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MEMO

DATE: August 26, 2014
TO: Portland Planning and Sustainability Commission
FROM: Karl Lisle, West Quadrant Plan Project Manager (3-4286)
CC: Susan Anderson, Joe Zehnder and Sallie Edmunds
SUBJECT: 8/12/14 Central City 2035 West Quadrant Plan Briefing Follow-up

At the Commission's request, staff is providing additional background information on West Quadrant issues and plan proposals that the commission is likely to hear public testimony about at the public hearing on September 9, 2014. Please feel free to contact staff on the team if you have questions or desire additional information. Karl Lisle: 503-823-4286, karl.lisle@portlandoregon.gov; Kathryn Hartinger: 503 823-9714, Kathryn.hartinger@portlandoregon.gov.

1. Building Height Limits

Generally. In general, the proposed West Quadrant Plan retains the existing pattern of maximum building height limits with a few strategic increases and reductions in some areas. The existing pattern dates to the late 1970s. There were refinements by the 1988 *Central City Plan* and with more recent area plans such as South Waterfront and the North Pearl District. Attached is a memo that summarizes the reasoning behind retaining the existing pattern of building heights and the proposed adjustments. This memo was shared with the project Stakeholder Advisory Committee last November.

Appendix B in the Draft Plan contains the proposed West Quadrant maximum height map. It shows proposed maximum heights, inclusive of any bonuses. The action item tables include the specific proposed changes to heights. Additional details and maps explaining the proposed changes can be found in Appendix A of the draft plan.

In summary, there are slight reductions in maximum building heights proposed for the NW 13th Avenue Historic District. Reductions also are proposed in some areas north of Burnside that, in



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the 1988 plan, were envisioned to become an extension of the office core. Increases to maximum heights are proposed in a few key areas - the North Pearl waterfront, at the Hawthorne and Morrison bridgeheads; and along the south part of the transit mall. In many areas, including the core of the North Pearl District, Goose Hollow, South Waterfront and the West End, no changes to maximum height limits are proposed.

The plan also recommends exploring requiring use of a height/FAR bonus to access the additional height. Additional height and/or density would be in return for providing a public benefit or amenity. The specifics of this bonus will be part of the work underway to design a revised bonus and transfer system. That system will be adopted concurrently with any changes to maximum heights as part of the final CC2035 Plan.

There have been arguments for reducing maximum building heights made throughout the SAC process. SAC member Steve Pinger's minority report, distributed at the August 12 briefing, and the written testimony Wendy Rahm and Suzanne Lennard, which will be forwarded to the Commission, provide a good overview of these arguments. Below is additional information on specific height proposals that will likely be the subject of public testimony.

West End building heights. This plan does not propose changes to existing maximum building heights in the West End. However, some members of the public expressed a desire that building heights and FARs need to be reduced in this area to protect the district's livability, character and existing historic structures.

While staff and the majority of the SAC do not support reducing heights in the West End, the proposed plan includes a number of actions that help address livability, neighborhood character and historic preservation concerns. These include: developing improved historic transfer of development rights tools (Action UD2 on page 81); preparation of an updated inventory of historic resources (Action UD3 on page 81); additional flexibility for commercial uses in existing buildings within the RX zoned portion of the district (Action HN1 on page 78); and new zoning tools that help ensure new development respects the district's character and public realm, such as step-backs and set-backs and podiums (Action UD10 on page 81).

Hawthorne and Morrison bridgehead heights. To facilitate signature developments that activate the riverfront and visually connect the City to the water, the plan proposes an increase to allowed maximum building heights at the Morrison and Hawthorne bridgeheads. A few SAC members expressed concern that: 1) the existing building height step-back from the river should be uniformly maintained; and 2) taller buildings might overwhelm the experience of Tom McCall Waterfront Park.

A majority of the SAC favored keeping this action in the plan along with changing the maximum recommended heights between SW Naito Parkway and SW 1st Avenue from 325' to 250' and asking for staff to develop building stepbacks between building podium and tower facing Waterfront Park. See entry in Appendix A (page 146) for a 3D rendering and additional detail.

New Chinatown/Japantown. Old Town/Chinatown action RC4 calls for studying preservation zoning transfer incentives that would allow additional height for new construction on non-



contributing (non-historic) properties in exchange for preservation/rehabilitation of contributing (historic) properties in the district.

This proposal has support from some stakeholders seeking to try new tools to encourage investment, but it remains controversial and there is significant opposition from groups and individuals concerned that new, taller development will detract from the historic character of the area. A majority of the SAC favored keeping the action in the plan draft as a study item. See entry in Appendix A (page 158) for additional detail.

2. Surface Parking.

To support new development and increase activity, the plan proposes a number of strategies to address parking needs while reducing the number of surface parking lots, including in the West End, along West Burnside, and of particular importance within Old Town/Chinatown.

The plan recommends addressing parking in Old Town/Chinatown through a coordinated parking strategy that includes shared parking and development of publicly-owned structured parking facilities, as well as zoning and other incentives that encourage infill development. See entry on Old Town/Chinatown Action RC2 in Appendix A (page 157) for additional detail.

Some SAC members and members of the public expressed concern that the City is not doing enough to eliminate surface lots. Specifically, two approaches proposed by a SAC member that were considered but not included in the plan include development of a special tax on the income produced by surface lots and the phasing-out of surface parking as a legal use within Old Town. To give the commission a preview of this debate, attached is a letter from SAC member John Russell advocating for these approaches, as well as a letter from the Portland Business Alliance expressing opposition.

3. Environmental stewardship.

The Central City, and the West Quadrant in particular, is intended to be the densest area of Portland. The West Quadrant Plan's policies implement this intent but also propose to protect and improve natural resource areas and enhance habitat opportunities for native species of wildlife within the Central City. This is a challenge but one that staff believes can be addressed by through careful greenway regulations, ecological site design and green infrastructure.

Several SAC members felt that the plan did not go far enough given Portland's international reputation for environmental stewardship and sustainable development, as well as the highly visible, energized and progressive design and development community in the West Quadrant today. This perspective is outlined in the minority report the commission received from SAC members Bob Sallinger and Jeanne Galick that was based on an earlier draft.



The Proposed Draft plan that PSC received was changed to addresses some of these concerns. Staff believes there is an opportunity to address many of the other issues over the next year as we begin developing draft code language and the final CC2035 Plan.

Due to the concerns raised in the Sallinger/Galick minority report, Commissioner Houck requested a detailed explanation of the edits and reorganization made to the environmental policies and actions during preparation of the proposed draft plan. Staff has prepared a summary of the changes made to the environmental content of the plan over the last two months. That summary is attached. In addition, staff has prepared two track-changes versions of the plan showing detailed changes made between the June draft and the July draft as well as between the July draft and the final proposed version that was distributed at the August 12 Commission briefing. These versions are available upon request.

There is still considerable work ahead on river and environmental issues. Staff is currently in the process of exploring priorities for both preserving and enhancing tree canopy and how the Central City 2035 Plan can support increases to tree canopy. The West Quadrant Plan also calls for vegetation and river bank enhancement targets. Staff is working on these as well and we hope to be able to report to you on that at your October work session. In addition, staff continues to advance work on the update to the greenway code as outlined in Central City-wide action WR2 (page 48) and plans to explore drafts with stakeholders over the next six months. Staff are also working with City partners and others experts on how climate change could affect the Central City.

4. 2008 Skidmore/Old Town Historic Design Guidelines and Code Amendments (not adopted).

In 2008, a package of code amendments recommended by the Planning Commission and a new set of historic design guidelines recommended by the Historic Landmarks Commission for the Skidmore/Old Town Historic District was forwarded to City Council. A lack of public consensus regarding proposed height increases in parts of the district led City Council not to act at that time.

The proposed West Quadrant Plan does not include the height increases in the historic district that were part of the 2008 plan. It does advance some of the other elements of the 2008 package, including development of more robust historic transfer tools and calling for the adoption of the 2008 historic design guidelines with some minor revisions.

Old Town/Chinatown Action UD4 (page 118) is a recommendation to review, revise and adopt the historic design guidelines with the completion of the CC2035 Plan. Old Town/Chinatown Action RC5 (page 111) calls for allowing contributing historic structures to transfer unused FAR to non-contributing structure (one of the elements included in the 2008 code amendments). The controversial height increases discussed in 2008 are not recommended by the West Quadrant Plan.

Attached are the 2008 Planning Commission and Historic Landmarks Commission transmittal letters to City Council. These two letters provide a good overview of the conflict around the



issues that led to both the guidelines and code amendments being shelved. The staff report and recommended code amendments and historic design guidelines from 2008 can be reviewed here: <http://www.portlandoregon.gov/bps/article/449156>.

We have received a request for additional information on several topics from Commissioner Baugh, and anticipate receiving additional questions from other commissioners between now and the October 21st work session. We will address those issues as part of the materials prepared for the PSC work session(s).

Thank you for your time and interest in these issues, we look forward to the public hearing on September 9th and work session on October 21st.

