State of the City Preservation Report 2015

PORTLAND HISTORIC LANDMARKS COMMISSION

November 2015

Message from the Chair

Dear Council Members,

We are pleased to address you with our annual report from the Portland Historic Landmarks Commission.

This will be my final address to Council as Chair of the Commission, my 8 years of service ends with the calendar year.

It has truly been an honor and pleasure to contribute to the future of our great city by being a responsible steward of our past. I look forward to passing the torch and supporting a renewal of those efforts with fresh energy. Over my tenure, I have had the good fortune to review a wide array of significant projects including Mercy Corp, Washington High School, Waterfront Park, The White Stag Sign, Washington Park and Mt. Tabor Reservoirs, and most recently, the Grove Hotel in Chinatown. I have also presided over the first four Type IV Historic Demolition proposals, including three in the last year alone and am happy to report, that process is working. Finally, I have been able to contribute on a number of high level policy panels representing Landmarks including most recently, the West Quadrant Plan, and the Unreinforced Masonry Seismic Taskforce. I can honestly say, these experiences have given me the confidence to believe we are headed in the right direction when it comes to Preservation Policy.

However, we can and should do more, and we need your help.

In our report that follows, we outline strategic objectives we can achieve collectively given the right investment of energy. We have an incredible dedicated body of professionals, who volunteer countless hours to help us carry out our City's mission in preservation. We share a passion for working toward the collective good and leaving this place we love better than we found it. We continue to ask for the City's support in making the most of this effort for current and future generations of this beloved place we all call home.

Sincerely,

Brian Emerick, AIA
Chair of the Portland Historic Landmarks Commission

Commission Purpose

Rehabilitation and new infill projects reviewed by the Historic Landmarks Commission in 2015.

The Portland Historic Landmarks Commission PROVIDES LEADERSHIP AND EXPERTISE ON MAINTAINING AND ENHANCING PORTLAND'S HISTORIC AND ARCHITECTURAL HERITAGE. The Commission reviews development proposals for alterations to historic buildings and new construction in historic districts. The Commission also provides advice on historic preservation matters and coordinates historic preservation programs in the City. More specifically, powers and duties include:

1. Establishing or removing Historic Landmark and Conservation Landmark designations for specific buildings or sites in quasi-judicial reviews;

2. Recommending the establishment or removal of Historic Landmark and Conservation Landmark designations to the City Council in legislative actions;

3. Recommending the establishment, amendment, or removal of Historic Districts and Conservation Districts to the Planning Commission and the City Council;

4. Recommending and developing design guidelines for Historic Districts and Conservation Districts to the City Council;

5. Reviewing development proposals for Historic Landmarks and Conservation Landmarks and in Historic Districts and Conservation Districts;

6. Reviewing demolition and relocation requests for certain Historic landmarks and buildings in Historic Districts;

7. Providing advice on historic preservation matters to the Hearings Officer, Design Commission, Planning Commission, Portland Development Commission, other City commissions and committees, and City Council; and

8. Initiating and coordinating historic preservation and public outreach programs in the City, including reviewing recommendations for national register status and making recommendations to other governmental agencies regarding historic preservation programs and issues.

Commission Members

BRIAN EMERICK, CHAIR – Commissioner Emerick has been a practicing architect for 20 years. He specializes in rehabilitating vintage buildings and designing compatible infill projects that are responsive to the urban environment.

JESSICA ENGEMAN, VICE CHAIR – Commissioner Engeman has an educational background in architectural history, historic preservation, and planning. She works in real estate development specializing in the adaptive reuse of historic buildings and financing tools including tax credits.

KIRK RANZETTA – Commissioner Ranzetta is a PhD architectural historian. He has 22 years of experience with National Register properties and districts, local and National Register surveys, and review and compliance procedures.

PAUL SOLIMANO – Commissioner Solimano is a Registered Professional Archaeologist. He has participated in over 300 cultural resource projects and directed at least 60 including National Register eligibility testing and data recovery excavations at 30 prehistoric and historic sites.

CARIN CARLSON – Commissioner Carlson is a licensed historical architect with 12 years of experience working exclusively with historic resources. She specializes in condition assessments, materials conservation, and sensitive restorations.

CAROLINE DAO – Commissioner Dao is a neighborhood advocate who was instrumental in coordinating the relocation of the Charles Rayworth House in the Boise-Elliot Neighborhood, which was slated for demolition.

