

## Ordinance No.

Streamline and update the land division regulations and other related code provisions (Ordinance; Amend Title 33 and Title 1; amend Ordinance 175965).

The City of Portland ordains:

### Section 1. The Council finds:

1. In November 2022, City Council passed Resolution #37593, that establishes key actions to increase affordable housing construction. This multi-pronged directive included a number of measures to spur residential development. The resolution in part directs the Bureau of Planning and Sustainability to collaborate with the Bureau of Development Services (now PP&D) and other infrastructure bureaus to bring a package of code amendments and operational improvements to Council to increase the clarity and efficiency of the residential land division process for small residential development. The Land Division Code Update (LDCU) project responds to this directive.
2. The LDCU project is also a response to changes in state legislation that require clear and objective standards for residential development (Oregon Revised Statute 197A.400: Clear and Objective Approval Criteria Required; Alternative Approval Process, and Oregon Administrative Rule (OAR) 660-007-0015: Clear and Objective Approval Standards Required), by augmenting the land division regulations with an alternative set of clear and objective development standards.
3. The LDCU project includes several streamlining measures intended to facilitate the land division process and enable more residential development, especially for small, less complex land division sites. The availability of standards simplifies the requirements and establishes clear expectations, while the retention of discretionary criteria offers appropriate alternatives to respond to specific site conditions. The project clarifies thresholds for when professional studies are required and removes regulations that are not achieving meaningful outcomes.
4. The LDCU project updates the 2002 Potential Landslide Hazard Area map, which was adopted with the Land Division Code rewrite project as an exhibit to the staff report, and not incorporated into the zoning code. In addition to the updated data, the new map is being incorporated into Chapter 33.632, Sites in Potential Landslide Hazard Areas, which can then be updated more readily with zoning code updates in the future.
5. On November 13, 2023, the LDCU Discussion Draft was released and public comments were accepted through December 31, 2023. During this period, staff contacted affordable housing builders and advocates, recent land division applicants, environmental, transportation, and business advocacy groups, and neighborhood coalitions. Staff presented the project to the North Portland Land Use and Transportation Group, Northeast Coalition of Neighborhoods, Central Northeast Neighbors, Welcome Home Coalition, Portland Audubon, Southeast Uplift Neighborhood Program, Habitat for Humanity, Urban Forestry Commission, and Trees for Life.

Staff received three written public comments submitted through the Map App during this period.

6. On February 20, 2024, the LDCU Proposed Draft was released which incorporated written and oral feedback received on the Discussion Draft. In addition to the legislative mailed notice to interested parties and notice to the Department of Land Conservation and Development (DLCD), staff mailed 5,259 Ballot Measure 56 notifications to affected property owners pertaining to the proposed update to the Potential Landslide Hazard Area map.
7. On March 26, 2024, the Planning Commission heard a briefing and held a public hearing on the LDCU Proposed Draft. Five people testified virtually and 14 people submitted written testimony through the Map App.
8. Following the March 26, 2024 meeting, one Planning Commissioner submitted suggestions for potential amendments to the draft, which staff posted on the project website on April 19, 2024.
9. On April 23, 2024, the Planning Commission held a work session to learn more about the Potential Landslide Hazard Area mapping methodology, and further discuss the proposal and potential amendments. The Commission unanimously approved the amendments and subsequently voted unanimously to forward their recommendation to City Council on the amended package.
10. On June 26, 2024, the LDCU Recommended Draft was released for public review. In addition to minor and more substantive changes to 37 chapters of Title 33, Planning and Zoning, the Planning Commission's recommendation also includes repealing the portion of Ordinance No. 175965 which established the 2002 Potential Landslide Hazard Area map.
11. The LDCU project also clarifies the Planning Director's authority to make small refinements to the Constrained Sites overlay zone map, when property boundaries change as the result of property line adjustments, land divisions, replats, and/or lot confirmations. These changes are municipal code amendments to Chapter 1.01, Code Adoption that are outside the Planning Commission's advisory role, so they are not subject to the land use legislative process.
12. On June 26, 2024, notice of the July 17, 2024 City Council hearing on the LDCU Recommended Draft was mailed to those who presented oral and written testimony at the Planning Commission public hearing.
13. On July 17, 2024, the City Council held a hearing on the LDCU project and invited public testimony.
14. The Findings of Fact Report, attached as Exhibit A, includes additional findings demonstrating consistency with the Statewide Planning Goals, Metro Urban Growth Management Functional Plan, and the City of Portland 2035 Comprehensive Plan.