ATTACHMENTS:

1. November 7, 2013 staff memo to the West Quadrant SAC on building heights in the Central City.
2. November 28, 2013 letter from John Russell to the West Quadrant SAC on the subject of surface parking lots in the Skidmore/Old Town Historic District. Includes the idea of taxation and amortization of the legal use of the properties as surface parking.
3. March 24, 2014 letter from the Portland Business Alliance to the West Quadrant SAC opposing some of the ideas included in the John Russell letter regarding surface parking lots in the Skidmore/Old Town Historic District.
4. Summary of changes made to environmental policies and actions in the draft plan between the June version and the July version, and the July version and final proposed draft distributed to the commission at the August 12 briefing.
5. September 29, 2008 Planning Commission letter to City Council regarding the recommended Skidmore/Old Town Amendments to Title 33 and Design Guidelines.
6. October 29, 2008 Historic Landmarks Commission letter to City Council regarding the recommended Skidmore/Old Town Design Guidelines and Amendments to Title 33.





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MEMO

DATE: November 7, 2013

TO: West Quadrant Stakeholder Advisory Committee

FROM: West Quadrant Plan Project Team

CC: Susan Anderson, Planning and Sustainability Director
Joe Zehnder, Chief Planner

SUBJECT: Building Height in the West Quadrant

This memo summarizes the general approach to proposing maximum building height limits in the West Quadrant planning process and reviews the potential benefits and impacts of high-rise buildings. In general, the draft proposal is to retain the basic existing height pattern, while making minor adjustments in some areas, including both increases and reductions in allowed heights. In all areas where height increases are proposed, providing a (to be determined) public benefit or amenity would be required of the developers in exchange for the extra height. No changes to the allowed Floor Area Ratio (FAR - essentially development density) are currently being proposed, though some minor FAR changes may be proposed later in the process to support specific district objectives.

I. Definitions of Low-, Medium- and High-rise Buildings

While there are no universally accepted definitions for these terms, staff proposes the following distinctions for the purposes of West Quadrant Plan discussions:

- Low-rise = 1-6 stories
- Mid-rise = 7-12 stories
- High-rise = 13 stories and above

These definitions are useful within the context of planning for the Central City, the densest part of the region, but may not be appropriate in other parts of the city. While there is some variability, floor-to-floor heights in typical Central City commercial buildings are



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approximately 14 feet, while in residential buildings they are closer to ten feet. First floors for both building types are typically about 14 to 16 feet.

II. General Basis for Existing Height Limits in the West Quadrant

Existing height limits in the West Quadrant of the Central City range from 35-75 feet (generally along the waterfront and in some historic districts) to 460 feet (generally in the Downtown office core) with various in-between limits set within different areas (see map on page 8).

The basic pattern of height limits dates to the late 1970s, with refinements by the 1988 *Central City Plan* and more recent planning efforts in places such as South Waterfront and the North Pearl District.

A few broad objectives have generally guided the setting of maximum heights:

- Building heights are set to accommodate the higher levels of development appropriate and desired for the Central City as the regional urban core and high-capacity transit hub.
- Heights are set to preserve light, air and visual access to parks, designated open spaces and the Willamette River.
- Heights are set to be compatible with and support the character of historic districts or other special design areas.
- Heights are set to protect identified public views in designated view corridors, e.g. of Mt. Hood from Washington Park.
- Heights are set to create appropriate transitions to adjacent non-Central City neighborhoods and districts.
- Heights are set to help shape a memorable and attractive downtown skyline and to enrich the city's urban form and image.

III. Why are High-rise Buildings Allowed in Portland's West Quadrant?

Regional Goals

In order to help achieve regional housing, economic development and environmental goals, Metro, the regional planning agency, has set average density targets to meet the demand for the forecasted future population. For the Central City this goal is 250 people/acre. With current typical household sizes, this translates to approximately 180 units per acre for residential development. This density goal recognizes the Central City as the most appropriate location in the region for the largest building scales and highest population density. Dense development in the Central City not only maximizes use of existing infrastructure, but by focusing this growth we can help protect other neighborhoods from inappropriately scaled development and maintain a diversity of housing types throughout the city.

Enabling dense development in the Central City is supported by the entire body of planning policy developed by the City of Portland and its regional partners. Changing allowable building heights to lower than their current limits would require a down-zoning of development potential.

These density targets could potentially be met without high-rise buildings but there would be tradeoffs in terms of building mass, open space; variety and housing choices, as discussed below.

Small Blocks: Benefits and Challenges

The Central City's small blocks are an iconic part of its urban form which provides a number of benefits including a friendly pedestrian environment and frequent breaks in the street wall that help provide light and air. However, these small blocks also complicate development scenarios. Approximately forty percent of Central City land area is devoted to public rights-of-way, much higher than in most other cities (for example the figure is closer to 25 percent in San Francisco). This means that remaining land must be more densely developed to achieve a desired gross level of density. Additionally, low- and mid-rise perimeter block development common in Europe and other places work much better where there is room to get usable central courtyards—with small blocks, there is very little left after building around the edges. Dense and sometimes high-rise development helps ensure efficient use of these small blocks.

High-rise Buildings Provide Opportunities for Public Benefits and Amenities

Development projects with high-rise buildings are more likely to include amenities like plazas, pocket parks, green landscaping areas, and creative, publically visible storm water treatments because they can achieve full build-out of allowed density without building over the entire site area. The development bonus and transfer system that encourages provision of public benefits and amenities in exchange for allowing bigger, taller buildings is intended to create more livable environments. These include incentives for various types of housing, environmental performance, historic preservation, public spaces, and other desired public goods. With the decline of urban renewal funding to support seismic upgrades and rehabilitation, providing historic and lower-scale properties with transferable height and floor area that can be monetized to pay for those improvements (as well as sites zoned to receive the transfers) can help to preserve those older buildings.

Design Flexibility

Allowing for taller heights creates flexibility for more creative building designs. With a larger envelope to work within, buildings can be designed to provide opportunities for light, air and views between towers and ground level or podium open space. Additionally, buildings with more height can be more flexible with their overall design and are more likely to provide a variety of residential unit types for a variety of preferences. High-rise buildings give an opportunity to create diverse, well-designed communities.

Sustainability and Efficiency Benefits

Encouraging greater density in the Central City helps Portland's sustainability efforts. Generally, people who reside in the Central City are more likely to walk, bicycle and use public transportation than people in other areas of the city. Fewer automotive trips results in lower congestion and reduced emissions and thus better air quality. Sewer, water, open space and other types of infrastructure also tend to be used more efficiently in dense environments.

Construction Types and Development Economics

A building's height can sometimes be attributed to its construction type. For example, wood-frame construction can achieve heights of 65 - 75 feet or the "5 over 1" building type. This type includes five floors of wood frame construction over 1 floor of a concrete podium, for a

total of 6 floors. Light gauge steel stud construction allows the construction of two additional floors, or buildings with up to 8 floors and up to roughly 100 feet in height.

Above 100 feet in height, most residential buildings in the Central City have been built using a concrete-frame building type. On full blocks, this building type results in a “slab” configuration - roughly a half-block floorplate or 20,000 sf - up to roughly 175 feet in height. Above 175 feet, residential towers typically have smaller floor plates - 13,000 sf and below - and generally need to achieve at least 225 feet to cover the costs of additional structural members, better elevators, and increased fire/life safety systems.

High rise office buildings vary in terms of construction types, but most recent examples have used structural steel frames rather than concrete.

IV. General Approach to Draft Height Limits in the West Quadrant Planning Process

The West Quadrant Plan is an update of the 1988 *Central City Plan*. The general approach proposed by staff as a starting place for discussing building heights with the Stakeholder Advisory Committee and the public is to retain the basic existing pattern and make minor adjustments to allowed heights in some areas. These adjustments may be increases or reductions. In areas such as the core of the North Pearl District and South Waterfront that have been the subject of considerable recent planning work, no changes to maximum height limits are proposed. No changes to existing limits in the West End are proposed.

In all areas where increases are proposed, providing a public benefit or amenity would be required of the developers in exchange for extra height or density. This is the purpose of a revised bonus and transfer system that will be adopted as part of the final CC2035 Plan concurrently with any changes to maximum heights. The West Quadrant Plan process will identify the key priority benefits/amenities in different areas of the study area.

The draft conceptual building height map included in the West Quadrant Plan Concept Development Workbook (<http://www.portlandoregon.gov/bps/article/463059>) illustrates potential future maximum heights (inclusive of any bonuses) that vary from current policy in a few ways. It suggests slight reductions in maximum building heights in the NW 13th Avenue Historic District and in some areas north of Burnside originally envisioned to become an extension of the office core. It also suggests increases to maximum heights in a few key areas including the North Pearl waterfront, Hawthorne and Morrison bridgeheads and south part of the transit mall. None of these potential changes has been endorsed or recommended yet and they will be the subject of additional refinement and continued public discussions in the coming months.

V. What About the Impacts of High-rise Buildings?

Recently there has been some discussion at the Stakeholder Advisory Committee meetings and in the broader community regarding building height and form and how they impact livability. Some stakeholders have suggested that maximum heights in certain parts of the quadrant should be reduced and that, generally, high-rise residential buildings should not be allowed. They have cited research suggesting high-rise living is not optimum for certain populations, including children and seniors, and that there are also implications for overall livability, health and safety.

Impacts May Not Apply to Portland

Various international research studies have raised concerns regarding high-rise buildings and their potential impacts on crime, safety, and livability. However, these impacts are highly dependent on the internal and surrounding conditions of each development. Cities and neighborhoods of different sizes, incomes, ages, and other demographics and neighborhood-scale differences are impacted differently by the presence of high-rise housing.

