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Revised Agenda

Mixed Use Zones Project Advisory Committee (PAC)

Date: October 15, 2014

Time: 4:00 p.m. to 6:00 p.m.

Location: 1900 SW 4th Avenue, Portland, 2nd Floor - Room 2500

Meeting Goals: Review modifications to Code Concepts paper and overview of key findings in Assessment Report; provide feedback on public workshops and input on materials.

4:00 PM Welcome and Introductions

4:10 PM PAC Process Updates and Feedback

- Meeting notes
- Comp Plan Update
- PSC Briefing Sheet
- Updates on parking study
- Upcoming meetings: workshops, topics for November and December PAC meetings

4:25 PM Assessment Report

- Summary of the report document
- Key findings from the assessment

4:40 PM Code Concepts

- Recap of PAC work session feedback and overview of modifications
- Preview of V2 Framework - tentative

5:05 PM Public Workshops

- Review and comment on goals and outline of event
- Discuss key elements to test out with public
- Ideas and comments on workshop materials and outreach

5:45 PM Public Comment

6:00 PM Adjourn



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Mixed Use Zones Project Advisory Committee (PAC) Work Sessions

Date: 9/30/14 and 10/6/14

Time: 3:30pm to 5:30pm and 4:00 p.m. to 6:00 p.m.

Location: 1900 SW 4th Avenue, Portland, 7th floor, Room 7A

Committee Members in Attendance: (9/30) Eric Cress, James McGrath, Dennis Petrequin, Vicki Skryha, Daryl Garner Susan Lindsay; (10/6) Curt Schneider, Lauren Jones, Michael Hayes, Doug Klotz, Duane Hunting, Jason Barnstead-Long, Lori Boisen, Yu Te

Project Team in Attendance: Barry Manning, Bill Cunningham, Samantha Petty (BPS); Deb Meihoff (Facilitator)

Work Session Goals: To give PAC members more time to discuss the Principles, Concepts for Future Direction, and Zoning Framework

1. Introduction

Staff have heard that the PAC wants more time for group discussion and has scheduled two work sessions for that purpose.

Based on this schedule adjustment we are now thinking that the Public Open Houses will be held on Nov 5th and possibly November 6th.

NOTE: Staff summary of PAC comments shown below in bold italics.

2. PAC Discussion and Comments on Principles:

Predictability

There is a general sense from the PAC that public process and transparency should be touched on.

- Consider replacing “predictability” with “transparency” or adding it. This better represents the concerns of neighbors.
- Developers and owners should be able to predict development potential. How do we balance density and livability? For example, Sellwood has a commercial strip of two stories but four stories are allowed by right. To retain the character of the neighborhood and the natural light future development should be two stories. If we are moving to four stories there should be community benefits for giving up our current neighborhood character.



- Communication and transparency should fall under predictability. The development *process* should be transparent and predictable for neighbors, not just the outcome.
- The goals of livability should be built into the code to provide clarity. A separate discretionary process will add confusion.
- Predictability by definition means standards - not a decision-making process. Predictability should not be a guiding principle if it means that design review is not appropriate.

PAC Discussion and Comments on Issues:

Building Height and Transitions

#1 Relate building height to street scale/transit function. Create zones that can respond to different street scales and contexts, allowing taller or larger buildings on larger-scaled streets such as Civic Corridors, in key locations close to the Central City, and around high capacity transit stations.

The PAC has differing opinions on this idea. Many think it is an appropriate starting point for good design and context sensitivity. Others are concerned about potential equity impacts or feel this proposal does little to protect historic resources. Finally, some PAC members are concerned the idea frames the discussion around height when we should be focused on the pedestrian experience at the ground floor.

- This regulatory relationship already exists on inner MLK and Sandy.
- We should expand this ideas to areas we would like to see develop like Powell.
- This seems like spot zoning. Will it limit our ability to accommodate growth?
- Consider unintended consequences of this relationship. Generally, inner Portland has smaller streets and outer Portland has bigger streets. Related building size to street may force larger buildings to the outskirts of the City. This furthers the problematic development patterns we are already experiencing moving larger more affordable development to the edges of the City. Low income families could end up in big buildings on busy streets in areas with few amenities. This will have serious equity impacts.
- Building prices are impacted by more than just size.
- Smaller buildings on smaller streets would help with solar access.
- What about the rights of the land owners? Would development rights be dictated by street width?
- Does this proposed relationship fully address context sensitivity? How will this general rule be modified to reflect historic preservation or specific neighborhood needs?
- I assume the intent is to put higher density on civic corridors. To me height is not the issue as much as the pedestrian scale and pedestrian environment. Transparency and storefront requirements should be our focus. This may be a good area for an incentive, extra height for a focus on the pedestrian environment.



- Having two buildings on either side of the street at the same height is the problem. The whole street environment is more important than an individual heights. A variety of heights should be our goal.
- Does this relationship take into account the height of the top of the building, the top of the building at the streetfront, or top of a stepback? How does this goal constrain stepdowns? What are the tradeoffs?

#2 Accommodate ground-floor active uses and roofline variety. Consider additional building height allowances to accommodate ground-level commercial spaces with high ceilings and to foster variety in building rooflines (“vertical texture”).

There is general support from the PAC for this idea, though some members made it clear that the details will matter greatly.

- It is confusing to address the ground-floor and the roofline variety at the same time. Consider separating them.
- The plain continuous roofline is the problem. Allowing architectural elements to go above the roofline could be a solution. It seems like 45’ will continue this problem, we may need more height 50’.
- Lake Oswego has a good example of creating articulation and predictability around rooflines.
- The design of Grant Park would have benefitted with more height and variability.
- I like the idea of floors instead of feet for heights. The ground floor should have a minimum height to preserve the opportunity for commercial space.
- I think the market will already build retail and I don’t think we need to put it in code. But I do think allowing the extra height to make retail possible without an adjustment is really important.

