

Portland Planning Commission

September 10, 2024

Meeting Minutes

Planning Commissioners Present

Michael Alexander, Brian Ames, Wade Lange, Mary-Rain O'Meara, Michael Pouncil, Steph Routh, Eli Spevak

Planning Commissioner Absent

Nikesh Patel, Erica Thompson

Presenting Staff

Patricia Diefenderfer, Sandra Wood, JP McNeil, Phil Nameny, Ryan Singer; Lisa Abuaf, Sarah Harpole, Tony Barnes (Prosper Portland); Jessica Connor, Raul Preciado Mendez (Portland Housing Bureau); Mike Liefeld (PP&D)

Chair O'Meara called the meeting to order at 12:34 p.m. and provided an overview of the agenda.

[Documents and Presentations for today's meeting](#)

[Video](#)

Items of Interest from Commissioners

Commissioner Spevak: Electrify Portland is this Sunday at The Redd. In October, the Oregon Planning Conference is here, and I'll be leading a walking tour of infill development with BPS staff Morgan Tracy.

Director's Report

Patricia Diefenderfer

- The Housing Production Strategy was adopted at Council on August 28. Thanks to the Planning Commission for holding the public listening session prior.
- Our Planning Commission social gathering is scheduled for next Thursday, September 19, at 4:30 p.m. We'll be meeting at Bullard Tavern. Julie will include location and details when she sends the minutes for review.

Consent Agenda

- Consideration of Minutes from the August 27, 2024, Planning Commission meeting.

Commissioner Alexander moved the Consent Agenda. *Commissioner Pouncil* seconded.

The Consent Agenda was approved.

(Y7 – Alexander, Ames, Lange, O’Meara, Pouncil, Routh, Spevak)

Central City Tax Increment Finance District

Briefing / Hearing: Ryan Singer; Lisa Abuaf, Justin Douglas, Sarah Harpole (Prosper Portland); Jessica Connor, Raul Preciado Mendez (Portland Housing Bureau)

BPS Overview Presentation Presentation

Disclosures

- *Chair O’Meara:* Central City TIF advisory committee on the housing work group.
- *Commissioner Ames:* Own a commercial property in the Central Eastside Corridor.
- *Commissioner Lange:* On a couple boards in Lloyd (Transportation Management and Enhanced Service District).

Ryan introduced himself and provided an overview of the Planning Commission’s role in TIF district work. The specific role of the PC for TIF districts is to advise City Council to the conformance to the Comprehensive Plan.

Compliance is an exercise on balance to advance the goals. Staff at BPS believe the proposed Central City TIF districts do this as shared in slides 5-9 (including Central City 2035 Plan).

Staff recommends that the Planning Commission:

- Find that the Central City TIF district plans conform to the City of Portland Comprehensive Plan.
- Recommend that the City Council adopt the Central City TIF district plans and reports.

Lisa shared background about Tax Increment Financing as a property tax-based tool – a repurposing, not new or increased taxes. As districts wrap up, we can start to consider a new set of TIF districts for financing.

It is critical to invest in new housing production across multiple income levels to ensure we have adequate supply of regulated housing and to stabilize rents in the districts. Additional background and learnings from the ECONW report are shared in slides.

Raul highlighted the importance of the PHB and Prosper partnership in this work. The affordable housing set aside policy is one of the major ways the City is working on affordable housing – 45% of TIF funds are spent on affordable housing across all the TIF districts, an increase from 30% that was initially established in 2006. TIF is one of the main ways we continue to build affordable housing in the city.

Advance Portland and the Housing Production Strategy, in addition to the Comprehensive Plan, are considerations for confirming TIF districts (slide 9). From these strategic background documents and guidance, about 14 months ago Council asked us to launch an exploration process for new TIF districts (10-11).

Central City specifics included 4 key study areas and priorities (slide 13) and individual district proposal details are highlighted in slides 17-23 with potential outcomes shared on slide 24. The governance structure and decision-making proposal is shared on slide 25. Next steps for the TIF work are highlighted on slide 26.

Patricia clarified the master plans – those actually went before the Design Commission, not this Planning Commission.