The actual height of different high rise buildings also changes the potential impacts. One widely accepted definition of a high rise building is anything greater than 10 stories tall. This definition is problematic because the impact of buildings that are 10 stories versus ones that are much larger, such as 100 story buildings, could vary greatly (Mitchell, 1971). Many of the cities mentioned in studies which raise concerns about high rises cite examples like Dubai, Hong Kong, and New York, which all have much taller buildings in their urban cores than Portland does. To give some perspective, the tallest building in Portland (Wells Fargo Center at 546 ft) would not even be amongst the 100 tallest buildings in New York City. It is therefore difficult to apply the potential hazards presented in studies regarding very dense cities to a mid-density city like Portland. The maximum allowed building heights in parts of the Central City would allow for a maximum of 30 to 45 stories, and in most areas, somewhat lower height limits allow buildings of 20 to 30 stories.

Mitigating Potential Impacts

Assuming some of the potential impacts of very large high rises are also present in smaller high rises such as 20- to 30-story buildings, these impacts can still be mitigated. A recent study conducted by the Urban Land Institute that examines high-density development in Singapore, lays out a list of 10 principles that research shows help mitigate potential negative impacts of high density housing. These principles are:

- Plan for long-term growth and renewal
- Embrace diversity, foster inclusiveness
- Draw nature closer to people
- Develop affordable mixed-use neighborhoods
- Make public spaces work harder
- Prioritize green transport and building options
- Relieve density with variety and add green boundaries
- Activate spaces for greater safety
- Promote innovative and nonconventional solutions
- Forge private, public, people partnerships

All of these principles are actively pursued by the City of Portland.

Successful High-Rise Neighborhood Examples

Evidence shows that when integrating many of the principles and guidelines mentioned above, high rise development can be a successful and positive addition to a vibrant city center. In fact, Portland has been a leader in developing such vibrant communities through exercising planning principles that preserve and enhance the livability of any type of building, including high rises. A book by local urban planning experts called *The Portland Edge* illustrates the method by which Portland has done this in the past, citing examples of successful mid- to high-rise living situations in Portland, the most notable of which is the Pearl District (Ozawa, 2004).

There are many examples of successful livable, safe and desirable high-rise complexes outside of Portland as well. Vancouver, BC is an interesting example where such development has highly increased the livability within the city. Examples such as the False Creek area in Vancouver provide supportive amenities for families, green spaces and open space, stunning views of the city, all while retaining lower density street level activity between the high-rise towers, many of which rest on 3-4 story podiums (Boddy, 2004). Variations on the Vancouver “model” are now being pursued in cities around the world, including West Coast U.S. cities such as Seattle, Bellevue, San Diego, San Francisco and within the South Waterfront district in Portland.

Crime and Safety

There is often a perception that crime rates are higher in high-rise buildings. The perception of crime in high-rise buildings often has to do with a lack of connection between outdoor spaces surrounding high rise buildings and the residents of the building. Some studies show that the higher the building, the less of a connection individuals may have with the surrounding area, and therefore they feel less safe due to this disconnect (Gifford, 2007). According to a study by Newman and Franck, the perception however, does not directly translate into actual increase in crime solely based on density while controlling for other factors (Newman, 1982). In addition, using the principles previously mentioned, high-rise buildings can be better integrated to allow for a greater connection with the surrounding environment regardless of building height.

Social Implications, Health and Livability

Other concerns include the potential for negative health and social outcomes (e.g. social isolation) and decreased livability associated with high-rise buildings. A study examining high-rise housing in Hong Kong and its relation to social, personal, and health consequences while controlling for poor housing conditions found that high-rise housing created no significant stresses for families or individuals in such developments, (Mitchell, 1971). A recent Swiss study found that mortality rates decreased with increasing floors in high-rise buildings (Panczak, et al, 2013). These findings suggest that health and social outcomes may vary depending on factors other than height in isolation, such as income level and access to healthcare.

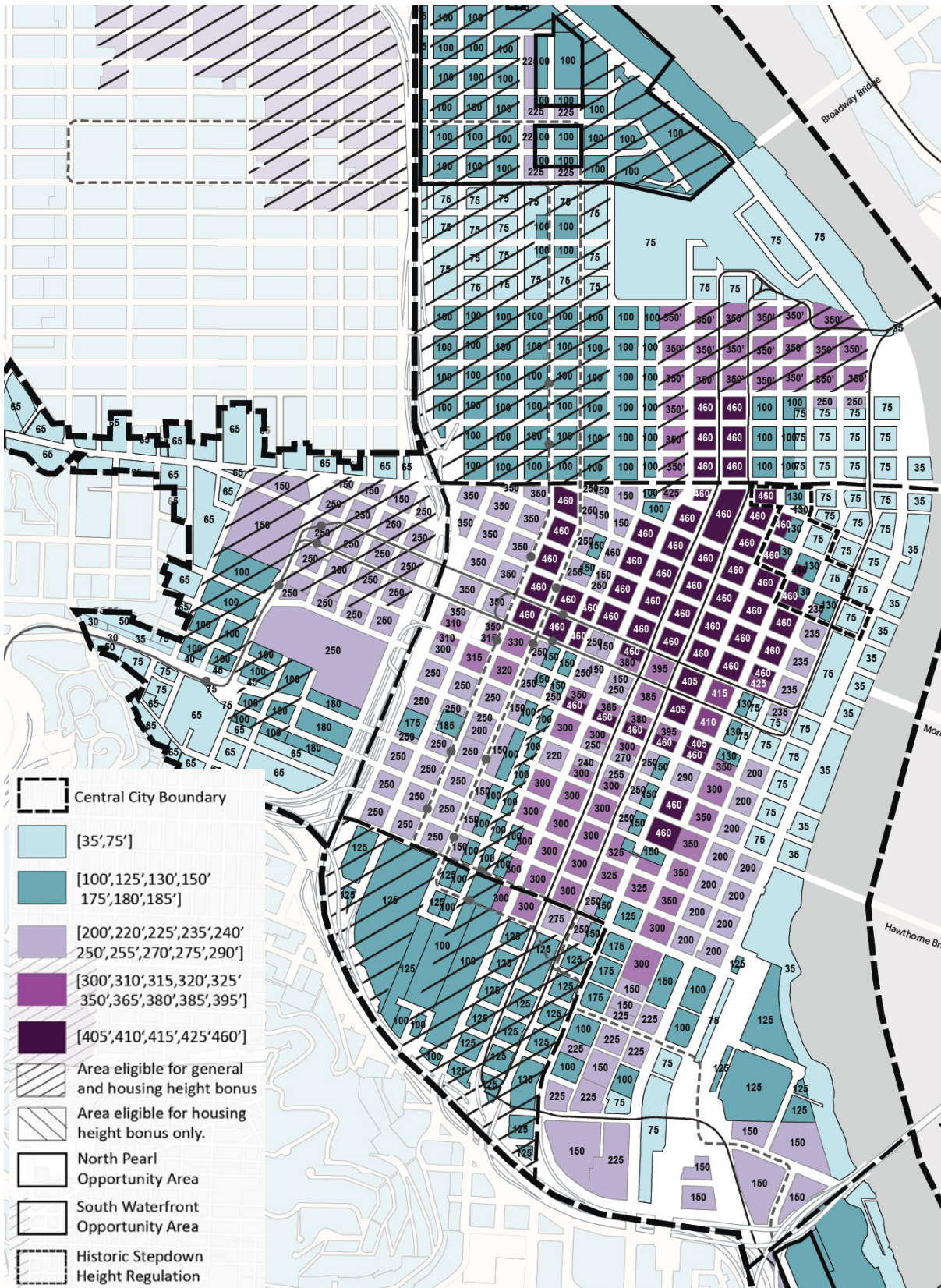
An Australian study identified which factors contributed to neighborhood satisfaction among residents in higher density areas. The factors that seemed to impact residential satisfaction the most included design, facilities, noise, walkability, neighborhood safety, and social aspects of the neighborhood beyond the building itself (Buys, 2012). This study further supports the idea that high-rise buildings alone may not be the difference in how livable a building is, but instead the surrounding attributes and planning considerations of a neighborhood may have a greater impact. In addition, internal factors such as a building’s design, amenities (for example provision of common areas), and activity programming can play an important role in resident satisfaction and livability.

VI. Conclusion

It is important to note that the Central City is the one place in the region where high-rise buildings are allowed and that they will continue to make up only a very small proportion of the city and region’s development in the future. Mid- and low-rise building heights and densities are essentially what is already allowed and encouraged today in Portland’s town

centers and major corridors outside the Central City. Additionally, mid- and low-rise development in the future will also continue to be developed in the Central City, as it plays a vital role in creating a vibrant and diverse urban landscape. High-rise development in the West Quadrant of the Central City helps to: achieve several public policy goals; allow our small Portland blocks to utilize their full potential; increase the use of flexible designs; increase accessibility to amenities; increase housing stock; relieve congestion in the city center and region; and provide a wider range of housing options for our increasingly diverse community. With thoughtful planning, all this can be achieved while enhancing the livability in the Central City. As the West Quadrant Plan process continues we look forward to continued dialogue with the community and Stakeholder Advisory Committee on this topic.