#3 Height transitions and buffering. Explore citywide approaches to setbacks, height transitions and buffering for mixed-use zones adjacent to lower-density residential zones to foster a more gradual scale transition. Consider solar access issues in shaping these transitions.

The first PAC work session was generally in support of stepdowns, in contrast, the second PAC work session was in some agreement that anything up to a 10-15 foot height difference between a residential zone height and a commercial development should not require a stepdown.

- Consider stepdowns to historic buildings, a park, or a library, instead of just to residential development.
- There are different expectations of privacy for residential uses than for other types of uses. Someone looking down at your backyard v. looking down at your place of work impacts you differently.
- I empathize with the person who lives right next to these buildings but there is a greater public good that is achieved by allowing more units to be built.
- The transitions system should be comprehensive because currently only neighborhoods that know how to work the system have gotten transitions. This is an equity issue.



- The value of a property goes down if you can put less units on it.
- If we are doing stepdowns we should be stepping down to the allowed zoning not to existing structures, which are variable. Don't reduce capacity along the corridor by matching the allowed height of the zone. There should not be requirements for stepdowns if allowed heights are no greater than ten or fifteen feet above the adjacent zone.
- Does it make a difference if the building is on the north or south side of the adjacent property for solar access?
- I do not think we have that luxury, because we are already protecting single family housing right up to the Commercial zones.
- I think that is really a Comp Plan issue. One hundred foot depths provide for very little room to transition. At some point we need to change those Comp Plan designations and we should be transparent about that with the public.

#4 Building articulation and massing. Craft development standards that more definitively address building form/massing, including: requirements or allowances for façade articulation, upper-level step backs, limits on building length, emphasis at corners, and possibly a maximum floor plate size above four stories/45 feet to reduce mass and shadows.

The PAC supports this idea, but is worried about execution in the code.

- Courtyards are good for breaking-up massing. Can we require open spaces?
- The Salt and Straw building is the best example of this.
- Even buildings that are broken up and articulated can feel too long.
- The size of the cross street and the intensity of mass transit/ped/bike infrastructure as well as use by people with disabilities should dictate how much of a setback is needed at corners. On busier streets the corner setbacks increase comfort.
- Need to avoid having plazas interrupt the continuity of the retail environment. Small plazas can be good.
- Santa Barbara has lots of attractive open spaces that are full of life. If the market and the community supports them they can be beautiful.
- How do you actually regulate this without design review? Is there a good example in another code? We can require articulation but continuous regular articulation can look busy and overwhelming.
- Curb extensions are important.

#5 Full-block zoning transitions. Consider special landscaping and building height standards for mixed-use areas that are located off of corridors and have street frontage adjacent to residential zones. Potentially encourage/require residential development as part of this interface.

There is some disagreement within the PAC about when a transition is necessary. Most PAC members agree that there are some existing examples of developments that have managed this gracefully.



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- I think the street is a sufficient buffer. I do not think we should put requirements on a development just because it is across the street from a residential area.
- I disagree X2. There are good examples of where developers have put smaller scale development (townhouses) on the neighborhood side.
- I think it is an equity issue for a developer to build six stories across the street and the adjacent property owners lose property value and enjoyment of their property. I think the transition mitigates that impact.
- The key is an active transition. Loading bays can be preferable to a wall of landscape buffering. Activating the street is important for residential areas too.
- Parking should not be an option on the residential side of the development.
- East Portland has some huge full blocks but often they do not have consistent zoning.
- Transparency can be key here. Being able to see into the back side of a building activates the street.

#6 Large sites. Consider allowances for larger-scale development on large sites in transit-rich locations, potentially in tandem with transfer of development rights (TDR) provisions, stronger requirements for transitions to lower-density areas, and design review.

The PAC supports this idea, especially when paired with other tools like planned development options or master planning.

- Allow bigger developments on larger sites.
- These might be a good place for master planning or a planned development. This will allow Portland to be innovative.
- Adjacent property owners should be able to buy into the master plan in order to benefit from the development.
- The public should be able to extract something from this as well. There should be a community benefit process.
- There should still be consideration for transitions.
- Consider the impacts of topography on heights and transitions.
- The idea of PUDs and more flexibility is excellent. This should be where the development community can use their imagination. Neighborhood involvement will still be important.
- Provide predictability by pairing allowances for taller building with transitions to the edges. Don't require design review.

Design Standards

#7 Pattern Area Standards. Explore design-related standards specific to the three major neighborhood pattern areas – the Inner, Eastern, and Western neighborhoods. Regulations responsive to neighborhood pattern area characteristics, as well as different types of development, could include variations on building setbacks, ground floor and upper-story design features, and landscaping.



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While PAC members appreciated the thought process and work behind the pattern area idea there was a sense of confusion about how those standards might meaningfully add to the code. Concerns about unintended negative impacts were raised, especially for East Portland. PAC members also noted the tension between code simplicity and context sensitivity embedded in this idea.

- This could be a good topic for public meetings.
- Consider how these areas relate to current planning districts and historic districts. We should be transparent about how all these things will overlap.
- This seems like it is going to perpetuate our existing inequities. We should be very cautious about creating a different zone for East Portland or about having the pattern areas be justification for rejecting growth and change.
- The pattern areas concept is a positive accomplishment of the Comprehensive Plan and is something that should be moved forward.
- I think the goal of the pattern area model is to have a baseline of the existing conditions and respond appropriately. If we use them appropriately we should be not be devaluing East Portland. (I agree X2)
- Why are we stopping at these large pattern areas? Why not have context sensitive designs for neighborhoods that want it. (Staff clarification: Typically our tool for that has been plan districts).
- Can these pattern area standards address fixing gaps in infrastructure? For example, could all developments in East Portland require open space created by developers?
- How would you address slopes?
- Concerned that pattern area requirements for front landscaping could be counter to goals for creating pedestrian friendly streetscapes.
- We should be testing these ideas in the neighborhood centers to see how well they fit. Perhaps we should be offering a menu of options and then if neighbors are involved in the development process they can guide developers towards options that are a good fit with the neighborhood.