Oral Testimony

1. Zoe Lynn Powers: Representing owners of 320 NE Lloyd Blvd, which is abutting but not included in the TIF district currently. We'd request this property, half of the gateway to the district on MLK, be included in the new TIF district. *see written testimony.*

Chair O'Meara closed testimony at 1:25 p.m.

Discussion

Commissioner Alexander: You referenced the governance strategy. Can you say a bit more about where that is and potentially how that can evolve over time?

- Lisa: We don't want to create a committee just to have a committee. We take most of our work to the Central City Industrial Council monthly, but we could have additional standing committees focused on TIF priorities and investments – or they could go to already-established groups. We are not presuming one way or the other, but we are responding to the original committee so that each area is focused on their individual needs. We did commit to incremental rolling 5-year action plans that guide investment priorities for Prosper and PHB, Council approved.

Commissioner Lange: If you form governance for the community to stay engaged, how does that relate to what PHB is doing?

- Raul: Our role is to continue to participate in the action planning as we do in Cully currently. It's technical and advisory, but we also inform community about PHB's priorities.

Commissioner Pouncil: Do you have controls to make sure there is robust disclosure and that community is not left in the dark as it comes to decision-making?

- Lisa: We have a community budget committee that provides guidance on TIF districts and weighs in on Prosper's general fund allocations. For each area that has an action plan, there is a body we work with if we are amending the action plan, which is more ad hoc, but then they go to the PDC Board and City Council. For sizeable projects, we often will convene a committee to look through RFPs.

Commissioner Ames: This is all predicated on property taxes going up. But if this funding mechanism goes down significantly, what happens? And there is 25% allocated for staffing and administration – can you talk to that as it seems really heavy?

- Lisa: We were very conservative and assumed limited growth, particularly for this issue. We have been working closely with the County's finance staff as well on modeling to account for any potential losses. We also have a mix of assets in the funding stream to be stable over time.
- Tony: On the high end we estimate up to 25% over time. In the early years as the planning ramps up, with less capital available, it could even be slightly higher; but in later years, this could drop to as low as 5%. This is over the life of the 30 years of the district. Looking at history, it probably will average about 25% (a combination of Prosper and PHB).

Commissioner Spevak: The geographic contingency of the area over the river – could that be shifted to land property over time? Are some of the east Portland districts applicable for this?

- Lisa: Over the life of the TIF district, you can amend by 20%, so this provides more flexibility over time. You cannot lend the acreage to another TIF district. 1239 is the total acreage allocated currently, but 1500 is the max here. The East Portland TIF districts are right about 7500, which is quite large, which is the intent for not having to be too concerned about acreage. Re: timing for buying property – in general, the TIF cash flow ramps up in the first 5 years.
- Jessica: We are currently working on initiatives to put together a strategic plan on banking in alignment with the HPS. Also looking to replace the housing bond revenue to create a permanent source for affordable housing funding. We don't currently have land banking funds as much as we see the benefit to do so.

Commissioner Routh: Staffing and admin % cost is a concern for me as well. As for the written testimony, how does one opt in or out of the boundary? Other things we'd use property taxes for – how would this impact first response and other services? And in East Portland Title 1 schools?

- Lisa: We want to stay true to the public process we held. We have heard from others to see how we incorporate those into this or other amendment processes about who wants to be included to balance to Council direction. We have done lots of outreach with schools and City partners.
- Tony: There is no impact to local action levies or bond issues – it's particular to the permanent rate (operating general fund resources).

Chair O'Meara: Unit production – does that include preservation of units as well? Beyond the set-aside, TIF can be used for market rate housing as well, yes?

- Raul: Yes. Usually we work in collaboration with Prosper if it goes above 60%.

This project will return to the Planning Commission at the October 8, 2024, meeting.

Rose Quarter Sign Code Amendments

Work Session: Sandra Wood, Phil Nameny

Presentation

Disclosures

Commissioner Alexander: I sit on the board of Albina Vision Trust, and we have recently been in alliance with the Portland Trailblazers to move things forward in the area. This isn't tied to this project, but I wanted to share since it's in the same area.

Chair O'Meara: I work at CCC, and we have an affordable housing and clinical property just north of the Rose Quarter.

Commissioner Lange: Rose Quarter is part of Lloyd, and I'm on the ESD and Go Lloyd transportation board.