Existing Height Limits



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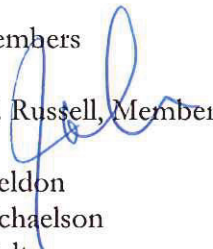


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MEMORANDUM

TO: SAC Members

FROM: John W. Russell, Member 

CC: Bing Sheldon
Rick Michaelson
Ethan Seltzer
Chet Orloff
Peggy Moretti

DATE: November 28, 2013

In the packet of materials sent to us prior to our meeting last week, fellow member Greg Goodman of Downtown Development Group commented on four items. I concur with the majority of Greg's comments. I'd like to elaborate on them and mention several other issues that came to light last Monday.

1. Greg recommended a height increase for the vacant full-block parcel between First and Second Avenues and Clay and Columbia Streets, with which I concur. This is a parcel that was intended to be built by the original developers of KOIN Center, and contains the garage entrance for that project. The block is surrounded by relatively permanent buildings that reflect a mature neighborhood of buildings that are taller. Furthermore, in recent years transportation to the site has improved with the LRT extension and the construction of the street car loop.
2. Greg recommends a height increase on the south half of the block bounded by SW Naito and First Avenues and Stark and Oak Streets. For the record, I own properties on the adjacent block to the north. I would welcome a height increase on that half block, partly to more clearly delineate the boundary of the Skidmore Old Town Historic District, and partly to conform to the City's policy of greater height at the bridge heads (more on that later).

3. Greg recommends that the allowable height of the properties located between Park and Broadway, north of Couch, be retained at 460 feet, with a bonus for residential. Much of that property is historic, so that Greg's comment really addresses only one or two of the blocks. While I concur that the residential development is desirable, and I concur that the height should be increased above 250 feet, a height of 460 feet is perhaps too great an increase.

4. Greg recommends a height increase for several blocks located within the Skidmore/Old Town Historic District, above the current height limit of 75 feet. Greg goes on to note that it is an area that is struggling. He believes that the height increase will enable it to thrive.

That hope - - that the area should thrive - - was the genesis for the formation of a group by Bing Sheldon a year or so ago, out of frustration that decades of attempts by the City (PDC and Planning) have failed to make a substantial difference. Our group consists of Bing (who was Planning Commission chair for a decade under Mayor Neil Goldschmidt), Rick Michaelson (who was Planning Commission chair for a decade under Mayor Vera Katz), Chet Orloff ("Mr. History"), Ethan Seltzer of PSU (who wrote the book (literally) on Oregon land use planning), Peggy Moretti (the Executive Director of Restore Oregon, which is the state wide organization promoting historic restoration), and me, (past Chair of the Portland Development Commission and member of both the Portland Planning Commission and the Portland Historic Landmark Commission). Art DeMuro, who was then chair of the Landmarks Commission, was a member of our group until he passed away last year.

First, our group believes that the health of the SOTHD is critically important to the economical and cultural health of Portland. Many of you are aware that SOTHD is one of only two National Historic Landmark Districts in Oregon, the other being in Jacksonville. As such, the District has received close scrutiny of the National Parks Service, the gatekeeper for the designation of Federal landmark buildings and districts. National Parks has written a letter threatening de-listing if the SOTHD height limit of 75 feet is increased.

The Gordian Knot that well-meaning people have been unable to untie for decades is that the district is riddled with asphalt parking lots. The attached aerial view shows the boundaries of the SOTHD, and the asphalt lots are circled in red. In our opinion, there is not a worse neighbor to have than an asphalt lot, because lots are inherently devoid of human activity. Asphalt lots rob an area of pedestrian interest and population for retail businesses.

The SOTHD got unlucky. It was adjacent to the then Central Business District centered around 4th, 5th, Stark and Oak. It was also adjacent to the freeway used by many people to get to work, on what is now Tom McCall Waterfront Park. The Pearl District, which has thrived beyond anyone's wildest imagination, got lucky because it didn't have such a prevalence of parking lots. It wasn't close enough to the CBD, and by the time it was starting to blossom new asphalt lots were outlawed by statute.

I'd like to live in one of our historic buildings on Oak Street, but my wife reminds me that the buildings "are like islands," in her words, surrounded by asphalt lots. We're just completing an \$800,000 renovation and voluntary seismic upgrading of our building at 233 Naito. It is as yet unleased. A recent prospect loved the space but turned it down because his people said "Starbucks is four blocks away and there's no close place for us to eat." The original McCormick's and Schmidt's at First and Oak closed years ago and hasn't re-opened.

After 30 years of trying I was able to purchase an adjoining building at the corner of Naito and Oak. It is the oldest commercial building in Portland, dating from 1857, two years prior to Oregon's statehood. I'm itching to restore it, but I recognize that frontage on Naito in that area is 75% parking lots! My restoration can't succeed in that sort of isolation, so it sits unrestored. A photo of it taken during an 1890 flood is attached.

When Bing was Planning Commission Chair, City Council declared asphalt lots to be by definition blighted uses. Furthermore, City Council prohibited the creation of additional asphalt lots in the City. One can no longer demolish a building, historic or not, and use the land for parking. However, City Council grandfathered the existing lots, believing at the time that the absorption by new developments would make the issue moot. Unfortunately, the pace of development downtown has slowed dramatically.

In the intervening forty years since the Downtown Plan, parking lots have become extraordinarily profitable. As a result, the value of land for this blighted use (asphalt parking) is several times its value for the desired use (infill development). An increase in height would have little effect on the value of land (remember that there are whole blocks in Portland with permissible heights of 460 feet that are undeveloped).

Our group believes that after decades of failure, drastic measures are needed. We have two fundamental proposals, which we expect will be discussed as part of our West Quadrant Plan. *First, we believe that a tax should be placed on the income from the parking on the asphalt lots, within only the Skidmore/Old Town Historic District.* The funds generated could be used to support infill development on a first-come first-served basis, or could be used to subsidize the construction of structured parking within the district to replace the lost parking. *Second, our group recommends that the conditional use of asphalt parking be gradually and sequentially eliminated.*

To further our cause, we have commissioned legal memoranda from both Stoel Rives (by Michelle Rudd and Gregory Mowe) and Garvey Schubert Barer (by Ed Sullivan and Carrie Richter). Both firms have corroborated the legality of our proposals. Those memoranda have been shared with both our West Quadrant Plan staff and the City Attorney's Office.

We look forward to a healthy discussion on our proposals and we hope that our group will endorse our proposals. We, of course, would welcome any other suggestions about how to untie this important Gordian knot.

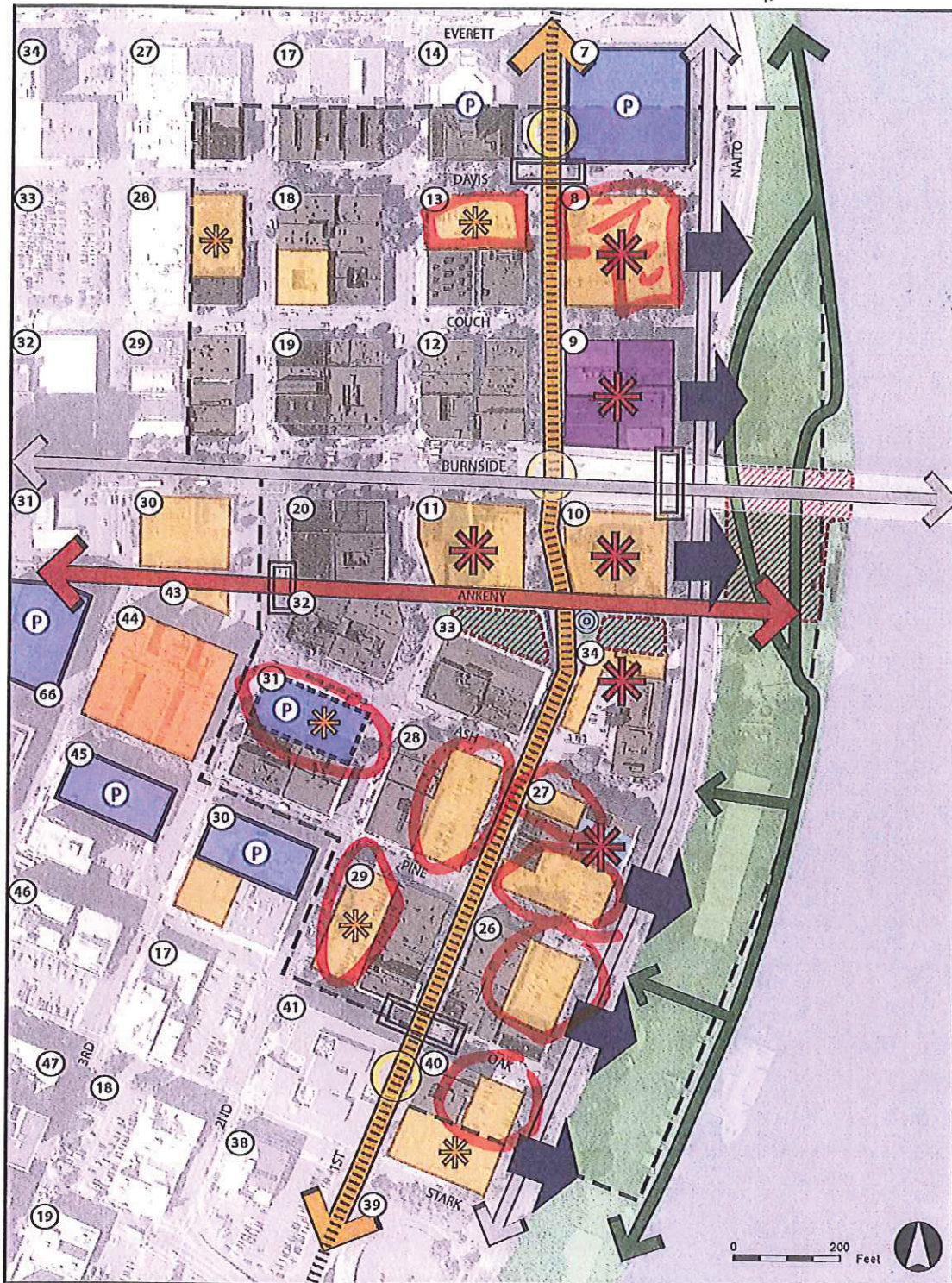
5. Steve Pinger made a comment at last week's meeting that struck a chord. He recommended that we make certain that the increases in heights that we're recommending bear the proper relationship to the anticipated demands for that height. I believe that Steve's suggestion is important because if more height is granted than is needed for an extended period of time, in effect we have no zoning at all. Sprawl is permitted as a result. Zoning is the only way that we constrain development and cause it to take place in areas where height and FAR are desired. It's important to note that there have been some fundamental changes in demand for different uses in the Central City since the Downtown Plan was approved. In my own business, which is office buildings, the demand has been reduced significantly. Thirty years ago we were constructing a twenty-story office building every year. Now we are constructing an equivalent building every decade. At the same time, the demand for downtown housing (which thirty years ago was virtually nil), is blossoming.

