

October 26, 2015

Mr. Steve Kountz Senior Economic Planner Portland Bureau of Planning 1900 SW Fourth Avenue, Suite 4100 Portland, OR 97201-5380

Re: PSC Employment Zones Testimony Our File No.: 713046.0018

Dear Bureau of Planning and Sustainability:

Our firm represents Jameson Partners LLC, dba Freeway Land II ("Jameson Partners"). Jameson Partners is the owner of that certain property commonly referred to as the "Freeway Land" and more specifically located east of I-205 and south of SE Foster Road. We previously provided testimony to the Portland Planning and Sustainability Commission ("PSC") in March 2015 regarding the proposed Comprehensive Plan designation change on the Freeway Land from Central Employment to General Employment. In March we supported the change because we understood that the new designation would encourage a wide variety of uses and would provide increased opportunity and flexibility for future commercial development of the Freeway Land.

Our review of the Employment Zoning Project discussion draft found that the proposed implementing zoning code language for General Employment does not actually encourage a wide variety of uses for future commercial development. We provided comment to this effect on the discussion draft, but our concerns were not addressed by the Employment Zoning Project proposed draft released last month.

We strongly encourage the City to reconsider the proposed zoning. We specifically propose that the City implement a large-scale master plan for the Freeway Land, to allow balanced development that serves the goals of the Comprehensive Plan, benefits the residents of Lents Town Center, and encourages the necessary market-driven investment.

www.lanepowell.com

T . 503.778.2100 F . 503.778.2200 A PROFESSIONAL CORPORATION 601 SW SECOND AVENUE, SUITE 2100 PORTLAND, OREGON 97204-3158 LAW OFFICES

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The Freeway Land Site

The Freeway Land presents a unique opportunity for the City. The site is an unusually large 100 acres, all located within the Lents Town Center Urban Renewal Area ("URA"). The site is just .5 miles from the heart of the Lents Town Center and sits at the junction of the SE Foster Civic Corridor and the SE Woodstock and SE 92nd Neighborhood Corridors. (*See* Comp. Plan Figure 3-2.) The site also has excellent existing access to public transportation—it is .6 miles on foot from the Lents Town Center/Foster Rd Max station and .9 miles on foot from the SE Max Station.

A master plan would preserve a significant portion of the site for employment purposes

The Employment Zoning Project aims to preserve land available for employment uses, and in particular to prevent conversion to residential uses. The current proposed zoning code language accomplishes this goal by completely banning residential uses in General Employment zones. This is a reasonable approach for the other proposed General Employment sites, most of which are much smaller in size than the Freeway Land and the larger of which are generally longer stretches along a commercial corridor.

In contrast, the Freeway Land is a large, non-corridor, and mostly under-developed site, surrounded by residential and open space uses. A master plan is a more reasonable approach to maintaining employment uses on the Freeway Land than a complete ban on residential. A master plan would allow the City to maintain a significant portion of the site for employment uses, with some interspersed residential and commercial uses designed to create and maintain the desired town center character and meet the area's housing needs.

A master plan would allow considered development of residential as required to fight displacement and meet the Comprehensive Plan's goals regarding town centers

Lents is one of the City's most diverse areas. Its residents are also at high risk of displacement. (*See* Lents Five Year Action Plan.) Additional residential development is key to maintaining housing affordability for both homeowners and renters in this area.

Some residential development at the Freeway Land is also in line with Comprehensive Plan Policy 3.33, which provides: "There should be sufficient zoning within a half-mile walking distance of a Town Center to accommodate 7,000 households." A complete ban on residential uses at the site will compromise the City's ability to meet this goal in Lents, which in turn will contribute to rising housing costs and/or failure to develop the area as a thriving, pedestrian friendly, "complete neighborhood."

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A master plan would encourage employment growth without disrupting Lents Town Center

Lents has long borne more than its fair share of the negative impact of development, at least since the 1983 construction of the I-205 freeway that "literally divided the neighborhood in half, leaving the area with both physical and emotional scars that remain today and that have been a significant factor contributing to the current depressed economic conditions." (*See* Lents Town Center Urban Renewal Plan p. 2.)

The size of the Freeway Land means that dedicating the entire site to employment and industrial uses is likely to have a negative impact on the character of Lents Town Center and the area's residents. On the other hand, the size of the Freeway Land also means that development can be more flexible and sophisticated than just a large cluster of flex or office space surrounded by a ring of residential. A master plan tool could be used to maintain the major portion of the site for employment uses in a way that is better integrated into the character of the Lents Town Center.

A thoughtful master plan could help avoid turning the Freeway Land site into something akin to the Lloyd District, which has long been an inefficient and use of land, and unappealing to residents, a fact which recent significant investment is attempting to change.

A master plan would allow development to take advantage of the site's unique natural features

The Freeway Land has some appealing natural features, including the Springwater Corridor, which runs along the north portion of the site. A master plan would allow the flexibility to make the most of these features.

We look forward to the opportunity to work directly with City staff to develop appropriate master plan zoning code language that will preserve the unique opportunities and challenges presented by the Freeway Land property to the benefit of the property owner, the neighborhood, and the City.

Very truly yours,

LANE POWELL PC

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Jill R. Long

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