

Portland Planning and Sustainability Commission

Tuesday, September 25, 2012

6-9pm

Meeting Minutes

Commissioners Present: Andre' Baugh, Karen Gray, Don Hanson, Mike Houck, Gary Oxman, Michelle Rudd (arrived 7:25pm), Howard Shapiro (departed 7:15pm), Chris Smith, Irma Valdez

Commissioners Absent: Lai-Lani Ovalles, [one open position]

BPS Staff Present: Joe Zehnder, Chief Planner; Eric Engstrom, Principal Planner; Steve Iwata, Planning Manager; Karl Lisle, Sr Planner; Troy Doss, Sr Planner; Stephanie Beckman, Sr Planner; Julie Ocken, PSC Coordinator

Other City Staff Present: Mauricio Leclerc, PBOT

Other Presenters: Andy Johnson, ODOT

Chair Baugh called the meeting to order at 6:03pm and provided an overview of the agenda.

Director's Report

Joe Zehnder

- Reminder of WHI tours. This Thursday we have Andre', Chris, Karen and Howard slated to attend. The second group is on 10/10. Both are scheduled for 12:30-4pm. Staff sent the full agenda yesterday and updated directions today.
- PSC WHI hearing is confirmed for 11/15 at 5:30pm. Location is The Portland Building on the 2nd floor.
- 122nd Ave Rezone project has a new Council hearing date confirmed: 10/10 at 3pm time certain. Karen and Chris had noted before that they'd like to attend/testify.
- Tomorrow at 10:15am time certain Council will confirm incoming PSC commissioner, Katherine Schultz. She works for GBD Architects and currently sits on the Design Commission as well. She will join the PSC for the 10/09 meeting.

Consent Agenda

- Consideration of [Minutes from 09/11/12 PSC meeting](#)

Chair Baugh asked for any comments for the consent agenda.

The Consent Agenda was approved with an *aye* vote.

(Y8 – Baugh, Gray, Hanson, Houck, Oxman, Shapiro, Smith, Valdez)

West Hayden Island

Briefing: Eric Engstrom

Documents:

- [Staff response to Chair Baugh questions](#)
- [Staff response to Commissioner Houck questions](#)
- [Staff response to Commissioner Smith questions](#)

The briefing was divided into two components: (1) responses to written questions from PSC members to staff and (2) open Q&A for staff to address additional questions either tonight or in writing at later date.

Revenue model for how the Port makes the new facility work: The City has looked at the concept plan and divided known and assumed costs into costs that are (a) assigned to the public sector to finance and (b) assigned to the Port or passed through to the private sector. Looking at Port/private costs, the assumption is that you have to make it work for the business model for the Port. The Port gets revenue by property tax but the larger share through business revenue, described in cost per square foot. The market rate is \$5-7/square foot, so that is where costs not paid by public sector fit. In terms of the market, City staff feels this is about right compared to other industrial land. There may be other models to structure the agreements, so staff is still looking at other models. There was a work session with the Advisory Committee last Friday with follow-up analysis to come.

How does BPS think about this project relative to the Climate Action Plan (CAP) and carbon impacts?

- The CAP includes language advocating for an efficient freight system in Portland. The shift of freight from one mode to another changes region's output of CO2 emissions. Ships are the lowest carbon footprint compared to trucks and rail. The project puts a large rail loop on the Port site so trains don't have to be broken up and shuttled to the rail yard in smaller pieces as currently happens, making for a more efficient freight system. If the demand is there, cargo moves to other places on the Lower Columbia which would have to be built since there are not currently facilities large enough downriver. PBOT also has transportation model that looks at the network of truck/car emissions, but some of the question is tied up in the CRC project.
- The CAP also looks at the question of adaptation in terms of what parts of the city will be more difficult to build on in future due to sea level rise. For the Port, the bigger risk is river flow and uncertain patterns of flow in the future. The Columbia is also heavily managed, which could help or hinder flow concerns.