#8 Street Frontages. Strengthen design-related standards that address the relationship of buildings to public street frontages. These may include requirements for additional ground-floor window coverage (a “transparency standard”) and minimum floor-to-ceiling heights (potentially in key places), limiting the amount of row house frontages that can be used for driveways, and applying pedestrian-oriented streetscape requirements to dispersed commercial development / corner markets. The transparency standard would be lower on secondary streets and side frontages.

PAC members expressed support for this idea.

- General support for this idea
- Current standards are woefully inadequate. The way glazing is calculated gives you the option of clustering all you windows and still have a long blank wall.



- Need to consider how this would apply to residential. Ground floor residential should be raised up so tenants feel comfortable having transparent windows without people looking directly into their homes.
- Allow different standards for streets that are not the main frontage. Remember that transparency does not have to be windows.
- Back of the house uses should be in the middle instead of back of the house. We could design our buildings differently.

#9 Building Setbacks. Simplify maximum setback regulations and offer more flexibility for providing outdoor spaces, landscaping. Consider eliminating requirements that in some cases require 100% of street facing façades to be located within required maximum setbacks.

General support from the PAC, with the caveat that this be optional and that street enclosure should be considered.

- I support this if it is optional.
- Staff: This also has to do with generally simplifying our setback standards which are unnecessarily complex. We basically want to say that we want all buildings close to the street, but there is some flexibility with how you can achieve that.
- Great idea
- The little canopy at the top continues the street wall (referring to Salt and Straw bldg. on Division). Design elements will be important here to maintain a sense of street enclosure.

#10 Community Design Standards. Consider applying the most effective Community Design standards requirements to development in the mixed-use zones.

The PAC felt that this may not be an appropriate issue for this list – may be imbedded in other issues or need to go beyond standards.

- The CDS are not giving us what we want. We should be giving that power to the neighborhoods. Especially in areas of change like Centers and Corridors.
- The Bureau is evaluating what is working/broken in our current Design Review system. Including the process and guidelines/standards and the extent of their application.
- This has been a problem for Buckman east of 12th street. As a representative of this community I can say people bemoan the fact that cookie cutter developments go up in our neighborhoods. Because neighbors have little say we should build design into the base standards.
- Maybe this PAC should get a presentation on the design review assessment project.



Residential Standards

#11 Outdoor space. Consider requiring private or shared outdoor space for residents to be provided in conjunction with mixed use development.

One PAC member felt it was best to leave outdoor space provision to the market, however, there was support among PAC members for some form of residential outdoor space.

- Please do explore
- Shared outdoor space is preferable; a small balcony does not create play space for children
There are many buildings where balconies are used as storage spaces. Balconies should not fulfill outdoor space requirements.
- I think shared outdoor space is a public good the City of Portland should provide. It is tricky for the City to require a public good in a private space. I am not supportive of this. There should be a reduction of park SDCs if developers are providing essentially a public park. We need to flesh this one out. Couldn't a community room serve a shared space function? (Staff clarification – this refers to on-site open space for building tenants/residents.)
- I believe every development should have a shared space to gather and a balcony where people can sit and watch their kids. People who live here should *live* here. Not to have a space to gather is unimaginable for a true community.
- Balconies should be big enough to use. Two people comfortably and four with a squeeze.
- The language could allow developers to be innovative. You can put this space anywhere on any floor.
Balconies break up facades and put eyes on the street so they serve multiple purposes. But maybe we should require storage space in buildings with balconies so they don't become storage.

#12 Side setback requirements. Consider a flexible set of standards for windows close to side property lines, including greater side setbacks for habitable rooms, such as bedrooms or living rooms. Consider providing options to either build to the property line or meet multi-dwelling residential setback requirements.

This idea did not garner many comments from the PAC, but some felt it was worth exploring.

- Please do explore
- I like the idea of shoulder to shoulder buildings
- Or use the multifamily zoning requirement

#13 Detached house development. Consider limiting new detached houses in mixed use zones, especially in the core areas of centers.



The PAC had split opinions on this issue. One unknown is how much detached housing the market would produce in these zones and where that housing would be located. Different PAC members made different assumptions about that unknown, leading them to alternative conclusions.

- Prohibiting detached housing restricts the opportunities of individual property owners. They may not have the desire or the funding to develop a large building. Some development is better than none.
- I do not believe these types of developments will happen often, therefore, there is no reason to ban them and hurt individual property owners.
- Detached housing will detract from the purpose of Mixed Use zones.
- This restriction could limit property rights.
- Allowing detached housing would lead to underutilized space and lost tax potential.

#14 Balconies (restricted in rear setbacks). Consider prohibiting balconies from encroaching within the rear setback of mixed use zones abutting lower density zones, but allow them if stepped back.

The PAC expressed divergent opinions on this issue. Some thought it would be a good action to take to address neighbors' perceived privacy issues.

- This is common sense.
- I'm ok with that because it would diffuse the neighborhood worries about people staring into their backyards.
- I'm not troubled by the balconies extending into the setback areas.

