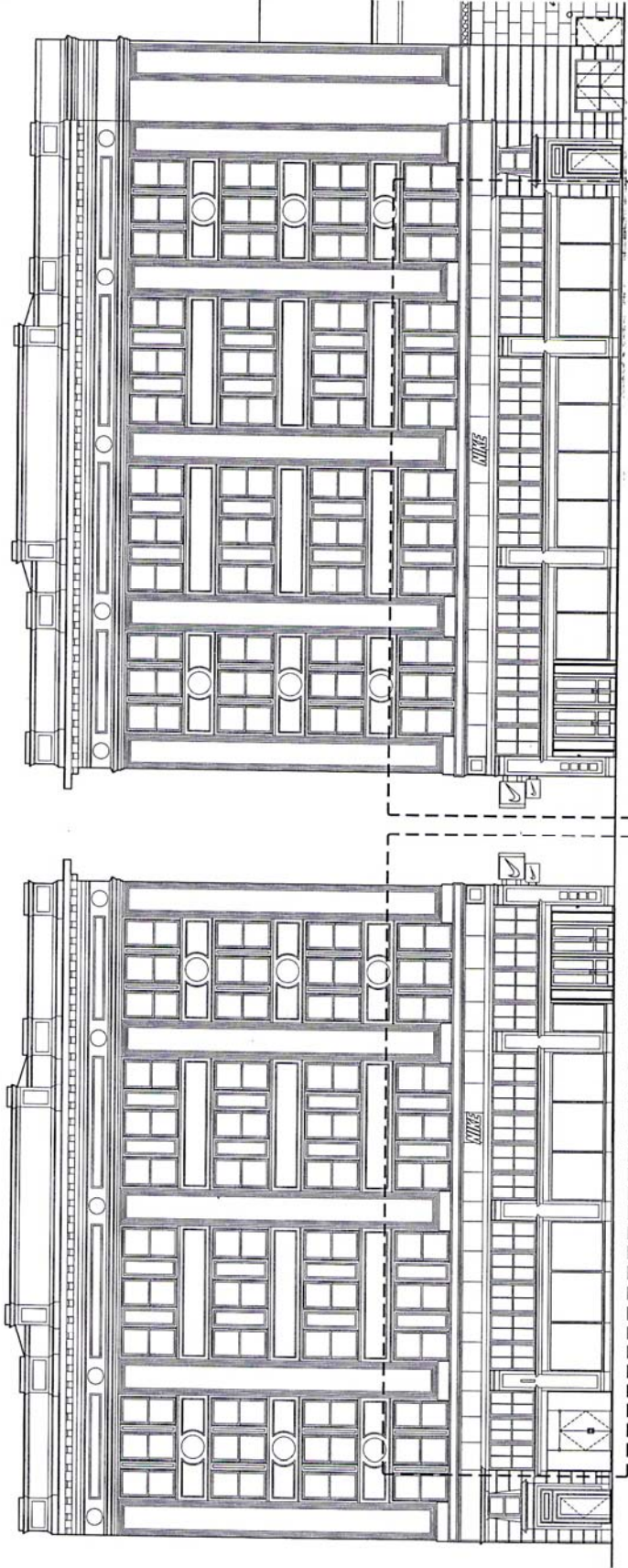
1

SITE PLAN

SCALE 1/16" = 1'-0"

1-6

WM 11-125-773 440Z



1

WEST ELEVATION

SCALE 1/16" = 1'-0"

2

SOUTH ELEVATION

SCALE 1/16" = 1'-0"

1

A3

1

A4

Approved
City of Portland - Bureau of Development Services
Planner *Jane Fulton* Date *5.9.11* **C-2**
This review applies only to the reviews requested and is subject to the conditions of approval. Additional zoning requirements may apply.