From the EcoNorthwest economic report, what are the jobs/benefits we're citing compared to the local impact?

- Cost/benefit report looks at goods to pass through the Port. WHI will serve as community trans- port in a longer supply chain (e.g. Canada through Portland to China).
- The Port facility doesn't generate as many local benefits, but it is similar to those benefits created by other traded sector entities. It supports other local businesses, and it may increase tax revenue and property values. We think about the Port as a traded sector firm, which is something we want to increase in Portland based on a Portland Plan strategy. The salaries of traded sector jobs, especially marine terminals, are significantly higher than other local jobs.
- EcoNorthwest established a range of local benefits, with a broad estimated of \$4M-90M annually in local benefit. The high end assumption implies that local benefit is captured by local firms, which likely wouldn't have had that opportunity without WHI. The low end assumes local firms are not actually local, so people there would have had equally good job regardless. We still don't know where we'll land. Also, not all jobs created are on-site; some are firms serving the site but located off-site.

Commissioner Houck noted his concern that there hasn't been reference to net loss regarding the flood plains. One aspect of this is that marine terminals, because they are situated on the river, are planned with an assumption of flooding. You can build this expectation into the design of the terminal, and there is an exemption for fill on this site.

Commissioner Shapiro commented that in age of evolving technology, we should be looking at future forecasts about a very efficient system.

- The Worley-Parsons report did include a survey of global port best practices.

Commissioner Smith provided some context about the question of if climate change will affect what we ship through the port. Bulk minerals, grain, autos are assumed. We shouldn't

necessarily think of autos as cars, but more as any large durable that gets imported/exported worldwide.

Commissioner Houck: The EcoNorthwest cost/benefit analysis was marginal in terms of penciling out.

- Eric noted this goes back to the big range of local benefit. The tipping point is \$5.5M in benefits to break even. So there is a potential for quite a large local benefit if we hit the high end of the forecast.

Commissioner Gray: The HIA is a big question for Hayden Island residents. Have we taken this far enough to answer concerns of the community?

- Staff is confident we won't change everyone's mind, but this has been a partnership with the County, Upstream Public Health and OPHI. We feel good about work, and we're still working on it. Ultimately the partners have to say if the assessment has answered enough or if there is more work to do. October 8 is the deadline for the first draft to the Advisory Committee to review prior to the October 22 AC work session on the analysis. Edits and the final report are due to be published the first week of November, with the PSC briefing on November 13 being devoted to the health analysis.
- The health partnership is impressive and sound. We wanted extra time to do some "translation" to make the report more accessible and easier for everyone to see the implications and judge if the work is adequate.

Commissioner Smith: We have revised the project schedule a couple times. But when we revise meeting dates, we impact the public. Want to be sure we hit these updated schedule dates. We want to vote on the merits of the project, but we are making it difficult for public input when we keep changing dates. (a) try to change dates with enough lead time, which has been a challenge in a few cases e.g. health report date change. (b) health report is the last big deliverable along with the PSC timeline.

Commissioner Hanson: At a cost of \$5-7/square foot, to evaluate the 500 open space acres, could I look at those acres and see what is not technically encumbered, take that square footage at \$5-7 and have that apply to mitigation?

- There is a credit given to open space zoning as a form of protection. The AC is attempting to quantify the dollar figure, which varies by methodology. The City compares the WHI acreage to forest/farm zoning before it comes into the City (which is a different value/square foot).

Commissioner Houck: This credit and costing plays out to my concern about if it pencils out. There also is a timing issue about how much mitigation is being required. If it doesn't pencil out with mitigation requirements, then it doesn't pencil out overall.

Commissioner Smith: There are a limited number of places in the region for trains. There are a number of inefficient locations (e.g. grain terminals on Willamette). This new facility could compete. What are long-term land use impacts if WHI facility overtakes other facilities? See the efficiency of the transportation, so what are the effects of industrial land uses around the city ultimately?