NOW, THEREFORE, the Council directs:

- A. Adopt Exhibit A, Findings of Fact Report, as additional findings.
- B. Adopt Exhibit B, Land Division Code Update project (LDCU) Recommended Draft, dated June 2024 as further findings and legislative intent.

- C. Amend Title 33, Planning and Zoning, as shown in Section VII of Exhibit B, Land Division Code Update project (LDCU) Recommended Draft, dated June 2024.
- D. Amend Ordinance 175965 by repealing Appendix B to Exhibit A of that ordinance, which established the 2002 Potential Landslide Hazard Map.
- E. Portland City Code Section 1.01.037, Planning Director Authority to Correct Portland Comprehensive Plan and Zoning Code Maps, is amended as shown in Exhibit C and adopt the commentary on page 1 of that exhibit as findings and legislative intent.

**Section 2.** Directives A, B, C, and D will be in full force and effect on October 1, 2024. Directive E will be in full force and effect 30 days after final passage by City Council.

**Section 3.** If any section, subsection, sentence, clause, phrase, diagram, or drawing contained in this ordinance, or the map, report, inventory, analysis, or document it adopts or amends, is held to be deficient, invalid, or unconstitutional, that will not affect the validity of the remaining portions. The Council declares that it would have adopted the map, report, inventory, analysis, or document each section, subsection, sentence, clause, phrase, diagram, and drawing thereof, regardless of if any one or more sections, subsections, sentences, clauses, phrases, diagrams, or drawings contained in this Ordinance, may be found to be deficient, invalid, or unconstitutional.

# Impact Statement

## Purpose of Proposed Legislation and Background Information

The LDCU project proposes zoning code changes to encourage new housing development, streamline and speed up the residential land division review process, and reduce regulatory barriers and uncertainty, while providing beneficial outcomes for the community. The project includes many small and technical changes in addition to more substantive changes. Together, these changes carry out the following proposals affecting the land division regulations:

1. Create clear and objective standards as an alternative to discretionary approval criteria
2. Update Portland's Potential Landslide Hazard Area Map
3. Recalibrate standards, thresholds, and review procedures

## Financial and Budgetary Impacts

This project does not amend the budget, change staffing levels, reclassify staff, or authorize new spending or other financial obligations (IGAs, contracts, etc.) and therefore there are no financial or budgetary impacts to the City.

While the addition of clear and objective regulations and improved thresholds for when professional reports are required can have significant cost and time savings for applicants, this comes with the tradeoff of more options embedded in the code and thus potentially more time required for staff to explain the different available choices to applicants and respond to public inquiries. Nevertheless, the overall longer-term outcome of these changes will be a more streamlined application process for more applicants.

The code changes reduce the review procedure for 2 and 3 lot land divisions with concurrent environmental review from a Type III review to a Type IIx review. This change removes the preapplication and public hearing requirement. However, there is no current fee to reflect this type of land division application. PP&D has indicated that due to the low number of these cases, this fee will not need to be updated until the next budget cycle. In the meantime PP&D will apply the Type IIx land division fee with concurrent Type II environmental review fee.

## Community Impacts and Community Involvement

Community engagement activities for this project are summarized in the Recommended Draft Staff Report. Staff provided briefings to neighborhood coalition land use groups as well as with BDS's Development Review Advisory Committee, in conjunction with the release of the Proposed Draft. Email updates were provided to a list of approximately 240 people who subscribe to get information about Bureau projects. Briefings were held with the Community Involvement Committee early in the engagement planning phase of the project. The Urban Forestry Commission was briefed in February of 2024. The Planning Commission public hearing on March 26, 2024 was a hybrid meeting at which five community members testified. Fourteen pieces of

written testimony were submitted to the Planning Commission through the Map App. Notice of the City Council hearing is being mailed to all those who testified at the Planning Commission.

#### 100% Renewable Goal

This action has no impact on the City's goal of meeting 100 percent of community-wide energy needs with renewable energy by 2050.

Does this action change appropriations?

No