



Bureau of Planning and Sustainability

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MEMO

DATE: November 19, 2019
TO: Mayor Wheeler and City Council
FROM: Eric Engstrom and Barry Manning, BPS
SUBJECT: PADS Implementation Partnership Opportunities

The Parkrose-Argay Development Study resulted in a concept master plan for the privately-owned 32+ acre site located on NE 122nd Avenue and NE Shaver in the Parkrose and Argay Terrace neighborhoods. The mixed use plan features opportunity for community serving commercial services and close to 750 housing units. The property is privately owned by members of the Rossi, Garre and Giusto families who are not bound to the outcomes of the study. However, a cohesive development along the lines of the concept plan will benefit the community and city, as well as the owners.

Successful implementation of the concept plan will require coordinated action. This memo identifies several steps the property owners would need to take and explores if continued public sector involvement in implementation would be beneficial.

Rossi - Garre - Giusto Family Next Steps

Family Agreement

The study area includes properties owned by several different people and extended families. If the concept plan is to be implemented, the property owners will need a more formal mechanism to make decisions together. This could take a range of forms, such as a written agreement, or the creation of a more formal legal entity. There are several important decisions that need to be made by the property owners:

- How soon will the development happen?
- Will individual ownership be retained with coordination of phasing, or if property ownership will be blended?
- How will a development partner be selected?



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- Is the family interested in a public -private partnership? What would the terms of that be?
- How strictly does the group wish to follow the concept plan? How will decisions be made if the plan changes?

Regardless of the mechanism, future interactions with both the City and a development partner will likely be smoother if there is a clear decision-making structure among the property owners.

Development Partner

The scale of the site and the development being contemplated is going to require a variety of different kinds of contractors - civil engineering, site development, architecture, landscape architecture, residential construction, and commercial construction. A partnership with a development company that has experience being a master developer on a large site with both residential, commercial and mixed-use development will be beneficial.

Grocery Outreach

The idea of grocery store within the site is central to the concept plan. This, along with the close-proximity of parks and schools creates the potential for a very walkable complete community, which enhances the project value both to the community and the property owners. The families may want to consider early outreach to potential grocery stores.

Private-Public Partnership Opportunities

School District Questions

There are two opportunities for further school district coordination as the plan is implemented.

- The property at the Northwest corner of 122nd and Shaver borders an irregularly-shaped school district property. A property line adjustment to make this parcel more rectangular would increase its utility, potentially allowing a larger development pad that could be combined with or complement the corner parcel (Phase 2/F). The property owners should continue to discuss this with the school district.
- There is an access road for the middle school immediately west of the grocery/barn (Phase 1/A). Converting some or all of that school driveway to a public street along the western edge of the site might provide some circulation benefits for the grocery store and barn site, and also enhance neighborhood access to the school. The school district would need to explore if this could be done while still maintaining student safety and other school district needs. Even without that new street, there is an opportunity for a pedestrian connection from Phase 1/A to the school.



Near-Term Next Steps for the Bureau of Transportation

NE 122nd Avenue is a five-lane arterial street designed primarily to move vehicles quickly through the area. The conceptual development would significantly alter the land use, creating a new “place” with retail, services and housing that connect to local schools and the park. The area would become much more desirable for pedestrians, cyclists and transit users. As such, an improved ROW is needed.

The conceptual development includes 745 new housing units east of 122nd Avenue that would be served by a grocery and other retail west of the arterial. A proposed signalized intersection at “A Street” and 122nd Avenue would provide an additional safe crossing opportunity for pedestrians and other modes. Support for a signal at the policy, implementation and finance level would benefit the community and development.

PBOT is currently developing a plan to identify improvements on 122nd Ave, between SE Foster and NE Marine Dr. Changes to the street cross-section, additional enhanced crossings, lighting, and signal changes are being considered. The project goal is to increase safety, improve pedestrian & bicycle access and support better transit while balancing needs of freight & other modes. As part of that plan, a new crossing is being considered in the vicinity of NE Beech. PBOT could support the concept plan by modifying the 122nd Ave Plan to provide flexibility for the location of that crossing.

The concept plan also contemplates on-street parking on 122nd, between “A” Street and NE Shaver. As PBOT considers street cross section alternatives for 122nd, it may be appropriate to develop a cross section with on-street parking that can be used at key commercial nodes.

Future Development Agreement

A more formal public-private development partnership involving policy, technical or financial support could produce even greater public benefits as the plan is implemented. Such an agreement might involve the topics and opportunities summarized below. In general, such a partnership involves a Development Agreement or other similar document, and some exchange of value to achieve mutual benefit. The table is organized by topic and identifies City and Property owner interests. A formal agreement could involve negotiating these potential trade-offs and resources. The City’s highest priority is the opportunity for deeper housing affordability.