Sandra introduced the topic and an overview of the two amendments. The staff proposal is shared on slide 3.

Phil reminded the Commission of the area of the project and its goals (slides 4-5). There are no Zoning Code changes proposed, so current triggers for sign size would go through Design Review. He gave details about the district name and temporary banner amendment proposals as well as background details on topics commissioners asked about prior (ODOT, Dark Skies, Design Guidelines).

Commissioner Lange: So if RIP City Management puts together their signage plan, what does that approval process look like?

- Phil: It depends on the sign and if it triggers just Design Review or if they are doing a larger scale upgrade. Subject to discretionary Design Review. It gets noticed to properties within 150 feet, noticed to other bureaus, how they meet approval criteria, and then could actually be appealed to the Design Commission. If this is a sign that requires a permit from ODOT, it would be a separate process.

District Name Amendment

Staff realized in looking at this is because Central City has its own set of subdistricts, we can change the name of this area to the "Rose Quarter Entertainment Sign District" to differentiate this (slide 8).

Commissioner Alexander: Thanks to staff for this approach and the naming convention.

Commissioner Alexander moved the district name amendment. *Commissioner Lange* seconded.

(Y7 – Alexander, Ames, Lange, O'Meara, Pouncil, Routh, Spevak)

Temporary Banner Amendments

This was included in testimony to ask for banners to be allowed to be larger. Commissioners also had discussion about the 180-day limit and what that means. Staff clarified, based on current code, this is 180 days in a calendar year. PP&D does issue permits for temporary signs at 30-day intervals, which allows for some flexibility.

Commissioner Routh moved the temporary banner amendment. *Commissioner Spevak* seconded.

(Y7 – Alexander, Ames, Lange, O’Meara, Pouncil, Routh, Spevak)

Vote on Rose Quarter Sign Code Project
as amended today. Slide 15.

Chair O’Meara moved the district name amendment. *Commissioner Ames* seconded.

(Y7 – Alexander, Ames, Lange, O’Meara, Pouncil, Routh, Spevak)

The package is approved.

Sandra: The name of the project will continue to have the original name, but we will change it in the code and commentary.

Letter to Council

Commissioner Thompson wanted the dark skies topic highlighted to be considered for the future.

Chair O’Meara: Summary of public notification process. Type II notification process.

Housing Adjustment Compliance Project

Work Session: Sandra Wood, Phil Nameny

Presentation

Disclosures

None.

Sandra reminded the Commission of the proposal.

Phil highlighted the project’s goals and approach to the code amendments and the proposed staff amendment and *Commissioner Spevak’s* Central City height amendment.

Central City height slides and next steps in the upcoming Central City project, which is ramping up in the next 12-18 months.

Commissioner Pouncil: On the bike parking, are buildings able to choose not to have bike parking?

- Phil: It's more about the location of the bike parking. Common rooms and ground floor and/vs in-unit. It limits the number of spaces that can be allowed within units instead of in a common space.
- Sandra: The SB requires us to allow applicants to apply for locational standards. We didn't remember to think about including in-unit as well, so this must be adjustable to meet the state requirements.

Commissioner Routh: Does the bike parking in-unit number go to the total amount of bike parking and/or isn't that changed? And can you elaborate on the relationship of elevators and the new requirement?

- Patricia: It doesn't change the number of spaces required, but it can change the amount created in-unit versus a common space.
- Phil: There is a provision that includes a statement that if you have a building without an elevator, bike parking needs to be accessible on the ground floor.

Bicycle Parking Amendment (staff request)

Amendment will temporarily allow the in-unit percentage to be adjusted including for development without an elevator.

Commissioner Lange moved. *Chair O'Meara* seconded.

Commissioner Routh: How do locational standards without an elevator impact accessibility for people with mobility challenges?

- Phil: The bill itself is not super clear on this. We allow for adjustments. For locational standards, as long as the bike can be in a secure room is the state update. They would still have to request an adjustment.

(Y7 – Alexander, Ames, Lange, O'Meara, Pouncil, Routh, Spevak)

Central City Height Adjustment (Commissioner Spevak)

This amendment removes the upper thresholds for amendment or modification requests to increase the height of buildings in the Central City until January 2, 2032. The amendment request only removes the maximum threshold of 20% within the Central City. In other areas of the city, applicants will not be able to request adjustments to heights over 20% of the base zone height maximums.