HARRIS MATARAZZO – Commissioner Matarazzo is a local attorney and long-time preservation advocate.

Both Chair Emerick and Commissioner Matarazzo are finishing out their second terms in 2015. We thank them for their eight years of service and their efforts to help protect Portland's historic resources. Soon we will be welcoming two new commissioners and look forward to their fresh thoughts and new energy.

Portland Historic Landmarks Commission and BPS staff, 2015

2014-2015 Accomplishments

2014-15 at a glance

38 public hearings:

2 Type IV Cases reviewed

12 Type III Cases reviewed

4 Type II Appeals reviewed

19 Design Advice Requests

1 National Register nomination

8 briefings provided by City bureaus - including Planning and Sustainability and Portland Water Bureau

staff level reviews:

107 Type I Cases reviewed

102 Type II Cases reviewed

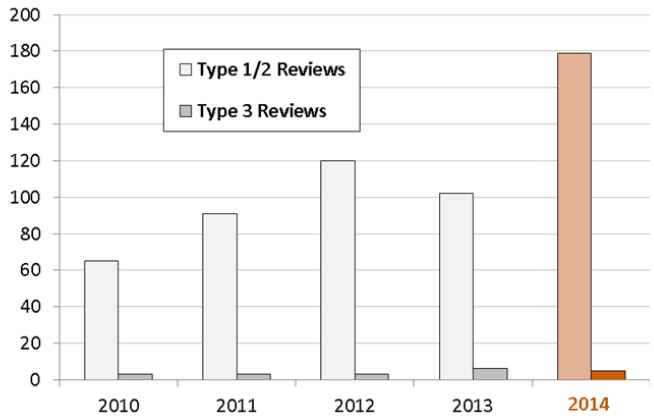
2 Commission/staff retreats

Quarterly Chair meetings with the Design Commission and Planning and Sustainability Commission

CITY COMMITMENT TO PRESERVATION

Over the course of the past year, the City's commitment to preservation has been tested to a degree we have not experienced in recent memory. This includes a record three Type IV Demolition of Historic Resource applications that were forwarded to City Council from the Landmarks Commission, which included the Buck Prager Building, the Washington Park Reservoirs, and the Ladd's Addition garage, as well as the appeal of the Landmarks Commission decision in the Mt. Tabor Reservoir case to City Council. We are happy to report that from the Landmarks Commission perspective in all of these cases, the process is working. Of course the final outcomes were determined by City Council and we appreciate Council's willingness to take the Landmarks Commission advisory comments under consideration in your deliberations. Including the Dirty Duck/Blanchet House, the Type IV process has now been tested a total of four times and each time, on balance, has served as a high bar for applicants to meet. This has resulted in the best outcome for the City on difficult issues that balance preservation goals, development opportunity, public safety and betterment of our city. We thank Council for their leadership and support in these efforts.

We would also like to thank the Mayor, his staff, and Susan Anderson for taking the time to meet with our commission leadership this summer to discuss our priorities and provide critical support for those efforts. Most significantly, we made progress on creating a permanent Senior Planner position within the Bureau of Planning and Sustainability that will be dedicated full time to preservation. This continues to be our top priority.



Comparison of Historic Design Review cases over the past six years. Colored bars represent 2014.

SKIDMORE / OLD TOWN DESIGN GUIDELINES

In the 2014 State of the City report, our top priority was finalizing and adopting the Skidmore Old Town Design Guidelines. A great deal of time and money was invested in creating a benchmark set of guidelines for our most important historic district to be used as a template for those to follow. Unfortunately, these have been sitting on the planning shelf since 2008. Last year Council was supportive of moving these design guidelines forward and so HLC commissioners worked to polish the document and hand it off to Staff for finalization. The HLC's efforts were focused on text edits, improving clarity, and adding more images to provide additional examples of compatible design. Unfortunately, with limited staff resources at BPS, the design guidelines were again placed on the back burner. We understand that Staff hopes to resume work on the project shortly and have them completed in the first quarter of 2016.

Block 8L development - *While meeting the current design guidelines, this project also voluntarily used the proposed new Skidmore/Old Town Design Guidelines to achieve a better more contextual design proposal.*

At-risk unreinforced masonry buildings in Portland.