6. Patricia Gardner pointed out in the meeting that we have discussed FAR only briefly and that FAR and height are very different animals. FAR is essentially a stand-in for a building's population and its mass above the street. The Downtown Plan states that the maximum density should be equivalent to the Meier and Frank block, currently the location of The Nines Hotel. It is a full-block of fifteen stories, hence a FAR of fifteen. By comparison, my Pacwest Center is twice the height but has a slightly lower FAR. FAR should be granted based on proximity to mass transit. Employment centers should only be constructed where there are transportation alternatives to the automobile. At the time of the Downtown Plan, the Transit Mall existed only as far as Jefferson Street. With the extension of LRT to Portland State, I believe that the FAR south of Jefferson should be increased to the same level of fifteen, and the heights adjusted accordingly. This is reflected in the plans put forth by our staff.

7. There are several reasons for the City's existing policy of granting increased height at the major bridge heads. That is clearly in evidence at the Hawthorne Bridge. The Burnside Bridge lands in the center of the SO'HD, so that increased height is not appropriate. For the Morrison Bridge, however, I believe the increased height is warranted, particularly on the west and north sides. One of the reasons increased height is desired is that the bridge heads are not attractive. The bridges may be gorgeous, but the concrete ramps are not.

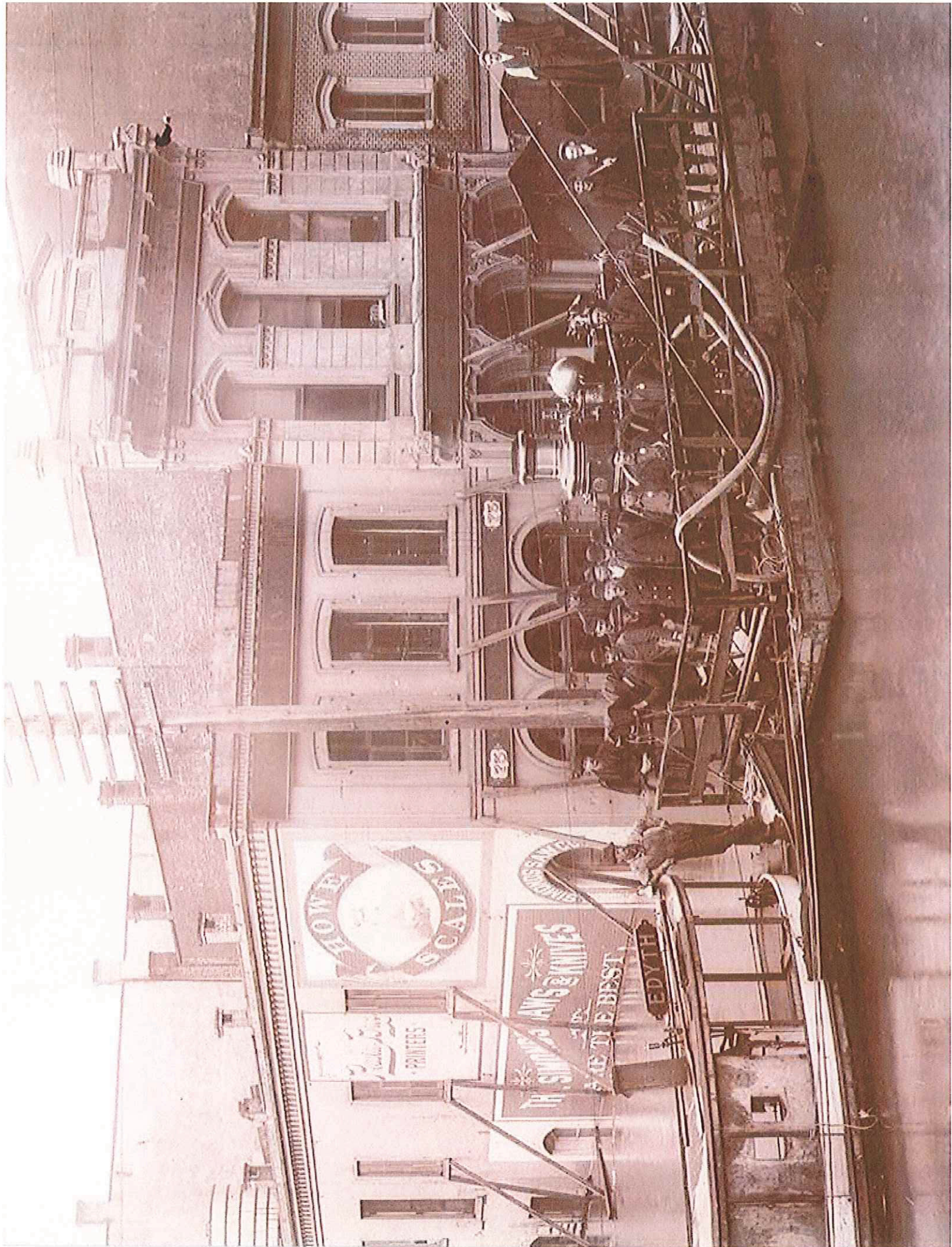
In the case of the Hawthorne Bridge one of the ramps was eliminated, with no adverse effects. I believe that the same potential exists in the case of the Morrison Bridge's north ramp. It is extraneous, since SW Second and SW Stark Street can serve the same function. It is particularly critical since Melvin Mark Properties is attempting to create a farmers market on that site. The north ramp is a severe hindrance to the construction of the market and to access into the rest of the Central City. I would urge our committee to take a strong stand for the elimination of that ramp and to urge our staff not to "study" (delay) the issue, since it has been studied repeatedly already, and delay could stymie Mark's development.

I'm not able to attend many of the meetings this winter. I'm pleased that Rick Michaelson has agreed to attend them in my absence as my alternate. As many of you know, Rick has a long history of volunteer activism with our city. He, as has been mentioned, served as the volunteer chair of the Portland Planning Commission for nearly a decade under Mayor Vera Katz.



- | | | | |
|-----------------------------|----------------------|-------------------------------|------------------------------|
| Study Area | University of Oregon | Waterfront Paths | MAX Light Rail Station |
| Public Park & Plazas | Weekend Markets | Major Pedestrian Axis | Eyes on Nalto, Park, & River |
| Existing Buildings | Embassy Suites Hotel | Major Transit/Historical Axis | Catalytic Opportunity Sites |
| Existing Structured Parking | Smith Blocks Project | Major Automobile Axes | Edge Opportunity Sites |
| Proposed Structured Parking | Skidmore Fountain | MAX Light Rail | Secondary Opportunity Sites |
| | | Gateway Features | |

MAP 5.2: Urban design concept





**PORTLAND
BUSINESS ALLIANCE**
Commerce • Community • Prosperity

March 24, 2014

Susan Anderson
Bureau of Planning and Sustainability
1900 SW 4th Avenue
Portland, OR 97204

Dear Ms. Anderson,

The Alliance would like to take this opportunity to provide initial comments regarding the Skidmore/Old Town/Chinatown area as Bureau of Planning and Sustainability staff work on refining policies for the West Quadrant as part of the Central City 2035 Plan. The Alliance anticipates providing further comment after the completion of the work currently underway by our broad based Skidmore/Old Town/Chinatown task force.

The Skidmore/Old Town/Chinatown area presents unique challenges and opportunities for redevelopment. For too long, it has been ignored and underinvested in. In coordination with a group of property owners, historic preservation experts, architects and others, we developed the attached strategies to spur investment in the area, while enhancing and complementing its historic and cultural qualities.

The Alliance would like to express its strong opposition to imposing punitive taxes on, or mandate the closure of, surface parking lots in the area. These proposed policy items were reviewed by our central city committee, executive committee, and our board of directors and all agreed overwhelmingly to oppose them. We believe both actions would constitute an unfair and potentially illegal exercise of city powers. We are also convinced that these actions would have a significant negative impact on the ability to draw new construction or redevelopment to the area. It is difficult to attract investment in the area because achievable rents do not cover the costs of new construction or significant rehabilitation. Reducing the availability or increasing the cost of parking will have the effect of depressing rents still further, making projects in the area even less financially viable. We do not believe a tax on parking to provide reinvestment funds can be successful given the gap between rents and costs.