Commissioner Spevak: I am getting sense that staff isn't supporting this. I want to pitch that the reason this project is to remove obstacles to housing. Our Council did lots of work on Central City housing prior. Our height limits in Portland are quite short – and we learned that we need more people living downtown. So if someone wants to propose a tall, thin building, we have the regulatory rules to ultimately allow it within specific guidelines. My feeling is if someone were to propose it, that would be a great problem to have. I am glad we have nuanced height limits for base zones; but we should allow people to request it. I am only proposing this stays in the 7-year time limit within this bill.

- Sandra: So an applicant would come in for Design Review for Type II (staff) or Type III (DC) review. The adjustment approval criteria includes approval about scenic and historic resources and the impacts are mitigated, etc. Modification approval is to better meet design guidelines; purpose of the standard; mitigation for impacts.
- Phil: It's this idea that height hasn't been shown as a constraint for development. At the state level, there is recognition to not go overboard on adjustments, hence the 20% over allowance. So we are trying to keep this to a compliance project.

Commissioner Spevak: So the state says that's the minimum requirement, but cities often go beyond. I don't think there is an implication Portland shouldn't go beyond this.

Patricia: Staff is operating on the premise that we have an upcoming code project that is focusing on the Central City, so this amendment could better be included in that more extensive work. There was an appeal of the original Central City plan relative to height, so staff's position is to use this upcoming new project to calibrate heights and housing in this next project. The question before us today is if this is imperative (and potentially questioned at Council), or is it better to have more time to fully work through this in that project.

Commissioner Spevak moved. Commissioner Ames seconded.

Commissioner Lange: This sends a message this option is needed now, and it's a sign to investors and developers that we know the need is now. We know this is short-term.

Chair O'Meara: The proposal is for 7 years. Can adjustment be made to align with the HRR timeline and the review of this be part of that look-back?

- Patricia: I'd suggest we keep this aligned with this state code compliance update.

Commissioner Routh: I concur with the importance of signaling this is timely and important right now.

(Y7 – Alexander, Ames, Lange, O'Meara, Pouncil, Routh, Spevak)

Vote on entire Housing Adjustment Compliance Project
As amended today.

Commissioner Routh moved. Commissioner Ames seconded.

Commissioner Spevak: I appreciate we did get an opportunity not to do automatic adjustments in this compliance timeline.

(Y7 – Alexander, Ames, Lange, O'Meara, Pouncil, Routh, Spevak)

The package is approved.

Letter to Council

Include the recognition of the upcoming Central City project and/but why we are moving forward with the height consideration now. Recognition of where we are as a city and meeting the base requirements and beyond. Empower the Design Commission for appeals.

Odor Code Update Project

Work Session: Sandra Wood, JP McNeil; Mike Liefeld (PP&D)

Presentation

Disclosures

None.

Sandra noted that today we don't have amendments from commissioners that we heard.

JP provided a reminder of the staff proposal and clarifications. This project updates Title 33 and 29; the Planning Commission makes recommendations to Council on Title 33.

The summary of goals and approach are shared on slide 4. Two are within Title 33, and two in Title 29. JP walked through details of the proposal.

On the larger production with retail on site, if it is manufacturing, that is a different use, subject to the odor code, with the retail being an accessory use.

Commissioner Pouncil: Is there a mechanism in place to track or count complaints if this is a nuisance or not?

- Mike: We have a phone line or people can talk with a customer service agent; there is also an online tracking form people can submit. Tracking phone calls don't always result in findings, but we can refer people to other agencies that can help. In terms of trying to track phone calls, we don't do this now, so it would be manual and subject to manual error then.

Commissioner Spevak: I appreciate this as removing code!

Vote on entire Odor Code Update Project (slide 7)

Commissioner Alexander moved to approve the project. *Commissioner Pouncil* seconded.

(Y7 – Alexander, Ames, Lange, O'Meara, Pouncil, Routh, Spevak)

The package is approved.

Letter to Council

Commissioner Routh: Celebrate the subtraction of code from Title 33!

Adjourn

Chair O'Meara adjourned the meeting at 3:33 p.m.

Submitted by Julie Ocken