SEISMIC UPGRADE COMMITTEE

The Landmarks Commission has participated in Portland's Unreinforced Masonry (URM) Seismic Retrofit Project providing technical expertise and guidance from the historic preservation perspective. Chair Emerick served on the technical committee that made recommendations for mandatory upgrades. Vice Chair Engeman is currently serving on the Support Committee and Cost Sub-Committee. The Support Committee serves as an advisory body in the evaluation and development of incentive programs to support implementation of the City's Updated URM seismic retrofit codes. If implemented, the code changes would require all URMs to be upgraded within a set timeframe. The timing and level of upgrade would be based on factors including the building's use, occupancy, and height.

URMs make up a large portion of our historic building stock, though many are not officially designated as "historic." These buildings are a key part of the character of our historic commercial corridors and industrial areas. They also embody significant energy in their materials, making their reuse a highly sustainable act. For these reasons, the HLC believes that reuse and upgrades should be heavily encourage and incentivized, rather than demolition, which would result in the loss of many historic resources and is environmentally wasteful.

One of the challenges that mandatory upgrades presents is that they require all URMs to be improved, including those that are finished and occupied. Upgrades are already expensive when triggered as part of a larger redevelopment project, ranging from $25/sf to $100+/sf depending on the building and its use. However, there is a further premium to do seismic upgrades outside of a shell rehabilitation project. When a building is already occupied and finished, the work is typically more expensive, but rarely is there a direct financial upside that comes with this investment. Because there is public benefit to improving the safety of these buildings, the public will need to have some skin in the game to share the financial burden of mandatory upgrades.

NEIGHBORHOOD PRESERVATION

Following the 2014 State of the City Preservation report, City Council moved quickly to address what was being referred to as a Demolition Epidemic. Over the last year, a significant amount of resources have been assigned to address public concern and as a result, change has occurred in the following areas:

Demolition - On April 20, 2015 a new City ordinance took effect regarding single-family residential demolitions. Prior to this ordinance the City Code contained language that has been referred to as "Demolition Loopholes." These provisions were not in alignment with the intent of the code. City Council recognized the issues and subsequently assigned a significant amount of city resources to address them.

These changes, according to Nancy Thorington who coordinated the Demolition Task Force, "have achieved what City Council set out to achieve in balancing the concerns of the various stakeholders." It remains a priority for the Landmarks Commission that the state/city fully fund positions dedicated to ensuring compliance with these requirements.

New Demolition Requirements

- *No exemptions to the mandatory 35-day delay*
- *No 120-day Demo Delay Extension*
- *Required Certification Regarding Lead Based Paint and Asbestos*
- *Required notification door hangers*
- *Definition of demolition added to code*

Senate Bill 705 - On April 30, 2015 the Oregon State Senate approved SB 705 that will help protect the safety of neighborhoods from demolition of older buildings that may contain asbestos. Senate Bill 705 requires the Oregon Department of Environmental Quality to adopt rules requiring contractors to perform a survey to determine whether a residence contains asbestos prior to beginning demolition. This will allow for steps to be taken against exposure to asbestos when a building is demolished, protecting the health of neighboring households.

Deconstruction - What started at the Demolition Task Force is continuing with the Deconstruction Advisory Group. As a result of hard work and City Council support, the Bureau of Planning and Sustainability established Deconstruction Grant Program to promote voluntary deconstruction as an alternative to mechanical demolition of buildings and components. Furthermore, the Bureau of Planning and Sustainability provides technical assistance and is developing training opportunities in deconstruction. The Deconstruction Advisory Group continues to assist in developing recommendations on how best to increase deconstruction/salvage when buildings are removed. BPS will report to Council in January 2016 and provide an update on the grant program and recommendations for next steps.

"Our goal is to preserve neighborhood character and affordability by discouraging demolitions. But when buildings must come down, that work should still serve the public good. Taking apart buildings in a way that allows for salvaging valuable materials for reuse benefits our community, economy, and environment. Our building stock is rich in quality materials that should find their way back into new building projects whenever possible. Deconstruction helps harvest these materials, and the Deconstruction Grant Program will serve as a tool to advance the practice, helping our city grow sustainably."