The use of punitive taxes or heavy-handed regulatory authority is not an appropriate economic development tool. Instead, we recommend the committee consider the attached strategies to help promote investment and improvements in the area. We will forward additional recommendations after completion of the work of the current Skidmore/Old Town/Chinatown task force. Thank you for your consideration.

Sincerely,

Sandra McDonough
President & CEO

cc: Mayor Charlie Hales,
Portland City Council

Greater Portland's Chamber of Commerce

Skidmore District Task Force Policy Recommendations

A working group of stakeholders, including property owners, historic preservation experts, architects, and others, have developed a range of recommended strategies to spur investment and development in the Skidmore portion of the Skidmore / Old Town Historic District. The recommended strategies will increase economic activity in the district, while enhancing and complimenting the historic qualities of the area. No one strategy will be sufficient to catalyze change in the area; the gap between rents and construction costs is too large to be overcome by a single strategy. It will take multiple overlapping strategies implemented by the City to overcome the differential between current construction costs and the limitations related to historic designation.

Increasing the significance of historic incentives to district goals: Enhance the value of the existing historic designation incentives while at the same time tying that increased value to improvements in the district.

- Increase Floor Area Ratio transfer right for historic structures in the district to 1.5 : 1 to any other location in the Central City. Require that if FAR from the district is sold, the proceeds from the sale must be reinvested in the seller's building within 5 years or paid into a city fund dedicated to paying for improvements in the district. Include Bonus FAR in the calculation.
- Explore possible increases in other city tax incentives related to historic designation.
- Reduce or eliminate the city's existing Systems Development Charges for housing development in the district. The city's current SDCs for housing, particularly low income or workforce housing, add significant costs to projects that are already unsupported by rents in the district.
- Support strategies to change state law to increase benefits of historic designation and increase property tax deferral while incentivizing reinvestment in the district.
- Advocate for State Rehabilitation Tax Credits. This is currently done in 34 states around the country but not in Oregon.
- Explore strategies to require historic designation incentives to be reinvested inside the district within a short period of time (e.g. 5 years) or forfeit the incentive to a city fund that is dedicated to underwriting improvements in the district.

Build connections to the waterfront: Proximity and access to Tom McCall Park and the waterfront are important positive attributes of the district. However, Naito Parkway and the lack of pedestrian facilities across and on the west side of the park significantly limit the ability to leverage the value of proximity to these great amenities.

- Provide curb extensions, pedestrian refuge islands, stripe or otherwise increase visibility of pedestrian crossings of Naito.
- Provide east-west bike and pedestrian connections from the seawall pathway across McCall park to key corridors such as the bike lanes on S.W. Oak and S.W. Stark.
- Improve and expand pedestrian facilities on the east side of Naito/west side of McCall Park by installing a "meander" pathway or sidewalk.

- Widen the seawall sidewalk and provide segregated lanes for bikes and pedestrians to address capacity needs and reduce conflicts.
- Install more permanent attractions in McCall Park to encourage year-round use, such as a parcourse exercise facility.
- Increase view corridors from the district to the park and the river by reducing or re-shaping tree canopy. At the current height limit of 75', office and residential views of the park or river are obscured by the tree canopy.

Parking strategies: The historic structures in the district were built during the streetcar era when parking was not a consideration. The existing surface parking lots provide an essential service to the current and future office and residential uses in the district and to support retail customer access. Infill construction faces the double challenge of providing parking for its own tenants and replacing the surface parking that has served surrounding buildings. Constructing underground parking in conjunction with new development is the preferred strategy, however the cost is prohibitive and there are additional challenges such as high groundwater and small parcel sizes and divided ownership that make financing impossible without public assistance.

- Provide public assistance through Portland Development Commission or other mechanisms to subsidize the cost of underground parking in new development and to incorporate additional parking for district businesses and residences to take the place of lost surface parking as the surface parking lots redevelop.
- Leverage existing parking garages outside the district that have excess capacity to serve in district parking needs (i.e. potential agreements with U.S. Bank and Embassy Suites to use their garages for in district needs during off hours) and adopt joint use parking strategies;
- In circumstances where underground parking inside the district is not feasible even with public assistance, consider strategies to promote the construction of parking just outside the district in mixed-use projects that would serve tenants and customers inside the district.

Public support to offset development and redevelopment costs: Rehabilitation of buildings in the district face significant cost challenges given achievable rents. The historic buildings are unreinforced masonry, constructed decades before passage of the Americans with Disabilities Act and prior to adoption of modern fire and life safety regulations. Rehabilitation projects trigger requirements for seismic retrofitting, ADA compliance and fire and safety compliance. These improvements result in little if any additional rent, but significantly increase the cost to the property owner. Public assistance in offsetting these additional costs is essential to any strategy to revitalize the area.

- Use the remaining allowance for urban renewal district boundary amendments in the River District to extend the district's boundary south between Naito and SW 3rd.
- Allocate all or a significant portion of the remaining approximately \$8 million available in the Downtown Waterfront URA to implement strategies in the Skidmore district.
- Explore reductions in city fees or taxes to help offset the cost of seismic, ADA and fire and life safety investments.
- Increase thresholds within the district that trigger seismic, ADA or fire and life safety compliance.

- PDC should implement a low-interest loan program for seismic improvements in the Skidmore area that defers payment of principal and interest until specified returns on investment or rent thresholds are achieved.
- Provide public assistance to offset the costs of ADA compliance, address ADA compliance triggers that make projects unaffordable.

Security and social services: Attracting investment and higher paying tenants to the Skidmore district is made more difficult by both the reality and perception of law enforcement and security issues in the area. The area is well known for the presence of intimidating panhandlers, drug dealing and a range of disorderly conduct associated with drug and alcohol consumption and mental illness. The concentration of social service providers and sidewalk queuing for services add to the perception, if not the reality, of security and personal safety concerns in the area. A concerted and focused effort to address these issues will help attract tenants and customers to the area and allow for higher rents.

- Implement a focused and consistent public safety/law enforcement strategy for the area including pro-active sidewalk management and drug and alcohol enforcement.
- Implement and honor policies that discourage future location of additional social services in area;
- Work with existing social service providers on strategies that eliminate or discourage outdoor queuing.

Design elements: The development and implementation of the Downtown Retail Strategy has proven to be a successful model along S.W. Morrison and Yamhill. A similar concerted effort to develop a plan and implementation strategy along 1st and 2nd in the district could produce dramatic improvement in the sidewalk level environment, improve safety and security and attract construction of both commercial and residential projects in the district. The strategy has been successful by providing incentives, technical assistance and leadership rather than through proscriptive measures. The implementation of the strategy requires both public assistance and the cooperation of area tenants and owners.

- In coordination with the property owners and retail and office tenants, develop a retail strategy similar to Yamhill/Morrison spine in Pioneer District.
- Develop and implement a design theme for the area, including sidewalk amenities such as planters, distinctive lamp post paint and banners, street tree management, consistent storefront treatments, and strategies to attract supportive retail.
- Develop incentives to encourage retail use of ground floor space while moving non-retail uses such as offices and social services to upper floors and non-retail spaces.

Catalytic projects: There are numerous examples of catalytic projects in or near struggling areas that spur investment in adjacent blocks. A catalytic project inside or on the near fringes of the district could provide a significant boost to development and redevelopment, particularly if the project provides critical residential services.

- Allocate PDC funds, other resources, tax incentives, and/or other incentives to attract essential neighborhood services such as a grocery, cleaners, etc.
- Implement a program to attract one or more signature projects, in addition to the James Beard Market, that can catalyze growth within the district.
- Seek a development for the City property at SW 3rd and Oak that, while outside the district, can foster development within the district.
- Implement strategies that extend the positive impacts of catalytic projects (such as the Beard Market) throughout the district, such as linked branding and marketing, complimentary street treatment, way-finding, and complimentary retail.

Encourage and leverage development: Despite the challenges of developing in the Skidmore area, a number of new facilities and tenants have located in the area, including the Pacific Northwest College of Art, University of Oregon Portland campus and Oregon College of Oriental Medicine. At the same time, new developments outside the district could add vitality to the district if existing height limitations are modified to allow taller buildings adjacent to the district. .

- Encourage connections to PNCA, U of O and OCOM with strategies such as way-finding, signage and complimentary retail.
- Increased heights for areas adjacent to but outside of historic district to allow buildings that frame and define the edges of the historic area.
- Increase building height limitations outside the district around bridgeheads.
- Expand entertainment district programming and activities beyond the bar scene to daytime and weekends through programming, marketing and communications.

