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1120 SW Fifth Avenue, Room 1000, Portland, Oregon 97204 Nick Fish, Commissioner Michael Jordan, Director

October 22, 2015

Planning and Sustainability Commission 1900 SW 4th Avenue, Suite 7100 Portland, Oregon 97201

Dear Commissioners:

Thank you for the opportunity to provide comments on the Employment Zoning Project proposals. I appreciate the invitation to participate in your briefing earlier this month, to answer questions about Bureau of Environmental Services' interests in the Columbia Slough.

I also want to express my appreciation to Susan Anderson and her team at the Bureau of Planning and Sustainability for including Bureau of Environmental Services in the Comprehensive Plan Update and their support of integrating green infrastructure and watershed health considerations with land use planning and urban design.

You have a daunting task before you – to determine how to balance equally important public goods, namely, how to meet long-term job needs and long-term environmental needs within a constrained area. The Columbia Corridor plays a critical role in Portland and the region's economy and many Portlanders benefit from the family-wage jobs located there. With projections for a high demand for industrial land in the future, there is an obvious need to protect industrial land capacity and to find ways to increase jobs within the limited footprint of the Columbia Corridor.

The Columbia Corridor also has critical environmental challenges. In this part of the city, on-site stormwater infiltration can be difficult due to high groundwater and the slough channels act as the stormwater conveyance system. Water temperatures are high and many channels lack the trees or other vegetation they need to shade and cool the water, or provide habitat to sensitive and threatened species.

The Recommended Comprehensive Plan Policies provide guidance for balancing these public interests. Policy 6.49 specifically speaks particularly well to the city's aspirations:

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Environmental Services supports the following provisions of the Proposed Employment Zoning Project that help implement this policy:

- Limits to conversion of prime industrial land to uses that can and should be accommodated elsewhere, especially housing and retail uses
- Recognition that BES' green and natural infrastructure are critical parts of our infrastructure system that are needed to manage stormwater and protect water quality in the slough
- Allowance for environmental mitigation for development impacts that occur in the Prime Industrial Overlay (including Superfund mitigation)
- Enhanced landscape requirements for future golf course conversions to industrial uses, , including native plant requirements

These provisions complement Environmental Services' efforts to address environmental challenges in the slough through targeted acquisitions and restoration of sensitive riparian and wetland properties, often in partnership with Portland Parks & Recreation, Metro and conservancy organizations.

Coordinating Land Acquisition

We support BPS' efforts to ensure that City of Portland land acquisitions do not have an undue impact on industrial land supply. Environmental Services' staff will confer with staff at Planning and Sustainability during our acquisition processes. We will also work in good faith to subdivide and sell portions of properties that are not needed for stormwater or water quality purposes. To ensure a fair and coordinated process, we suggest that BPS consult with all relevant City of Portland bureaus about their acquisition priorities within the Prime Industrial Area.

Environmental Services expects to continue a modest acquisition program in the slough area. Over the next 20 years, we estimate that the bureau will purchase about 100 acres, predominantly with identified natural resources, with the purpose of protecting or restoring natural functions. We also anticipate having a conservation easement program, which will maintain the development potential of privately-owned industrial parcels, while allowing BES to use our acquisition funds more effectively. We are hopeful that this program will be successful. However, it is unlikely to protect more than a small proportion of the resources.

Protecting Natural Resources

Unfortunately, acquisition and conservation easements are not enough to protect critical resources. Most of the Natural Resource Inventory's (NRI) high- and medium-ranked resources are found in narrow ribbons along the slough and its side channels. Given this configuration, acquisition is not the best tool for protecting resources. Unfortunately, more than two-thirds of them (about 750 acres) lack adequate environmental protection zones, unlike all other major

tributaries in the city. (The attached map shows the natural resources in the Prime Industrial Overlay.)

The most effective tool for protecting critical natural resources is the environmental protection zone. We recognize that any consideration of updating the environmental zones in the Columbia Corridor needs to examine economic, environmental and equity issues in tandem. Fortunately, the Airport Futures Plan included an ESEE (Economic, Social, Environmental and Energy analysis) and applied updated e-zones to Port of Portland and City of Portland lands. We **recommend updating environmental overlay zones in the remaining properties within the Airport Plan District consistent with the ESEE**.

Most of the western portion of the slough lacks environmental protections (except on public land). Addressing the situation is admittedly complex. We understand that it will take time to develop a plan to determine how to balance City's economic, equity and environmental goals for that area. Until such an effort is complete, we recommend temporarily waiving the Prime Industrial **Overlay's prohibitions on natural areas on properties with NRI-ranked resources**. Our concern is that the overlay zone provisions will make it infeasible to conduct environmental restoration on sites that don't have active industrial uses. Delaying implementation to a date certain in the future would provide the City with an incentive to complete the work on environmental protections in the airport and western slough areas as previously mentioned.

Cleanup Items

References to Environmental Services' "stormwater facilities" should be changed to "stormwater and water quality facilities" to reflect the functions that BES infrastructure provides.

The definition of infrastructure is evolving, which causes confusion about what constitutes open space uses, natural areas or basic utilities. To avoid problems during permitting processes, we ask that Bureau of Planning and Sustainability, Bureau of Development Services and Bureau of Environmental Services work together to **review zoning code and related references** to determine whether changes are needed to clarify the infrastructure functions of stormwater and water quality facilities on BES-owned natural areas and restoration sites.

Again, thank you for considering our concerns and recommendations. Please let me know if my staff can be of assistance during your deliberations.

Sincerely,

Michael Jordan, Director Bureau of Environmental Services