— Portland Mayor Charlie Hales about the Deconstruction Incentive Pilot Program Resolution

2016 Priorities & Goals

PRIORITY 1 - BPS PRESERVATION PLANNING POSITION

As mentioned earlier, getting a full-time Senior Planning position dedicated to preservation in the Bureau of Planning and Sustainability is our top priority. While we are currently well-served by the Bureau of Development Services (BDS) when it comes to case hearings, code interpretation, and general commission support, these efforts do not address the equally important planning, code writing, and preservation responsibilities that rest in the BPS. As discussed in our meeting with the Mayor's team and BPS Director Susan Anderson this summer, this has resulted in a loss in momentum on key projects such as the Skidmore Old Town Design Guidelines, difficulty in maintaining a critical feedback loop when it comes to code writing and code implementation, as well as a lack of institutional memory as Commissioner term limits expire. We are extremely pleased that both the Mayor and Ms. Anderson recognized the critical nature of this item in order for Landmarks to best fulfill its duties and took immediate action. We understand that this position is anticipated to be filled by the end of the year. We sincerely look forward to working with that new hire in 2016 and reporting back with what we expect will be more progress and positive news at next year's State of the City Preservation Report before Council.

PRIORITY 2 - DESIGN GUIDELINES

Critical to the conservation of Portland's historic districts are design guidelines that actually capture the existing character and context of each individual district. Design guidelines should capture why "This Place Matters" as opposed to generic requirements that fail to demonstrate the spirit of a neighborhood's historic significance. We strongly urge City Council to not only approve the Skidmore Old Town Design Guidelines, but also re-establish BPS priorities so that current design guidelines for each of the city's historic districts can be adopted. These guidelines are essential for preserving the city's historic fabric and would give developers, designers, and Landmarks Commissioners the necessary tools for understanding design within a historic context, increased certainty to the design review process, and improve preservation outcomes. Guidelines that provide information about a neighborhood's existing style, material, fenestration, massing, height, setback, and site plan precedents and the design expectations for additions, alterations, and new development would provide applicants with the information they need to make informed design and quality decisions.

PRIORITY 3- HISTORIC RESOURCE INVENTORY

The foundation of historic preservation planning is an updated and complete historic resources survey. The continued piecemeal recordation of Portland's historic resources lacks cohesion, planning, and priority. As a consequence, planning and project-level decision making is made based on 35-year-old information that is minimal at best and

no longer relevant at worst. Mid-Century Modern architecture, such as the Memorial Coliseum, did not even exist as a genre when the 1984 inventory was conducted and is a good example of what is at risk. In addition to the potential loss of historic buildings, private development and planning projects will continue to be delayed, at times at public expense, as a result of a lack of historic resource survey information.

A revised historic resource inventory would bring the City's interest to maintaining neighborhood livability to the forefront and would allow neighborhoods to explore their historical identities. Through a grass-roots and well-planned inventory effort, the City would regain its leadership in the Pacific Northwest as a center for the conservation of its collective heritage and built environment. We understand that the new Historic Preservation Planner will be working to develop a scope and funding plan for the HRI in 2016.

PRIORITY 4 - UNREINFORCED MASONRY RESOURCES

The HLC is supportive of efforts to make our City safer and more resilient in the event of a major seismic event. However, we remain concerned that mandatory seismic upgrades may have the unintended consequence of increased demolition of many historic buildings that are not formally designated and therefore not protected by demolition review. Without public policy and financial support, many buildings that help define the character of our commercial districts will be lost. Two of our commissioners volunteered numerous hours in the URM taskforce process to ensure good representation by the preservation community and suggested code changes and financial tools that could help meet the dual goals of life safety and building preservation. If mandatory upgrade requirements are passed, we ask that City Council balance this with a robust package of tools and incentives that will encourage rehabilitation and retrofit rather than demolition and replacement.

Preservation Spotlight

Judicial Review of the Oregon Consent Law

The interpretation of the term "property owner" in the Oregon Consent Law and the implication that would allow subsequent owners to remove historic designations is scheduled for review by the Oregon Supreme Court on November 10, 2015. The City of Portland was one of three Oregon cities that filed a joint brief along with State agencies and preservation advocacy groups to maintain LUBA's finding that subsequent owners may not remove historic designations. The City of Portland has the greatest number of locally designated historic resources and the redevelopment pressures here are the most intense. The ruling, expected during the spring of 2016, has the potential to affect approximately 1,770 locally designated properties in Portland.