LU 11-125773 HDZ



tva

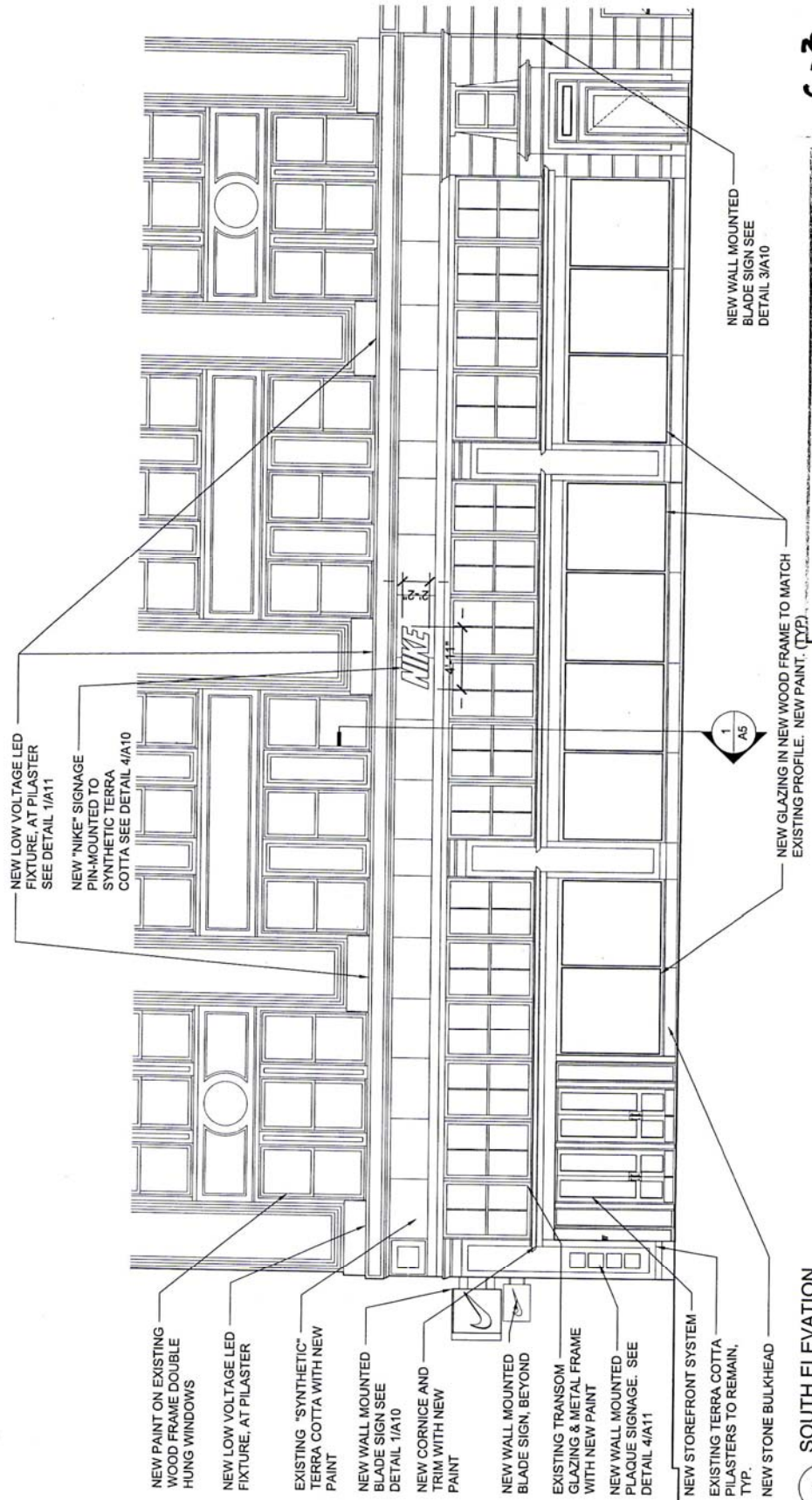
HERITAGE

NIKE RETAIL INTERIORS

NIKE INC.
PORTLAND, OR

A.3

04.01.17



1 SOUTH ELEVATION

SCALE 1/8" = 1'-0"