Chair Baugh: In the recommendations from the HIA, what is the strategy for implementation? We will probably have to do an EIS prior to development on the property, but how does the HIA fall into that process or part of implementation?

- The HIA is trying to answer questions about mitigation and/or avoidance in annexation. If this has good best practices to address health concerns, there is a second application when a facility permit comes in. There is still work to be done about including health evaluation in permitting. The FEIS will give us some hooks to include the health measures, but we need to be specific about who's paying (public versus private costs

depending on what the mitigation could be). We have done research to see the emerging best practice is to include the HIA in EIS', so we're counting on that in part. That creates incentive on those designing the project to avoid the need for mitigation, which is best for all parties, both cost-wise and environmentally. The EIS connection gives some leverage to keep issues on the table when we have more information about the specifics of the terminal.

If commissioners have further questions, please forward them and staff will address the outstanding questions at the October 23 PSC meeting.

Central City 2035 Concept Plan

Work Session / Recommendation: Steve Iwata, Troy Doss; Mauricio Leclerc, PBOT

Documents:

- [Plan amendments and staff recommendation memo](#)
- [CC2035 Concept Plan - Public Review Draft](#)
- [CC2035 Staff Memo](#)
- [CC2035 Amendments Memo](#)
- [CC2035 Urban Design Map Amendment](#)

Staff highlighted the proposed changes in the [memo](#) presented to PSC dated September 20, 2012. Most amendments are minor text changes, focusing on transportation issues. The only substantive change is on page 11 of the Concept Plan to elevate transportation and recognize the Central City as a regional center.

There were also changes to graphics - notably that the urban design diagram originally showed incorrect routing. Now the routing follows corridor of Highway 26. Also, the large green loop is defined with more text to clarify it. This is not a substitute for bike/ped access; it is additional. It's still an idea, not a finalized location.

The eastside streetcar opening also is a reminder that MLK is not a ped-friendly street. If we can figure out investments to make MLK and Grand a good bike/ped route, and reinforce the streetcar value, that could be a component to the next quadrant planning.

Testimony Received:

- Juliana Lukasik, Central Eastside Industrial Council

Motion

Commissioner Hanson moved to recommend the Central City 2035 Concept Plan with the amendments in the memo dated September 20, 2012. *Commissioner Houck* seconded.

Chair Baugh restated the motion, and the motion passed.
(Y8 – Baugh, Gray, Hanson, Houck, Oxman, Shapiro, Smith, Valdez)

N/NE Quadrant Plan and I-5 Broadway/Weidler Facilities Plan

Work Session / Recommendation: Steve Iwata, Karl Lisle, Stephanie Beckman; Mauricio Leclerc, PBOT; Andy Johnson, ODOT

Documents:

- [Memo and responses to PSC members](#)
- [TSM/TDM Alternative Draft](#)
- [N/NE Quadrant Plan - Proposed Draft](#)
- [N/NE Quadrant and Interchange Facility Staff Memo](#)

- [N/NE Stakeholder Advisory Committee Recommendations Report](#)
- [N/NE Quadrant Amendment Memo](#)
- [Staff response to Mike Houck testimony](#)
- [Updated staff response to Mike Houck testimony](#)
- [I-5 Broadway Weidler Interchange Improvements Facility Plan](#)
- [I-5 Interchange Model](#)

Responses to commissioners' questions asked at the September 11 meeting are in the [memo](#) dated September 20, 2012. Staff highlighted a few of these responses.

As we work into the next quadrants, we need to better define the health objectives so we don't miss opportunities to include health experts. We recognize this is an area to learn more about how to incorporate and expand in future efforts.

- *Commissioner Oxman* noted that the public health community has limited staffing capacity right now as they are ramping up to work with land use efforts. They are pleased to be part of the conversations and will contribute as they can.

The Eliot NA still has questions about mitigating traffic impacts. That is the intent for the project, but there are still concerns. Irvington NA is philosophically not interested in supporting a freeway project.