CC West Quadrant Plan - Willamette River and Environment sections

Changes: SAC Draft (June, 2014) → Revised SAC Draft (July, 2014)

APPENDIX E: Central City-wide Policies and Action Item Recommendations

Willamette River

1. Edited Goals: Changed Goals I. and J. for clarity ← (changed back in subsequent draft)
2. Edited policy: Separated Willamette River Health and Habitat policy into In-water Habitat and Water Quality policies
3. Added target: New target placeholder - linear feet of riverbank habitat to be enhanced
4. Added action: WR5 - designate 2-3 areas for in-water habitat restoration

Health and Environment

1. Added policy: High Performance Areas
2. Edited policy: Upland Habitat Corridors - provide more specificity
3. Added targets: Placeholders targets – to be updated before final
4. Edited action: EN3 – consider building reflectivity as well as pedestrian scale and livability
5. Added action: EN5 - encourage the planting of street trees in front of residential and mixed use buildings, around surface parking lots
6. Added action: EN10 - develop a program to encourage solar energy on existing rooftops, including in combination with ecoroofs
7. Added action: EN11 - improve water quality in the Willamette by integrating green infrastructure with streetscape improvements, specifically identifying risks associated with the separated storm system in the West Quadrant as a whole, as well as in specific districts
8. Format change: Swapped order of Green Building and Building Retrofits policies
9. Format change: Fixed numbering as appropriate

CHAPTER 4: District Goals, Policies and Implementation Actions

Downtown – Environment

1. Edited policy: Changed from “maintain and enhance” to “restore” In-water Habitat
Clarified language about adding native vegetation. See Central City-wide In-water Habitat policy
2. Moved policy: Water Quality policy moved to Central City-wide Water Quality policy
3. Edited policy: Removed North Park Blocks language from Upland Habitat Corridor policy; these are not in Downtown
4. Edited action: EN1 - specify native planting preferred in Waterfront Park
5. Added action: EN2 - improve in-water habitat at Hawthorne Bowl designing a restoration project that separates fish habitat area from swimming and recreational areas
6. Added action: EN3 - consider seasonal restrictions on human activity within the Hawthorne Bowl to minimize impacts of boating and swimming on juvenile fish migration
7. Edited action: EN4 - specify mooring structures
8. Moved action: previous EN3 related to water quality to Central City-wide actions (EN11, WR3)
9. Format change: Fixed numbering as appropriate

West End – Environment

1. Moved policy: Urban Habitat Corridors to Central City-wide Upland Habitat Corridors policy
2. Moved policy: Water Quality policy to Central City-wide Water Quality policy

3. Moved action: EN1 to Central City-wide actions (EN11, WR3)
4. Moved action: EN3 to Central City-wide actions (EN5)

Goose Hollow – Environment

1. Edited policy: High Performance Areas as definition evolved
2. Edited policy: Urban Habitat Corridors to be more district-specific
3. Edited policy: Water Quality to be more district-specific
4. Edited action: EN1 - made more specific
5. Moved action: EN3 to Goose Hollow Urban Design section (UD9)

Pearl District – Environment

1. Edited policy: High Performance Areas as definition evolved
2. Edited policy: In-water Habitat to be more district-specific
3. Moved policy: Water Quality to Central City-wide Water Quality policy
4. Edited action: EN1 - change “enhance” to “restore”; improve “conditions” for habitat
5. Edited action: EN2 (really added new action) to address native vegetation within public open spaces; old EN2 now addressed in EN3
6. Edited action: EN3 – specifically mention the Brewery Blocks and potential adjacent development as a high performance area; US Postal site now addressed in EN4
7. Edited action: EN4 to address the US Postal Service as a high performance area; previous action related to solar energy removed, see Central City-wide actions (EN10)

Old Town/Chinatown – Environment

1. Edited policy: In-water Habitat to be more district-specific
2. Moved policy: Water Quality to Central City-wide Water Quality policy
3. Moved target: Linear feet of riverbank enhancement to Central City-wide targets

South Waterfront – Environment

1. Moved policy: High Performance Areas to Central City-wide policy ← (this was added back in for the subsequent draft)
2. Edited policy: In-water Habitat to be more district-specific. See Central City-wide In-water Habitat policy
3. Moved policy: Water Quality to Central City-wide Water Quality policy
4. Edited policy: Urban Habitat Corridors to be more district-specific. See Central City-wide Upland Habitat Corridors policy
5. Moved action: EN1 – parts related to river bank and shallow water habitat enhancement moved to Central City-wide Willamette River Goal I and In-water Habitat policy
6. Moved policy: EN2 – parts related to riparian and upland habitat enhancements are in Central City-wide Willamette River In-water Habitat policy and Health and Environment Watershed Health policy
7. Format change: Fixed numbering as appropriate

South Downtown/University – Environment

1. Edited policy: High Performance University Campus – changed as definition evolved
2. Edited policy: In-water Habitat to be more district-specific. See Central City-wide In-water Habitat policy
3. Moved policy: Water Quality to Central City-wide Water Quality policy
4. Edited policy: Upland Habitat Corridors to be more district-specific
5. Moved target: Linear feet of riverbank enhancement to Central City-wide targets
6. Moved action: EN5 – to Central City-wide actions (EN11, WR3)

CC West Quadrant Plan - Willamette River and Environment sections, resiliency-related Regional Center section items

Changes: Revised SAC Draft (July, 2014) → Proposed Draft (August, 2014)

GENERAL:

1. Central City-wide policy and implementation actions moved from Appendix E to Chapter 4
2. Substantial new Appendix A entry added for Central City-wide action item WR2 related to the Willamette Greenway Plan update.

CHAPTER 4: Central City-wide Policies and Implementation Actions

Regional Center: Economy and Innovation

1. Added policy: Adaptation to Future Climate Change
2. Added action: RC2 - assess risks and impacts of flooding due to climate change
3. Added action: RC3 - develop land use regulations and strategies to mitigate future flooding vulnerability from climate change

Willamette River

1. Edited goals: Returned Goals I. and J. language to original Concept Plan language
2. Edited policy: Renamed In-water Habitat policy to Habitat. Added riparian habitat to policy language, changed “promote” to “support”
3. Edited action: WR2 – reference new Appendix A entry; added PPR as an implementer.
4. Edited action: WR4 – better show connection between water, river bank and upland habitat areas
5. Edited action: WR5 – improve specificity, added BES as implementer
6. Edited action: WR6 – (typo will be corrected in next revision) to specify that the convening of a Central Reach Working Group is already in process

Health and Environment

1. Edited policy: Nested High Performance Areas policy under Low-Carbon Development Policy; reworded policy to be consistent with High Performance Area definition in Ch. 3
2. Edited action: EN3 – cluster only the environment-related items for the Central City Fundamental Design Guidelines update in this section; moved pedestrian scale and livability considerations piece under Urban Design
3. Edited action: EN6 – explore implementation alternatives for an ecoroof requirement, rather than consider an ecoroof requirement; consideration language still applies to “Green Factor”
4. Edited action: EN10 – add timeline entry of 2-5 years

CHAPTER 5: District Goals, Policies and Implementation Actions

Downtown – Environment

1. Renamed policy: Upland Habitat Corridors to Urban Habitat Corridors
2. Edited action: EN1 – strategically incorporate native plants and trees; removed “where it complements other uses” language
3. Format change: Fixed numbering as appropriate

West End – Environment

1. Edited policy: Changed District Energy policy to High Performance Areas policy and added language as appropriate. Idea is that High Performance Area is a policy and District Energy is an implementation tool

Goose Hollow – Environment

No changes

Pearl District – Environment

1. Edited action: EN2 – strategically install native vegetation and trees; removed “where it complements other uses” language

Old Town/Chinatown

No changes

South Waterfront

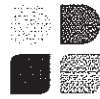
1. Added policy: High Performance Areas
2. Edited action: EN2 – add trees

South Downtown/University

1. Renamed policy: Upland Habitat Corridors to Urban Habitat Corridors

APPENDIX A: Implementation Action Details

1. Added entry: WR2 – details related to the Willamette Greenway Plan update



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September 29, 2008

Mayor Tom Potter and Portland City Council
City Hall
1220 SW 4th Avenue
Portland OR 97204

Dear Mayor Potter and City Commissioners:

On August 12, 2008, the Portland Planning Commission voted unanimously to forward the Skidmore/Old Town Amendments to Title 33: Planning and Zoning to Council for adoption.

These code amendments and the design guidelines being forwarded to you by the Portland Historic Landmarks Commission are part of the implementation program described in the *Ankeny Burnside Development Framework* (2006). The code amendments are intended to increase opportunities for development in the district while at the same time increasing restoration and renovation opportunities for historic buildings.

The Skidmore/Old Town National Historic Landmark District is clearly one of Portland's most distinct places and has long been recognized as an area of tremendous opportunity as well as nostalgic value. It is also an area that faces some significant challenges to redevelop. We enthusiastically support the ongoing efforts of the City to reinvest and revitalize the area as described in the *Ankeny Burnside Development Framework*. The Bureau of Planning and the Portland Development Commission are working together with neighborhood residents, stakeholders and developers to increase reinvestment and help re-create this vibrant, dynamic and historic heart of the City.

These code amendments increase maximum building heights and floor area ratios on select sites around the edges of the district, but only through the transfer of development potential off of contributing historic structures or payments into district-oriented funds to achieve these larger building forms. The Planning Commission endorses this approach, but does not do so lightly. The Planning Commission listened to considerable testimony and discussed issues thoroughly and thoughtfully. The commission heard testimony that this additional flexibility is desirable and will both encourage investment and bring new life to the area. Commissioners heard supportive testimony from the State Historic Preservation Office (SHPO), which endorses the link between development and funding for preservation of historic buildings in the district. Commissioners also heard testimony that expressed doubt these measures will be effective. Commissioners believe that code amendments and design guidelines alone will not accomplish revitalization of the district. Amendments must be accompanied by other actions recommended by testifiers and in the *Ankeny Burnside Development Framework*, including consideration of measures to promote the redevelopment of surface parking lots.