If the families have a clear decision-making structure, and a development partner, the Bureau of Planning and Sustainability could be directed to work with Prosper Portland and the bureaus of Parks, Housing, Development Services, Water, Environmental Services and Transportation to develop a memorandum of understanding or development agreement with the owners. Participation from Prosper Portland and city bureaus would be subject to availability of funding for staff involvement. The agreement will outline an appropriate level of City involvement in implementation of the master plan. City Council action would be required to formalize such an agreement or memorandum.



PADS Implementation Topics and Interests

Topic	City Interest and Resources	Property Owner Interest and Resources
<p>Affordable Housing</p> <p>The concept master plan envisions 745 new units of housing, serving a wide array of households and potential income ranges. The housing includes 138 townhouses, 8 cottages, and 598 apartment units.</p>	<p>City code requires that buildings with over 20 units include a percentage of “Inclusionary Housing” units available to households earning 60%-80% MFI, and many of the apartments will be subject to this provision.</p> <p>The City is interested in achieving a deeper level of affordability, beyond what would be achieved by implementing the standard City Code.</p> <p>The Housing Bureau has resources to finance affordable housing (bond funds, tax credits, CET funds, etc.)</p>	<p>The property owners have land.</p> <p>A publicly financed housing project within the Phases 1/B, 2/D, or 2/E may have value to the property owners because it would help catalyze/anchor the mixed use or multifamily portion of the project.</p> <p>A partnership between the property owners and a non-profit housing provider could also result in increased affordability. Such a partner could play key roles in facilitation or development.</p>
<p>Streets</p> <p>As described above, the project would benefit from an enhanced right of way improvement along 122nd Ave, as well as a new signal to serve the proposed grocery store.</p>	<p>The Bureau of Transportation is seeking funding to implement the recent 122nd Ave Planning, including new crossings in the vicinity of Beech, or possibly “A Street”.</p> <p>The City also has a Safe routes to School Program with funding for smaller scale improvements that make school access safer.</p> <p>The new signal and “A Street” would provide a safer crossing of 122nd Ave near several schools and creates a more direct route between the new housing and the surrounding schools.</p>	<p>A new 122nd Ave frontage design with on-street parking would increase access to the adjacent mixed use and commercial development, adding to project value. The signal is a critical need to help attract a grocery to the site.</p>



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	PBOT could also provide policy and permitting support for the signal.	
<p>Grocery</p> <p>The site is in a relative food-desert and the community strongly desires a grocery retailer.</p>	<p>Prosper Portland has experience with attracting a grocery tenant and may be able to provide technical assistance.</p>	<p>The property owner also wishes to include a grocery. The presence of a grocery will increase the overall project value because homes are more valuable when they are within walking distance of a grocery.</p>
<p>Parks</p> <p>The conceptual development would create a new NE Beech Street extension and frontage for Luuwit View Park. This will increase visibility and access for park users.</p>	<p>The cost of street construction and improvements to this frontage of Luuwit View Park may be an area that merits further exploration. Portland Parks and Recreation participation could include policy, planning and improvements or financial support.</p>	<p>Access to the park likely adds value to the project because homes are more valuable when they have good park access.</p>
<p>Stormwater</p> <p>The development will need extensive stormwater management for buildings, parking areas, as well as new and existing public streets.</p>	<p>The Bureau of Environmental Services recently created new stormwater planters on NE 122nd and NE Shaver, however, the locations of these facilities may conflict with development of the site (for example, blocking needed street connections). Technical assistance and support could be critical in resolving infrastructure issues.</p>	<p>The property owners are interested in a legacy project that will add value to the community. These features could enhance project value.</p>



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<p>Zoning</p> <p>The concept master plan was developed to largely conform to the 2035 Comprehensive Plan, and zoning amendments anticipated in the Better Housing by Design Project, which will change about 17 acres of R3 zoning on site to RM1.</p>	<p>If the plan is executed substantially as proposed, a zoning line adjustment could be warranted to facilitate the development process.</p> <p>The Bureau of Planning and Sustainability or the Bureau of Development Services could provide policy and potential implementation support in adjustment of zoning lines.</p>	<p>To incorporate the community’s desire to preserve dramatic views of Mt. Hood and Mt. St Helens, the plan incorporates a unique street layout. Oriented on a diagonal view corridor, the streets capture mountain views, but create a lot and block pattern that does not align with the existing zoning grid.</p>
<p>Energy and Climate Action</p> <p>This site is one of the largest new housing and mixed use development opportunities in East Portland, and there is potential to evoke a number of climate-action and energy efficiency features on this site.</p>	<p>The Bureau of Planning and Sustainability, the Bureau of Emergency Management, and/or the Bureau of Transportation could provide technical assistance to achieve a higher level of energy performance and resilience.</p> <p>Features could include items such as: prevalence of EV charging, limiting the use of fossil fuels for heating and cooking; planning for AVs and ride-sharing; utilization of spaces for urban agriculture; use of green building incentives; reduction of heat island through landscape features; and planning for disaster preparedness and resiliency.</p>	<p>The property owners are interested in a legacy project that will add value to the community. These features could enhance project value.</p>