Commissioner Smith: The modeling is based on the Regional Transportation Plan, not the CAP. This assumes more demand for autos. The methodology and assumptions may be revisited in the future, but we are recommending the \$400M capital improvement based on those assumptions, and that funding could be used elsewhere and more efficiently, e.g. fixing potholes city-wide.

There are two different lid options. ODOT sees the Broadway/Weider lid as necessary to keep traffic moving in all directions during construction, and it will be cost effective and smart to do this. With second lid, it's based on how bridges are built. To build the lid perpendicular to the freeway it is more cost-effective as opposed to running it parallel.

A key premise of this project is that it integrates land use, transportation and urban design, which is a new way to look at planning. The I-5 facility plan outlines a detailed list of issues that need to be reported on when done with the preliminary engineering phase, including public involvement, funding and environmental issues. Without the lid, we lose the intent of the project, which is where some skepticism is – we need the full package. The emphasis on neighborhood linkage via the lids over I-5 is key.

There was a natural resource inventory done on the area, and there are limited zoning proposals affecting natural resources in this area. The plan is to do environmental work prior to the final adoption of the overall plan.

Commissioner Oxman: asked about the density and allowable height proposed around the Lloyd district. What are the aesthetics and scale of development versus open sky?

- The area is currently zoned in a way that would allow much denser development than exists today. It could be more like a downtown level of density and building scale. The proposal includes flexibility in height limits but not an increase of FAR.

The highway safety improvements that work in such a tight space are impressive. Instead of gaining more land to build out a freeway. This proposal is more like an urban interchange with retrofitting, which addresses safety concerns without consuming more land.

Motion

Staff provided an outline of the three components of the requested motion.

Commissioner Smith requested to vote on item A in the staff recommendation separately then B and C together as an item. The freeway portion (B and C) assumes the TDM assumptions, but demand could be changed if we aim our efforts on the goals of the CAP. He also voiced a concern for the productivity of public dollars in using it all on freeway expansion.

Commissioner Hanson confirmed that recommendation to vote separately is a good decision as a policy statement.

If a majority votes for one part and not the other, we would probably have to step back, staff would need to work further with the State and either rework the project or not recommend it to City Council. The majority of the quadrant plan stands with or without the facility plan.

The Central City plan is about using public-private partnership in the Central City. We have not done this before with a freeway project, especially the focus to create a more pedestrian-friendly interchange at a freeway. The project tries to leverage public investment to gain more private investment that is supportive of a pedestrian-friendly and reducing VMT in the district.

Commissioner Hanson moved to adopt the N/NE Quadrant Plan, as amended by pages 8-11 of the staff memo dated September 20, 2012, as non-binding City policy. *Commissioner Smith* seconded.

Chair Baugh restated the motion, and the motion passed.
(Y8 – Baugh, Gray, Hanson, Houck, Oxman, Rudd, Smith, Valdez)

Commissioner Hanson moved to:

- Recommend the Oregon Transportation Commission adopt the I-5 Broadway/Weidler Facility Plan; and
- Direct the Bureau of Transportation Commission to proceed with the Implementation Actions on pages 11-12 of the I-5 Broadway/Weidler Facility Plan, specifically to develop a phasing strategy and secure funding to implement the plan and implement near-term safety-enhancing improvements to surface streets in the vicinity of the Broadway/Weidler interchange.

Commissioner Valdez seconded.

Chair Baugh restated the motion, and the motion passed.
(Y7 – Baugh, Gray, Hanson, Houck, Oxman, Rudd, Valdez; N1 – Smith)

In the PSC's letter to Council, the commission will note its concern of the inconsistency with the CAP and the cost/benefits of funding for freeway project. Commissioners who voted yes to recommendations B and C do share concerns as well. The letter will note the commission's vigorous discussion, which is why commission decided on separating the recommendation into two separate votes.

Adjourn

Chair Baugh adjourned the meeting at 8:20pm.