Incentives

#15 Incentivize desired community outcomes. Consider incentives for affordable housing, historic preservation, community services, and publicly-accessible outdoor space. Potentially link these incentives to some combination of FAR and/or height allowances. Also explore options to get accessible housing, grocery stores, community uses, arts/cultural facilities, day care centers, green elements, and affordable commercial space.

The PAC expressed support for the identified community outcomes but had reservations and questions about how to incentivize these outcomes.

- A well written clear tradeoff for a developer will be important.
- If we use height bonuses this could add significant height to the current conditions. I do not support additional height.
- Should we put all these public amenities in the same category? They require very different approaches.



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- Since we cannot use mandatory inclusionary zoning we should tamp down the base allowances as a way of encouraging affordable housing. We have already given much of the development potential away.
- Clarify what is meant by historic. Is it what the neighborhood feels is historic or is it inventoried Goal 5 properties? Perhaps this relies on an update of the historic inventory. However we proceed these standards should be clear and objective.
- We need to take into account what the community feels is historic but may not want to designate as historic because of the cost burden of that designation on residents.
- Incentivize above current height allowances.

Other Regulations

#16 Core area requirements. Consider a “centers overlay” that requires buildings to be designed for active ground floor uses, and limits or prohibits drive-through facilities, quick vehicle servicing uses, self-service storage, and single dwelling residential uses.

The PAC wanted to learn more about what this idea would look like, although there was general support for fostering core areas as the setting for pedestrian-oriented activity.

- How are Centers mapped? (Staff: We will mostly apply the MU zoning to the corridors in centers.)
- Storage facilities – in one example this essentially resulted in one job. A real loss of potential.
- There is a balance between providing services like storage and gas stations while preserving active pedestrian friendly main streets.

#17 Commercial-Employment zone. Consider a new zone intended for mixed commercial and employment uses, with possible limitations on residential uses. This could apply to portions of corridors located in between centers.

Some PAC members expressed support for this idea. Others questioned the underlying assumption that there was a need to protect land for commercial or employment use.

- This is something we really need to test. Is there a demand for this?
- There are areas where that would work well (like the Tacoma Max station area) with marginally developed industrial properties. This could be a compatible zone with areas with lots of noise and could be a good place for auto-oriented uses.
- I really like this idea. It promotes walkable communities. It will bring commercial businesses where they may not have located because they were afraid of complaints from residents.



#18 Neighborhood notification requirements. Consider an expanded process of required neighborhood notification of new development in mixed use zones.

The PAC generally supported the ideas of expanding /including notification requirements.

- Please explore this.
- Add business associations

#19 Plan Districts and Overlay zones. Reduce regulatory redundancies and apply effective regulatory tools; aim for greater regulatory simplicity, possibly with fewer plan districts and more emphasis on overlays that can apply in multiple locations.

The PAC would like to see Plan Districts cleaned up and made context specific.

- Rather than simply reducing redundancies we should go back into these districts and flesh them out to make them more meaningful.

#20 Exterior Display. Consider more flexibility for exterior display arrangements, vending carts, and liner retail.

The PAC members generally thought this is a good idea as long as the ROW is protected. They suggested some zoning solutions that would increase ROW like setting back the first floor of a building.

- This is confusing. What is the difference between having a dining table outside and putting some wares to sell outside? It does not seem like there should be a distinction. Pending of course right of way protections.
- Thank you for considering this.
- Don't just consider this, promote it. Suggest or incentivize including space for exterior displays.
- Keep this on private property not in the ROW.
- Tables are allowed for restaurants, you could charge for use of ROW.
- Could the first floor be set back so you could have sidewalk goods and sidewalk sales to activate the street?
- Like how Burnside has buildings that overhang the street. It provides weather protection and merchandise displays.

#21 Shared Parking. Expand allowances for shared parking.

The PAC noted that the public will be very interested in this topic.

- Please explore this.



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- Require fewer parking spots.

#22 Zone change criteria. Create new criteria for zone changes, including zone changes within the same Comprehensive Plan designation.

3. PAC Discussion and Comments on Zoning Framework

- Presentation on Draft Framework including zones, FAR, heights, general uses, and incentives.
- The MU2 zone will require a lot of care. We are discussing merging the CS and CG zones and bringing auto-oriented uses back into places we specifically excluded them. However, as CG zones could also go to a CE zone, we can still separate out auto uses.
- Simpler is better.
- FAR can be used as a negotiating tool.
- What other issues should we be considering?
- The RH zone needs to be looked at.
- Collapsing zones into less zones does not necessarily create simplicity if you add in regulation and triggers for pattern areas or other issues.
- Adding driveways in areas that already high crash areas and high traffic is suicide for pedestrians.
- Rowhouses are going in on CG. Lots of current CG zoned areas should not be auto-oriented. Think about which CG areas stay auto-oriented.

Other Comment

- (Regarding current development trends and the existing code allowances) At the time, Planning Commission did not think banks would finance large housing projects without parking or that these developments would develop to their maximum envelop.

10. Conclusions and Recommendations

This section includes a summary of conclusions from the research done as part of the assessment phase of the project, and recommendations for issues to further explore and address in the Concept Development phase of the project.

Findings and Conclusions

Purpose and Need

Portland's Comprehensive Plan strives to create a more convenient and walkable city with well served and connected neighborhoods. To do this, the plan includes policies that focus a significant amount of the city's future housing and neighborhood businesses into a number of "centers and corridors" throughout the city. Much of the new development in these centers and corridors will occur in "mixed use" zones that are applied in these areas. New mixed use zoning regulations need to be developed to help create the type of successful urban places envisioned in the plan. In addition:

- The City desires mixed-use regulations that direct growth to identified centers and corridors, with a relationship to the Urban Design Framework (UDF).
- The City's existing commercial mixed-use zones were developed when auto-oriented single-use commercial development was the norm, and are not well equipped to address issues common with more intensive mixed-use forms.
- The current array of zones can result in an unpredictable development pattern and may create lack of certainty for both neighborhoods and the development community.
- The number of different zones adds complexity, and there is interest in simplification.