PRIORITY 5 - BALANCING PRESERVATION & DENSITY

Market forces continue to place development pressure on our historic and established neighborhoods. While there is no one fix for what is being referred to as a demolition epidemic, there is still more work to be done.

The Commission recommends using the City's existing neighborhood hierarchy to communicate changes and improvements to demolition policy and deconstruction incentives. Starting with the Office of Neighborhood Involvement, funds should be assigned to increase outreach and notification to the Neighborhood Coalitions and their Neighborhood Associations.

The Demolition Task Force and Deconstruction Advisory Group should be allowed to continue into 2016 and beyond. The groups have been successfully inclusive by allowing for representation from all stakeholders, including neighborhood representatives. This allows for continued feedback on how these ordinances are affecting the people who are making use of them on both sides.

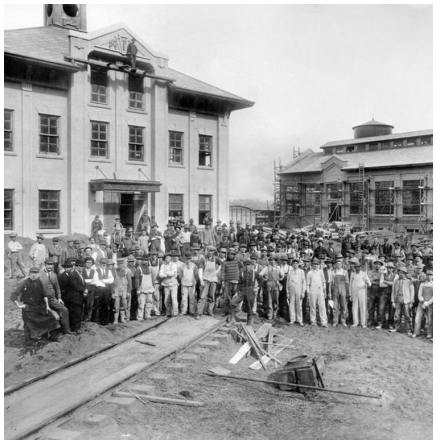
The Historic Landmarks Commission supports continuing these existing efforts, but also suggests a larger coordinated effort between BPS and the Landmarks Commission to address achieving better balance between the need for growth and protecting the quality of our existing vintage neighborhoods. We would like to see density focused on urban corridors and intact vintage neighborhoods preserved wherever possible.

Portland Historic Resource Watch List

2015 WATCH LIST UPDATES

Portland Gas & Coke Building
LOSS - *After a lengthy battle and extensive public effort, the obstacles standing in the way of preserving this resource have proven insurmountable. The 102 year old historic asset is slated for demolition by the end of the year.*

Skidmore/Old Town - Historic Landmarks Commission reviewed and provided BPS with recommendations for minor revisions/updates to the proposed new design guidelines.



Portland Gas & Coke Building

Every year the Historic Landmarks Commission generates a Watch List to highlight key historic properties in the City that are being neglected, are in danger of demolition, or are at risk of irreversible damage or alterations. While certainly not an all-encompassing inventory of threatened historic buildings in Portland, this list represents significant properties in need of attention and advocacy. Many are publically-owned, as we feel resources owned and managed by our public agencies should be held to a high standard of stewardship and responsibility. Many of these properties are also highly unique and one-of-a-kind, for which Portland would suffer a great loss if they were to be demolished or altered without sensitivity to their historic significance. It should also be noted that several of these properties were affected by federal "undertakings" such as property sales, permits, and funding. The Landmarks Commission would like to play a larger role as a consulting party in the projects as its expertise could help make mitigation measures more meaningful and could also improve advocacy for resources that are adversely affected by federal projects.

It is our hope that inclusion in the list will raise awareness and will serve as a catalyst for preservation efforts and greater stewardship. Our goal for each of these properties is to see them removed in future State of the City Preservation Reports and featured as success stories of rehabilitation and reuse.

1. NEW CHINATOWN / JAPANTOWN HISTORIC DISTRICT is a small, but culturally-significant historic district at the north end of downtown. It is a neighborhood that is challenged by many surface parking lots and new construction building heights that are out of scale with the historic resources. The Landmarks Commission supports the Old Town/Chinatown Action Plan and PDC's efforts to strategically improve the vitality of the neighborhood and we are already seeing a great deal of development coming out of the efforts of this plan. As we emphasized last year, this district is especially in need of Design Guidelines, which would create greater developer certainty when planning an infill or rehabilitation project in the neighborhood. Already the lack of district-specific design guidelines is creating challenges in the land use process for proposed projects. In order to preserve the historic character of this district, design guidelines are an essential tool that should be tackled as soon as possible. We understand that BPS is currently working with PDC on an approach that would have a consultant develop the guidelines over the next 12 months.

