



July 8, 2016

Portland Planning and Sustainability Commission  
City of Portland  
1900 SW Fourth Avenue #7100  
Portland, OR 97201

**Re: Mixed Use Zones Project - Request for CE Zoning for Starbucks Stores**

Dear Chair Schultz and Commissioners:

For more than 40 years, Starbucks has built a brand that is about fostering moments of connection between our customers. We have 73 company operated and 35 licensed stores in Portland, and are proud to employ 1,500 partners in the city.

With regard to the City's proposed rezone, we understand four Starbucks stores are slated to be rezoned for mixed-use. We respectfully request these stores be zoned Commercial Employment ("CE") and not subjected to the Centers Main Street Overlay ("CMSO") zone during this process.

In an effort to meet the evolving needs of our customers and to address normal 'wear and tear' on our stores, Starbucks regularly updates our locations with a refresh every five years and a remodel every ten years. Often these updates include a full 'reinvention' of the interior – and sometimes exterior – spaces to improve the customer experience and speed of service model, modernize wi-fi and technology elements, and comply with new ADA laws.

Once this new zoning is in effect, the very foundation of these stores' success – the drive-thru window – will be unlawful. This will present very real problems when Starbucks seeks to refresh or remodel these stores. Depending on the type of remodel, the City may also require the drive-through to be removed.

Therefore the rezone could effectively prohibit future drive-thru uses at our stores. Customers depend on drive-thru business for convenience, so preserving the existing use is a critical element of our business model. It's important to have the ability to expand, remodel, and reconstruct existing stores without being subject to significant areas of non-conformity with Portland City Code.

The City proposes to rezone four Starbucks locations as mixed-use zones and apply the Centers Main Street Overlay ("CMSO") at one of these locations, summarized below.

Exhibit Number	Store Location	Existing Base Zone	Existing Overlay Zone(s)	Existing Plan District	Proposed Base Zone	Proposed Overlay Zone
1.	6003 NE Martin Luther King Boulevard	EX	(d)(h)	N/A	CM3	(d)(h)
2.	2834 SE 82nd Avenue	CG	(b)	N/A	CM2	N/A
3.	3623 SE Powell	CG	N/A	N/A	CM2	CMSO
4.	12613 SE Division	CG	N/A	N/A	CM2	(d)

Of the proposed zones, only CE without the CMSO will allow drive-thrus. We believe applying this zone at these locations is appropriate because they are outside of the Central City and already committed to auto-accommodating development, consistent with the following statement in the Proposed Draft of the mixed-use zones: “[The CE zone] is generally not appropriate in designated centers, except on a site that is currently developed in an auto-oriented manner and urban scale development is not economically feasible.” In our experience, areas such as these are slow to redevelop and we do not anticipate them doing so in the foreseeable future.

While Starbucks shares the City’s goal of making existing neighborhoods more walkable, a prohibition on drive-thrus are not a means to this end. Most Starbucks drive-thru trips are convenience or pass-by visits and incur relatively low traffic impact. To the extent that curb cuts and vehicle queuing are a concern, we prefer to address these issues through site design and other compliance measures.

Starbucks is committed to operating responsibly in the communities we serve. The proposed zoning of the above stores will make this substantially more difficult to do business in Portland. We request that the locations noted above be zoned CE and without any Centers - Main Street Overlay Zone.

Thank you for your consideration.

Sincerely,

Jim Spillane  
Vice President, Store Development  
Starbucks Coffee Company