Zoning History

The Portland zoning code has a long evolutionary history dating back to 1924. Throughout its history, Portland's commercial zones have accommodated a mix of commercial land uses. The current code structure dates from 1991, and includes eight Commercial base zones (CN1, CN2, CO1, CO2, CM, CS, CG, CX) and the Central Employment (EX) zone which all allow a mix of uses. This structure has provided an opportunity for nuanced zone application, but may be more complex than needed.

Profile of the Base Zones

Portland's eight Commercial base zones (CN1, CN2, CO1, CO2, CM, CS, CG, CX) and the Central Employment (EX) zone are applied in different settings throughout the city. Each zone provide a slightly different set of allowed uses and development standards. The zones can be conceptually organized by size ranges (small, medium, large scale); use ranges (full range of retail, limited retail, office), and development orientation (pedestrian-oriented or auto-accommodating). As codes have evolved since 1991, standards for setbacks have changed and distinctions between zones in terms of development orientation have become less clear. Some zones are mapped broadly in Portland (CG, CS, CN2), while others are mapped in very limited areas (CO1, CO2, CM, CX). The greatest amount of development activity has taken place in the CS, CG and EX zones. The greatest number of residential units have been produced in the CS and EX zones while the CG zone has resulted in the most purely commercial development permits. Overall, the review of base zones indicates that the current array of zones may be more varied/nuanced than needed to meet community needs. Zones such as CO1 and CO2 may unnecessarily limit retail uses; with evolutionary changes to development standards, the CN1 and CN2 zones could possibly be combined in a single small-scale commercial zone. The residential requirement of the CM zone has created confusion for property owners by limiting commercial use, and not resulted in a significant amount mixed use development.

Plan Districts and Overlay Zones

Portland employs a number of Overlay Zones and Plan Districts that modify the regulations of base zones in specific areas. A review of the plan district reveals that while the districts have been created to respond to the unique attributes of specific places, often the plan district regulations that are being applied are similar, regulating issues such as step-downs to residentially zoned areas, ground floor windows and active uses, location of parking areas, and uses deemed to be inappropriate in pedestrian-oriented areas (vehicle repair, self-service storage, drive thru/quick vehicle servicing). In some instances, Plan Districts provide incentives or bonuses for public goods (Gateway, Hollywood, Northwest, and St Johns). Overlay zones often apply additional standards in similar situations throughout the city. Some overlays such as the main street overlay include standards that could be affected or possibly replicated by revised base zone standards while others such as the transit Overlay Zone are not currently mapped. A review of plan districts and overlay zones for commonly used standards that could be incorporated in base zones and a further review and editing to remove redundancies is warranted.

Comprehensive Plan Policies

Portland's Proposed Comprehensive Plan articulates a number of aspirations through its new Urban Design Framework diagram which directs investment to key location and through a detailed set of goals and policies. An analysis of the policies vis a vis current regulatory tools shows that while the current set of tools may *allow* for development that supports the Proposed Comprehensive Plan, often times the regulatory tools do little to ensure implementation of policy goals. Revision of the regulatory tool kit - including zoning code tools - are likely necessary to better implement the proposed plan.

Design Issues

Design of new development is critical to creating successful places. Design-related standards that are part of the base zones for commercial/mixed use development typically emphasize creating pedestrian-oriented street environments by addressing issues such as building setbacks, location and amount of windows and entrances, and location of parking. Newer, larger-scale development in the mixed zones is helping to meet policy objectives for accommodating growth close to transit and services. However, with the larger scale of these developments, design/development issues such as building height, massing, and transitions to adjacent areas have become more prominent concerns. The new Comprehensive Plan calls for greater attention to addressing the unique or special qualities in Portland's districts and "pattern areas"; the current base zones are not well equipped to do this. In addition, the increasing inclusion of residential uses in commercial/mixed use zones raises questions about the need to address design issues related to residential development, such as including on-site or outdoor open spaces for residents of new development, as well as window placement for light and air for residents. Discretionary design review or historic design review is used to guide the design of development in some areas, but only about 37% of the commercial/mixed use areas outside of the Central City are subject to design overlay zones or are in historic districts. At this time, a broader application of design overlay zones or changes to the discretionary design review system in Portland are beyond the project scope. The limited geographic applicability of design review is compounded by state requirements for providing non-discretionary ("clear and objective") design standards as alternatives to discretionary design review for residential development in most areas outside the Central City and Gateway. This places an emphasis on using zoning code development standards as primary tools to shape the design of development in the mixed-use zones. Existing design-related standards used in some plan districts and overlay zones provide regulatory design tools that could be incorporated into the base zones to address design issues.