2. THE ORIGINAL BLANCHET HOUSE has been vacant since 2011 when the neighboring PDC-owned Kiernan Block (aka the Dirty Duck Tavern) was demolished to make way for the new Blanchet House. PDC is currently looking at development opportunities that would include developing the adjacent ½ block consistent with the Old Town/Chinatown Action Plan and incorporating the historic building into that development. Landmarks has long been concerned that this historic resource, which is critical to the northern end/Steel Bridge gateway to the Chinatown District, will be ultimately demolished if it continues to remain vacant and poorly maintained. We are pleased the retention of the building is being considered along with development of the surface parking lot.

Old Blanchet House

3. PORTLAND FIRE DEPARTMENT ENGINE HOUSE #2 has been featured on the Landmarks Commission Watch List for many years. Owned by PDC, the Landmarks Commission has been highly concerned that this property would soon be subject to demolition-by-neglect because of its rapidly deteriorating condition. PDC issued a solicitation seeking a development partner earlier this year and is currently working toward a signed MOA with one of the respondents. We understand their proposal includes rehabilitation of the historic building and surface parking on the remainder of the site. Landmarks is pleased that steps are being taken to save and seismically upgrade this iconic building.

Engine House #2

4. PORTLAND PUBLIC SCHOOLS owns a significant collection of historic school buildings that are beloved by their neighborhoods and are important to the fabric of the city as a whole. However, they have no formal historic designation and, therefore, most are not subject to the protections and public process provided by land use review. The School District is currently undertaking the modernization of several schools including Roosevelt and Franklin High School. The HLC is pleased that PPS is investing in their facilities; however, as voiced in our report last year, we remain concerned that the designs for the additions planned for these school are incompatible and out of context. Unfortunately, PPS rejected the HLC's request that they present their plans in a voluntary Design Advice session, which would allow our group of experts to provide design feedback. We hope that PPS can be motivated to voluntarily include the HLC in their public process to ensure their historic buildings are treated sensitively when modernized.

Roosevelt High School - proposed addition rendering

5. MULTNOMAH COUNTY COURTHOUSE'S future is uncertain and, given the size and significance of this building, it remains of real concern to the Landmarks Commission. In 2013, the decision was made to build a new courthouse at a new site due to structural concerns, code deficiencies, and operations issues associated with the current building. The historic courthouse, which is nearly 105 years old, is a significant landmark in downtown Portland, comprising an entire city block. It will take creativity, advocacy, and significant political will to return the historic courthouse building to a viable new use.

Multnomah County Courthouse

Centennial Mills

6. CENTENNIAL MILLS is the last remaining and intact historic waterfront mill complex in Portland, complete with wharves, grain elevators, and water towers. This highly significant property is owned by PDC and they are currently working with Harsch Development on plans to redevelop the site. Demolition of the majority of the buildings commenced in summer 2015. Originally, the most iconic buildings were to remain—the Feed Mill and the Flour Mill—although the feasibility of retaining these building has recently been a topic for discussion. We understand there are significant costs involved in working with the site because of the nature of the structures and their relationship to the river. We also realize there are many public goals that could be achieved at this site, yet there are limited dollars. The Landmarks Commission supports the retention of some of the historic buildings on this site to preserve the important legacy of Centennial Mills and Portland's waterfront history.

Morris Marks House

7. MORRIS MARKS HOUSE is a two-story house located on SW 12th Avenue and one of the best examples of Italianate architecture in the city. Its context has changed dramatically since its construction in 1880, as the neighborhood is now zoned for high rises. This has placed significant development pressure on the site, causing the house to sit vacant for years without investment and placing it under constant threat of demolition. The Morris Marks House has been featured on this Watch List for many years and, despite postponed demolition and talk of relocation to a residential context since 2010, to our knowledge no action has been taken and the building still remains in jeopardy.

USPS Portland Processing & Distribution Center

8. USPS PORTLAND PROCESSING & DISTRIBUTION CENTER housed a regional sorting and distribution hub for the U.S. Postal Service and is being removed from federal ownership. Situated on a 14-acre parcel, this nearly 400,000 square foot, four-story Mid-century Modern structure features a facade of vertical glass and metal bays separated by white, glazed ceramic tile pilasters. The building was designed by Stanton, Boles, Maguire and Church, a well-known local architecture firm. Although determined eligible for listing on the National Register of Historic Places, its future is uncertain due to the change in ownership and development pressures.

9. MEMORIAL COLISEUM is back on the Watch List. The City is currently vetting various redevelopment options ranging from rehabilitation of this National Register designated resource to demolition and replacement.

Memorial Coliseum