October 29, 2014

City of Portland Attention: Planning and Sustainability Commission (PSC) 1900 SW 4th Avenue, Suite 7100 Portland, OR 97201-5380

Re: Comments on July 2014 Draft 2035 Comprehensive Plan

Dear Planning and Sustainability Commission Members:

Thank you for the opportunity to provide input on the update of the City's Comprehensive Plan. I represent ownership of four properties in Southeast Portland located at 4214 SE 12th Avenue, 1208 SE Boise Street, 4207 SE Milwaukie Avenue, and 4211-4245 SE Milwaukie Avenue. On behalf of the ownership, I would like to comment on proposed map changes that affect these parcels near the intersection of SE Milwaukie Avenue and SE Boise Street (see map below).



My remarks are grouped based on the existing and proposed plan designations.

4207 and 4211-4245 SE Milwaukie Avenue

These two properties, which span from SE Boise Street to SE Cora Street, are identified as Property IDs R172002 and R172005 in the Multhomah County assessor records. The parcels are currently designated *General Commercial* on the Comprehensive Plan map and are zoned *General Commercial*. As proposed

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by the City in the July 2014 draft (Change #604), the Comprehensive Plan designation would change to *Mixed Use - Neighborhood* and the zoning would either remain *General Commercial* or change to the "closest comparable zone" as applied in 2015 as part of the City's Mixed Use Zones project.

This property is home to Townsend's Tea Company, which brews and bottles organic Brew Dr. Kombucha tea on site. With 29 employees, this successful business continues to grow and expand and its products can now be purchased throughout the western U.S. plus Minneapolis, Atlanta, and Asheville, North Carolina. Brew Dr. Kombucha recently received a \$2.2 million expansion loan through funding from the Oregon New Markets Tax Credits Program, which was created to help grow successful businesses in economically depressed areas.

The company is also in the process of expanding its production to include distilled spirits which will be manufactured by a supplemental company (same ownership), by the name of Thomas & Sons Distillery, LLC. This collection of growing companies (Townshend's Tea Company, Brew Dr. Kombucha, and Thomas & Sons Distillery) is truly a genuine Portland business success story, adding jobs and wealth to the local economy. They also donate a portion of yearly profit to the local 501C3 non-profit Ecology in Classrooms and Outdoors (www.ecologyoutdoors.org) that teaches outdoor science-enrichment programs to local grade school children.

As the owners of the property, our interest is in ensuring that our tenants can continue to thrive, and that the proposed map amendments do not impair their ability to do so. We can only support the proposed Comprehensive Plan map amendment if both commercial and manufacturing/production activities remain as permitted uses (as currently allowed in Portland Zoning Code section 33.130.100). We are concerned that the proposed zones under discussion in the Mixed Use Zones project would not accommodate the uses currently allowed as a result of the City Council's approval of a Measure 37 claim that protected our rights to develop the property under General Commercial zoning.

4214 SE 12th Avenue and 1208 SE Boise Street

These two properties, which back up to the Milwaukie Avenue properties noted above, are identified as Property IDs R172010 and R172011 in the Multnomah County assessor records. The parcels are currently designated *Medium Density Multi-Dwelling* on the Comprehensive Plan map and are zoned *Residential 1,000*. As proposed by the City in the July 2014 draft (Change #269), the Comprehensive Plan designation would change to *Single - Dwelling 2,500* and the zoning would change to *Residential 2,500*.

These properties are currently developed with detached houses and rear yards that are partially paved and utilized by the adjoining commercial site. The commentary for the draft Comprehensive Plan states that the reason for the proposed map change is that "it is unlikely that the housing will be redeveloped into employment uses." However, we would urge you to think more broadly to allow the possibility of redevelopment. Given the houses' proximity to commercial property, it is probable that in the future the houses could be either remodeled or removed in a manner that creates jobs for the community. For that reason, our request is that the City aligns both the comprehensive plan designation and the zoning to match the commercial designations of our abutting properties. At a minimum, we would request a commercial comprehensive plan designation for these two properties to recognize the existing usage of the western portions of the parcels (below the retaining wall) and allow for a future zone change to commercial use.

Thank you for your attention to this matter.

Sincerely,

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