In approving the Code amendments proposals, the Planning Commission stresses that the relationship of floor area to height is critical to this conclusion. By allowing more height than floor area on opportunity sites, taller buildings can be stepped back from historic street frontages and sculpted to reduce potential impacts on the district. Increasing floor area ratios



without also increasing height limits would result in bulkier buildings with fewer step backs and distinctions, negatively impacting the character of the historic district.

The Planning Commission is aware that this recommendation to allow additional height and floor area on five opportunity sites at the periphery of the historic district is in conflict with the views of the Portland Historic Landmarks Commission. The Planning Commission understands the perspective of the Landmarks Commission and the significance of preserving the character of this historic district. However, the Planning Commission believes this proposal balances community desires for new development opportunities with the preservation of the contributing structures in the district. The Planning Commission encourages City Council to continue this conversation at the upcoming public hearing on the amendments.

Finally, the Planning Commission supports the adoption of new design guidelines for the Skidmore/Old Town Historic District along with these code amendments. The Planning Commission would like to see that the design guidelines forwarded to you by the Portland Historic Landmarks Commission ensure that setbacks are incorporated on at least one side of buildings proposed on height opportunity sites. Planning Commission believes that with guidelines that encourage taller new buildings to step back from the street wall at heights similar to nearby historic structures, taller buildings can be a positive addition to the area without negatively impacting the historic character of the historic district.

In conclusion, the Portland Planning Commission recommends the Portland City Council adopt the Ordinance which approves the proposed Skidmore/Old Town Zoning Code Amendments and amends Title 33: Planning and Zoning to include these amendments.

Specifically, the commission recommends that City Council:

- Increase development opportunities on select sites around the edges of the Skidmore/Old Town Historic District by linking additional height and density to historic district improvements.
- Restrict the available floor area bonuses within the historic district to those that encourage housing or are clearly targeted to improving the historic character of that district.
- Continue to seek new ways to reinvest in and encourage others to reinvest in and contribute to the revitalization of the Skidmore/Old Town Historic District.

The commission looks forward to the discussion at Council on this set of regulatory changes for the historic heart of the City of Portland. Several commissioners plan to testify at Council in November to explain their recommendations. Thank you for your consideration.

Sincerely,



Michelle Rudd, Vice President
Portland Planning Commission

c: Portland Planning Commission





City of Portland
Historic Landmarks Commission

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October 29, 2008

Mayor Tom Potter and Portland City Council
City Hall
1220 SW 4th Avenue
Portland, OR 97204

Dear Mayor Potter and City Commissioners,

The Skidmore/Old Town Historic District is where the City of Portland began. It is truly one of the most special places in the city, featuring signature works of architecture, intimate open spaces around the Skidmore Fountain, and unique streets not found anywhere else in the city. In order to acknowledge, celebrate and protect its robust collection of buildings with intricate cast iron facades, the district was listed in the National Register of Historic Places in 1975 and designated a National Historic Landmark in 1977 in recognition of its national historic significance. It is one of only two such nationally designated landmarks in the City of Portland.

DESIGN GUIDELINES

The Landmarks Commission is pleased to forward you the *Skidmore/Old Town Historic District Design Guidelines*. These new design guidelines will ensure that future historic renovations and new construction in the Skidmore/Old Town Historic District will preserve and enhance the historic character and scale of the district.

The guidelines powerfully fulfill two missions. First, they lay out clear directions regarding design, scale, materials, texture, proportions, etc. that will best guide applicants. The ambiguity of the guidelines these replace is gone. Second, these guidelines will serve as a strong economic development tool by establishing a high standard of congruent historic design. The Skidmore/Old Town Historic District can become a key cultural attraction in the region, showcasing its one-of-a-kind collection of Italianate architecture and cast-iron fronted buildings and tell the story of our great city. Portland will be able to boast an Old Town to rival that of San Francisco, Charleston, Savannah and Boston.

CAST IRON

The Commission fully supports the work of William J. Hawkins, III, FAIA and the goal of reintroducing cast-iron building façade elements into the historic district, as a part of restoration projects, new construction, or other interpretive works accessible to the public. However, up to now, support for the reuse of this marvelous collection has been limited to words of encouragement. As a means to this goal, the commission urges your support of the resolution to direct City bureaus to prioritize reuse of artifacts from the Eric Ladd and other cast-iron artifact collections in the Skidmore/Old Town Historic District. This will help to ensure at least some reuse of the artifacts within the district—potentially in the near term—as Block 8 (NW Davis and Naito Parkway) and Fire Station 1 are both already publicly-owned. This is critical because the cast-iron is the reason that this district obtained national recognition and landmark protection.

RECOMMENDED CODE AMENDMENTS

The Landmarks Commission recognizes that there are numerous sites for potential redevelopment within the district—sites currently used for surface parking—that present challenges to the district's continuity and character. However, the Commission believes that the City's first duty is to "do no harm" to the character of the historic district, and to preserve and enhance the quality of the district's historic structures and scale. The vitality and future success of this neighborhood is directly related to reinforcement of a cohesive historic identity and not in blurring the perception of the district.

As you consider Planning Commission's proposed amendments to Title 33 of the *Portland Zoning Code*, the following advice and recommendations are offered for your consideration:

HEIGHT

The Commission does not support the code proposal that identifies five "opportunity sites" within the boundary of the historic district, where new buildings could achieve heights greater than the existing maximum of 75 feet.

The Commission opposes this proposal for several reasons. First, the guidelines have been carefully crafted to protect the delicate resources of this district and promote compatible additions and infill. Consistency and balance is critical. However, the code amendments were composed while the proposed guidelines were being drafted. Though not expressly conflicting, in effect, they are in jarring conflict with our guidelines such that no less than eight of the proposed guidelines would have to be substantially diluted and thereby threaten the value and strength of the entire document.

Second, the Commission is gravely concerned about the impacts of taller buildings on the district's character. A primary goal in this (or any) historic district is to preserve its historic character, a character defined today in Skidmore/Old Town by a majority of buildings between two and four stories, between 40 and 60 feet tall. The scale of buildings at 100 or 130 feet would be incompatible with that of the smaller, pedestrian-scaled and finely crafted historic structures throughout the district. There are no historic precedents for buildings of this scale in Skidmore/Old Town and no evidence that such tall building can be designed in a way that is compatible. We strongly oppose introducing a new building paradigm of large floor plate, view-oriented mid-rise structures with underground parking into this relatively tiny district and its uniquely quaint scale. Bluntly put, it is reasonable to direct these more typical new construction designs toward the countless sites in our city where they are compatible with their surroundings. Additionally, while some may see peripheral non-conformance as minimized intrusion, we see it as a threat to distinct district boundaries which are critical to neighborhood definition, especially one that is only 20 blocks in size.

Third, the Commission remains unconvinced that allowing additional height will catalyze redevelopment activity in the district. There are numerous examples of mid- to high- rise development in Portland having very little or no "catalytic" impact on surrounding pedestrian-scale development, as well as vacant or underutilized sites with generous height and floor area ratio (FAR) allowances continuing to languish. Entitlements alone have little to do with development energy. Strong market demand, creative developers, innovative designers and competitive land prices are all needed to capitalize on the potential of a special opportunity such as the one presented by Skidmore/Old Town. The district is already changing before our eyes as \$100 million of investment is strategically catalyzing new tenancies, converting street life, raising rents and investment returns and uplifting perceptions. Please note, also, that this investment is in the form of sensitive historic renovation as well as additions and infrastructure improvements sensitive in scale and design—all approved by the Landmarks Commission.

FLOOR AREA RATIO (FAR) TRANSFER

While we understand that the transfer of development potential, or FAR, from contributing historic structures is directly linked to the potential receiving opportunity sites, we believe that this transfer provision is warranted by its own merit. Today, it is possible to transfer FAR from designated landmarks, but not from contributing structures in a historic district. However, many important structures in Skidmore/Old Town are not individual landmarks. Increasing the flexibility to transfer development potential would increase the likelihood that more contributing structures could be preserved.

DISTRICT IMPROVEMENT FUND AND OTHER BONUSES

The Commission supports the creation of a Skidmore/Old Town District Improvement Fund, administered as a density bonus option. We also recommend the proposed reduction in the allowable density bonus options for the historic district to only the residential bonus and the district improvement fund bonus. Tailoring the bonuses to the specific needs of the historic district is consistent with the approach taken in other parts of the Central City, and will ensure that multiple community and preservation objectives can be achieved. However, we do not wish to exchange height and FAR increases quid pro quo for creation of this Fund, as has been proposed. The resulting financial benefit is dwarfed by the irreparable damage that would be done to our National Landmark District by out-of-scale new development.

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You appointed us as stewards for our city's historic resources. As a National Landmark District, Skidmore/Old Town is THE single most important commercial historic neighborhood of our community. We ask for your support of these Design Guidelines and Cast Iron Resolution submitted by the Landmarks Commission without major revision.

Sincerely,

A handwritten signature in black ink, appearing to read 'Art DeMuro', with a stylized, sweeping flourish extending to the right.

Art DeMuro, Chair, Portland Historic Landmarks Commission

c. Portland Historic Landmarks Commission