Demographics, Market Conditions, and Development Trends

The review of demographic, market and development data for 20 case study areas reveals several facts that affect current and future development trends in Portland. Generally, the population is more diverse in the Eastern Neighborhood than in others, and incomes tend to be higher in the Inner and Western Neighborhoods pattern areas. Similarly, housing values and rents tend to be significantly higher in Inner and Western Neighborhoods than Eastern Neighborhoods. These variables factor in the feasibility of new commercial, residential or mixed use development. A look at development trends in

the analysis areas shows the strongest growth in new mixed use developments in a few Inner Neighborhood areas. The largest number of new residential units being produced in Inner Neighborhoods is being developed in mixed use zones, rather than residential zones. In the Eastern and Western Neighborhood areas, the majority of growth occurred in residentially zoned areas. Overall, the areas with the highest growth rates in mixed use and residential developments were in Inner Neighborhoods with walkable, amenity rich neighborhoods or areas with substantial amounts of vacant/underutilized land. A review of selected new buildings being built in the mixed use zones reveals that floor area ratios (FAR) range from about 2.0 to 4.0, with building heights ranging from three to six stories. The lower FARs typically equated to buildings that provided on-site parking areas or open area/plaza amenities on-site. Projects with higher FARs often included no parking or open areas, or were greater than four stories. Overall, the CS and EX zones appear to facilitate the greatest amount of mixed use development, however it is not clear that the zoning, rather than location, is the driving factor. A combination is most likely. Impacts of regulations on the feasibility of development in the mixed use zones, and the differing development economics across the city, will need to be a consideration in the development of zoning code tools

Public and Agency Input

The project has included public outreach events as well as an internal review of issues. Seven public community walks were held to discuss development issues with community members. In all cases, participants expressed concern/interest in the scale of development allowed, design features of buildings, quality of materials, and transitions to adjoining residential areas. Many participants echoed the Comprehensive Plan's aspirations to provide for a broader array of features such a mix of housing unit sizes and configurations, provision of affordable housing units, affordable commercial spaces, on-site open areas, and community benefits such as publically accessible plazas/spaces. Roundtables with the development, design, and affordable housing development communities revealed a desire for a zoning code that provides certainty, some degree of flexibility, and clarity/simplicity, as well as anxiety about the current design review system. They recommended considering lot size when establishing development standards, allowing more flexibility with respect to heights and setbacks in order to achieve desired ground floor activity, and incentives and bonuses to achieve desired public outcomes such as affordable housing units, affordable commercial space, plazas/gathering spaces, or preservation of historic/significant buildings. A roundtable with neighborhood business interests revealed an interest in maintaining the character of distinct commercial district through more participation from business people and use of design tools; a desire to maintain affordable commercial space; a desire for ground floor activity in key places; and ongoing concerns about the impact of residential parking in business districts.

Best Practices

A survey of zoning best practices conducted by Dyett and Bhatia revealed that cities vary in the way that they approach commercial and mixed use zoning, but found that some jurisdictions:

- Have a simpler array of commercial zones - but utilize special districts or variable standards;
- Require ground floor active uses in key commercial corridors/pedestrian areas
- Limit auto-oriented uses in key areas;
- Have minimum ground floor "transparency" requirements to activate ground floors
- Do not often regulate FAR in mixed use zones, instead favoring bulk/mass standards;
- Utilize incentives/bonuses to encourage mixed use development;
- Require rear setbacks and step-downs to transition to adjacent areas
- Utilize a high degree of street-level design standards and limit blank walls and parking areas;
- Sometimes require outdoor area for residential and other uses;
- May provide incentives for community priorities such as green features, historic preservation, and affordable housing

Summary Commercial and Mixed Use Zones Findings:

The following summary is based on the information collected in the assessment phase of the Mixed Use Zones Project, as well as preliminary findings from the Comprehensive Plan Background Reports, and on the 2006 Regulatory Rethink White Paper prepared for the City of Portland in 2006. The following will require further analysis, community feedback, and discussion in the concept development phase.

- Existing zones often provide extreme flexibility in terms of development outcomes which can be a benefit, but also creates uncertainty for the community and adjoining property interests.
- In all commercial zones residential uses are allowed outright, and residential uses are not counted in the FAR calculations. This results in a lack of certainty about development potential and scale, and in some cases could provide more development opportunity in lower intensity zones than in the EX zone.
- Commercial zones are applied in centers and corridors throughout the city and often abut low intensity residential zones. A need for better scale and use transitions between the commercial and residential zones has been identified by many of Portland's neighborhoods.
- Portland's proposed Comprehensive Plan calls for a greater degree of context sensitivity and alignment with pattern area features, however the same development standards apply citywide in most zones.
- Portland's proposed Comprehensive Plan calls for providing a range of housing types to meet differing household size and income profiles, but current zones generally do not provide regulations or incentives to achieve this.
- Portland's proposed plan emphasizes the creation of walkable, community-serving mixed use areas but some zoning districts continue to prevent compact development through limits on site area building coverage, and may encourage parking areas adjacent to the pedestrian realm.
- Portland's proposed Comprehensive Plan Map may eliminate the one-to-one relationship of Comprehensive Plan Designation and Zoning Districts, and more zoning districts will correspond to new Mixed Use Plan designations. There will need to be criteria to determine the appropriate application of zones within these areas.

Recommendations

The following recommendations identify key **Zoning Code Structure** issues to consider and address and a list of **Directions, Components and Issues to Address** in the development of new zoning regulations. A new zoning code structure and specific new development standards and other regulations is to be further developed in the Concept Development phase of the project.

Zoning Code Structure

The following recommendations relate to the labeling of the mixed use zones and specific ways in which the existing zones could change in a structure of new zones.

- A. Recast Commercial Zones.** Recast the Commercial and the Central Employment zone as Commercial/Mixed Use zones to reflect the broad range of use allowances in these zones.
- B. Consolidate and Reduce the Number of Zones.** Look to reduce the number of commercial/mixed use zones through consolidation or elimination of zones due to 1) minor differences between zones, 2) a lack of application or mapping of the zone, 3) changing conditions that reduce the effectiveness of a zone. Consider the following changes based on the existing zones:

Neighborhood Commercial (CN) zones:

- Combine the two zones into one small-scale mixed use zone.
- Increase the allowable height to allow for three story mixed use buildings.
- Increase the maximum lot coverage and potentially relate to lot size.
- Revisit the limits on size of uses.

Office Commercial (CO) zones:

- Determine whether there is a need for an office-focused zoning district.