C-3

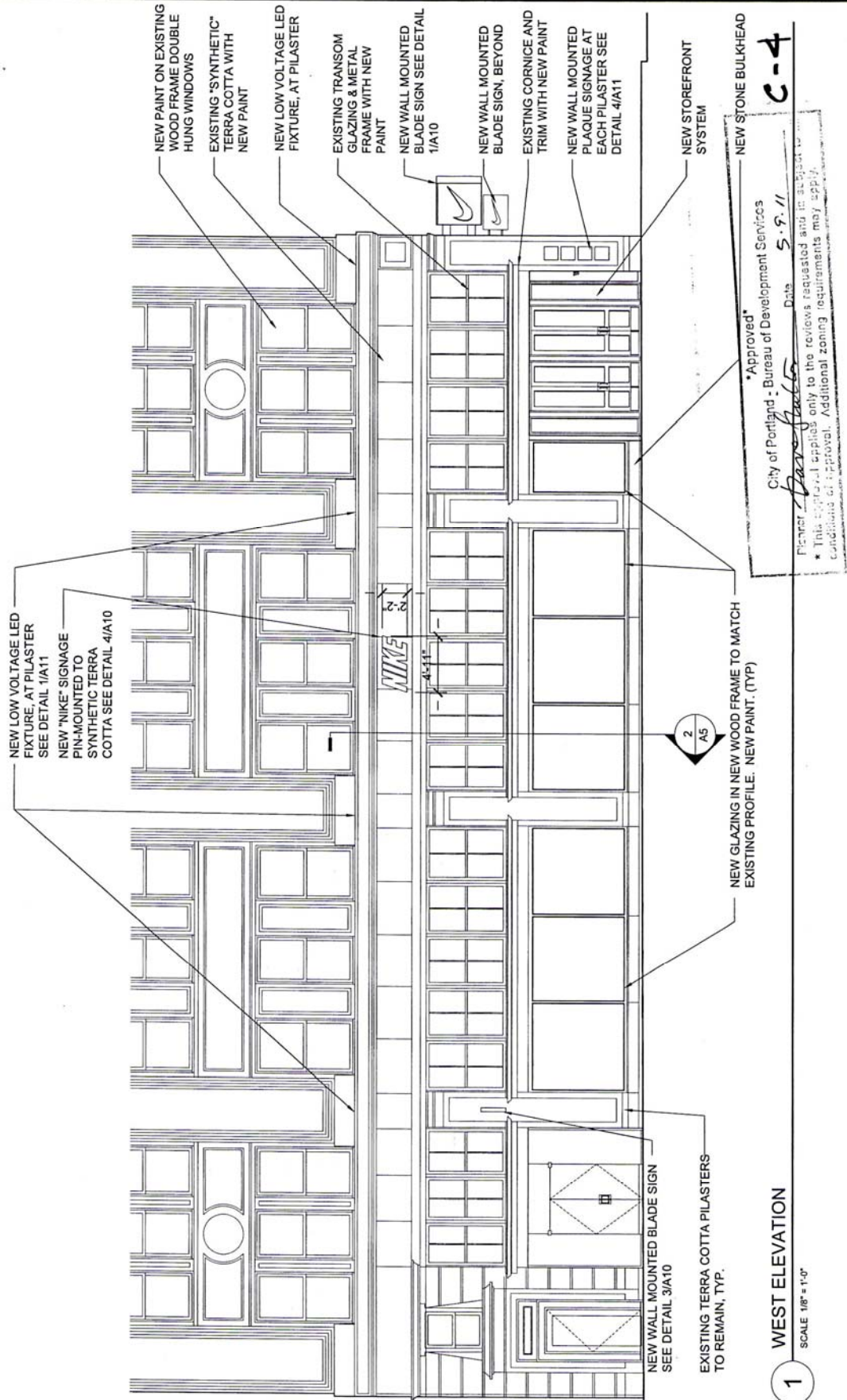
Approved

City of Portland - Bureau of Development Services

Project: *Dave Fulton* Date: *5-9-11*

This plan is approved only to the reviews requested and is subject to all conditions of approval. Additional zoning requirements may apply.

LA-1125773 #02



LU11-125773 HD2