Mixed Commercial/Residential (CM) zones:

- Determine whether there is a need for a commercial/mixed use zone with required residential uses. If needed, consider re-labeling as a residential mixed use and review the mapping of the zone.
- Adjust lot coverage requirements; possibly base on lot size and pattern area.

Storefront Commercial (CS) zone:

- Maintain/develop a primary medium-scale zone for mixed use areas.
- Adjust lot coverage requirements; possibly base on lot size and pattern area.

General Commercial (CG) zone:

- Maintain/develop a zone for mapping where auto-oriented uses or flexibility is desirable.
- Accommodate broader range of light industrial and other employment uses in this zone.
- Limit housing allowances in this type of zone.

Central Commercial (CX) zone:

- Maintain/develop a new large-scale mixed use zone for application in areas outside the Central City - possibly combining with new EX-type zone.
- Review plan district provisions to determine if a new base zone would be sufficient to address the situations called out in plan districts

Central Employment (EX) zones:

- Maintain/develop a new large scale mixed use zone for application in areas outside the Central City - possibly combining with new CX-type zone.
- Determine if there is a need for this zone to have an employment emphasis.
- Review plan district provisions to determine if a new base zone would be sufficient to address the situations called out in plan districts.

Directions, Components, and Issues to Address

New mixed use zoning might include the following elements, with details to be defined in consultation with the PAC and further study by the project team.

Building Height and Transitions

1. **Relate building height to street scale/transit function.** Create zones that can respond to different street scales and contexts, allowing taller or larger buildings on larger-scaled streets such as Civic Corridors, in key locations close to the Central City, and around high capacity transit stations.
2. **Accommodate ground-floor active uses and roofline variety.** Consider additional building height allowances to accommodate ground-level commercial spaces with high ceilings and to foster variety in building rooflines (“vertical texture”).

3. **Height transitions and buffering.** Explore citywide approaches to setbacks, height transitions and buffering for mixed-use zones adjacent to lower-density residential zones to foster a more gradual scale transition. Consider solar access issues in shaping these transitions.
4. **Building articulation/massing.** Craft development standards that more definitively address building form/massing, including: requirements or allowances for façade articulation, upper-level step backs, limits on building length, emphasis at corners, and possibly a maximum floor plate size above four stories/45 feet to reduce mass and shadows.
5. **Full-block zoning transitions.** Consider special landscaping and building height standards for mixed-use areas that are located off of corridors and have street frontage adjacent to residential zones. Potentially encourage/require residential development as part of this interface.
6. **Large sites/Planned Developments.** Consider allowances for larger-scale development on large sites in transit-rich locations, potentially in tandem with transfer of development rights (TDR) provisions, stronger requirements for transitions to lower-density areas, and design review. Explore the potential for providing options for planned development (PD) or master plan development proposals.

Design Standards

7. **Pattern Area Standards.** Explore design-related standards specific to the three major neighborhood pattern areas - the Inner, Eastern, and Western neighborhoods. Regulations responsive to neighborhood pattern area characteristics, as well as different types of development, could include variations on building setbacks, ground floor and upper-story design features, and landscaping.
8. **Street frontages.** Strengthen design-related standards that address the relationship of buildings to public street frontages. These may include requirements for additional ground-floor window coverage (a “transparency standard”) and minimum floor-to-ceiling heights (for ground floor active uses and commercial), limiting the amount of residential frontages that can be used for driveways, and applying pedestrian-oriented streetscape requirements to dispersed commercial development/corner markets. The transparency standard would be lower on secondary streets and side frontages.
9. **Building setbacks.** Simplify maximum setback regulations and offer more flexibility for providing outdoor spaces, landscaping. Consider reducing requirements that in some cases require 100% of street facing façades to be located within required maximum setbacks.

Residential Standards

10. **Outdoor space.** Consider requiring private or shared outdoor space for residents to be provided in conjunction with mixed use development.
11. **Side setback requirements.** Consider a flexible set of standards for windows close to side property lines, including greater side setbacks for habitable rooms, such as bedrooms or living rooms. Consider providing options to either build to the property line or meet multi-dwelling residential setback requirements.
12. **Detached house development.** Consider limiting new detached houses in mixed use zones, especially in the core areas of centers.
13. **Balconies.** Consider prohibiting balconies from encroaching within the rear setback of mixed use zones abutting lower density zones, but allow them if stepped back.

Incentives

14. **Incentivize desired outcomes.** Consider incentives such as some combination of FAR and/or height allowances for the following features:
 - a. affordable housing
 - b. affordable commercial space
 - c. historic preservation
 - d. community services, including grocery, daycare, arts/culture, etc.
 - e. publicly-accessible outdoor space
 - f. high-performance green features

Other Regulations

15. **Core area requirements.** Consider a “centers overlay” that requires buildings to be designed for active ground floor uses, and limits or prohibits drive-through facilities, quick vehicle servicing uses, self-service storage, and single dwelling residential uses.
16. **Green features.** Consider how mixed-use development standards can help accommodate green features and infrastructure as part of development, including consideration of the role of natural and green features as part of development standards in the various neighborhood pattern areas.
17. **Neighborhood notification requirements** - Consider an expanded process of required neighborhood notification of new development in mixed use zones.
18. **Plan districts and overlay zones.** Reduce regulatory redundancies and apply effective regulatory tools; aim for greater regulatory simplicity, possibly with fewer plan districts and more emphasis on overlays that can apply in multiple locations.
19. **Exterior display.** Consider more flexibility for exterior display arrangements, vending carts, and liner retail.
20. **Shared parking.** Expand allowances for shared parking.
21. **Zone change criteria.** Create new criteria for zone changes, including zone changes within the same Comprehensive Plan designation.

Portland Mixed Use Zones Project Community Workshop #1

DRAFT PROGRAM – FOR PAC REVIEW

OCTOBER 15, 2014

PREPARED BY DYETT & BHATIA

Purpose

The purpose of the first workshop is to share information and get input and feedback from community members on conceptual approaches to zoning for Portland's centers and corridors outside the Central City. The workshop will focus on the draft principles and zoning concepts developed by the planning team based on the recent public feedback and assessment work. Sharing the results of the initial community engagement and research phase will help to stimulate discussions about real choices that provide meaningful input. The purpose of this draft program for the workshop is to provide a framework for discussing who does what and a context on the purpose and definition of the Mixed Use Zones project. The input received during this workshop will contribute to the further development of conceptual new mixed use zones for Portland and then in early 2015 code drafting.

Dates, Time, and Location

The workshop is expected to be conducted at least once. Tentative dates are:

- Nov 5, 6-9 PM, Bureau of Planning & Sustainability, 1900 SW Fourth Avenue
- (Tentative) Nov 6, 6-9 PM, Jefferson High School

Venue Configuration

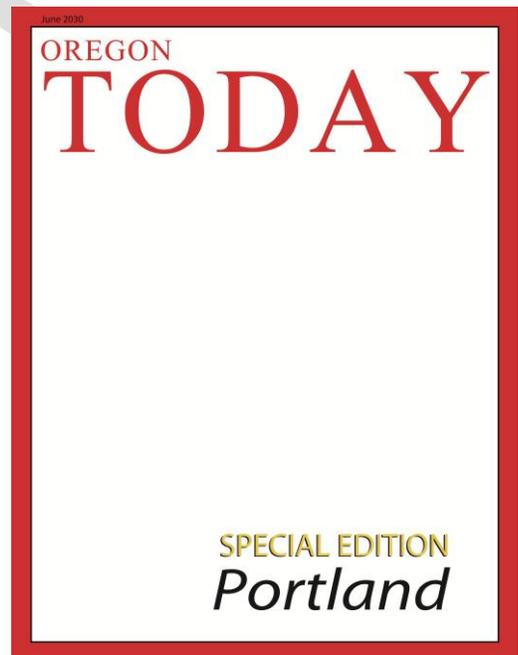
If space allows, it would be ideal to see the space set up with two distinct areas – one with theater-style seating in front of a projection screen, and then the second with a number of tables for small group discussions, approximately 6 to 8 tables with up to 10 chairs each. Participants will enter, sign in, and take a seat in the theater-style seating area, and then move to the small tables after the initial presentation, with a random “count-off” to ensure a good mix at each table.

Display materials would include maps of the Comprehensive Plan proposals and mixed use designations; existing zoning, and maybe imagery from the peer cities studied as well as materials from the neighborhood walks.

Format

The workshop itself is planned to last two hours, with half an hour window provided for arriving and mingling. The following format is proposed:

- 6:00 – 6:30 p.m.: Registration, mingling, people find seats, etc.
- 6:30 – 6:35 p.m.: Welcome
- 6:35 – 6:45 p.m.: Presentation by **City Staff/Michael Dyett** on:
 - The purpose of the project, the neighborhood walks, the “best practices” research and stakeholders interviews, and the Portland zoning assessment.
 - The walkabouts, the roundtable discussions and the national case studies, and introduction to the emerging principles for mixed use zoning.
 - Specific recommendations for mixed use zones, and the conceptual districting framework.
 - Descriptions of some specific zoning concepts and discussion topics (e.g. building heights and transitions, design standards, residential standards and incentives).
- 7:25 – 7:30 p.m.: **Michael Dyett** or **Deb** briefly introduces the two activities, and “ground rules” for conversation. He then “counts off” the participants to divide them into tables. The number of tables will be based on the number of participants that show up. As people relocate to their assigned tables, there is an opportunity to stretch and grab a snack.
- 7:30 – 7:45 p.m.: Icebreaker. Participants individually complete **Activity 1: Writing a Magazine Cover Lead - “Portland 2030: What Mixed Use Zoning Accomplished”**. Participants imagine what the headline would be for an issue devoted to the accomplishments of mixed use zoning in Portland. It could include a picture or just words. This activity is short; people then share their headlines with the table.



Portland Mixed Use Zones Project
Draft Program for Community Workshop

- 7:45 – 8:15 p.m.: Facilitators at each table will initiate **Activity 2: Discussion of Key Issues**, saying that the conversation should cover three key issue areas to be addressed by mixed use zoning, such as:
 - Building height and transitions – what makes sense, for the skyline and the neighborhood?
 - Street-level design – how to get active frontages?
 - Incentives for community priorities – what kind of tradeoffs make sense?

The facilitator will help move the conversation from one issue area to the next, providing about eight minutes for each. Facilitator will be taking notes key points raised during the conversation. The last five minutes should be reserved for identifying what the group considers the key principles for each topic and asking a participant to report out to the larger group.

- 8:15 – 8:45: **Reporting Out.** A representative from each group reports on the group's sense of key issues and priorities to the audience at large. City staff will transcribe key points made in the reporting, on a computer connected to the projector so everyone can see themes as they emerge.
- 8:45 – 8:50: Wrap up and next steps: **Barry Manning.**

Publicity

It will be important to announce and publicize the workshop so that interested community members are aware and can make plans to attend, and to distinguish what this workshop is doing in contrast to the Comprehensive Plan meetings. Notification will go via email to MUZ Project Interested Parties, Neighborhood and Business Associations and other community groups or individuals with an interest in the project. **PAC members are asked to assist with publicity for the event by forwarding workshop information to their contacts, as appropriate.**
