

## EXHIBIT B

### Further Findings of Fact – Comprehensive Plan Implementation Ordinance

#### Glossary of Terms and Acronyms

Unless the context clearly dictates otherwise, the following terms have the following meanings in these findings of fact:

“BLI” means buildable lands inventory. This inventory consists of 51 maps adopted by Ordinance 185657 (October 3, 2012), with several maps updated and supplemented with Ordinance 187831 (June 15, 2016). The resulting 54 summary maps are accompanied by estimates of how many new housing units and how many new jobs can be accommodated on these lands given the land use designations on the existing *Comprehensive Plan Map* and the *2035 Comprehensive Plan Map*.

“BPS” means the Director of the Bureau of Planning and Sustainability, or City officials acting under the Director’s instruction.

“CIC” means the Community Involvement Committee as appointed by the Mayor and confirmed in their appointments by the City Council.

“City” means, depending on context, either the City of Portland, Oregon as a place, or officials acting under direction of the City Council.

“City Council” means the elected Mayor and Commissioners acting as the governing body of the City.

“DLCD” means the Director of the Oregon Department of Land Conservation and Development, or state officials acting under the Director’s instruction.

“EOA” means the *Economic Opportunity Analysis* adopted by the City Council with Ordinance 187831 (June 15, 2016).

“Goal” means a Statewide Planning Goal adopted by the LCDC.

“HNA” means the *Housing Needs Analysis* adopted by Ordinance 185657 (October 3, 2012).

“LCDC” means the Oregon Land Conservation and Development Commission.

“Metro” means the Metro Council, the elected governing body of the Metropolitan Service District, a service district formed pursuant to ORS Chapter 268. All urban and urbanizable lands with the City of Portland are within the service district boundaries.

“NRI” means the natural resource inventory and maps adopted by Ordinance 185657 (October 3, 2012). These depict the locations of various natural resources, describe their quantity and quality, and determine their significance.

“OHP” means the *Oregon Highway Plan* adopted by Oregon Transportation Commission.

“PSC” means the members of the City’s Planning and Sustainability Commission who are appointed by the Mayor and confirmed by the City Council.

“RTP” means the *Regional Transportation Plan* adopted by Metro.

“Rule” means an administrative rule adopted by the LCDC.

“TPR” means a particular rule, the *Transportation Planning Rule*, adopted by LCDC.

“UGMFP” means the *Urban Growth Management Functional Plan* adopted by Metro.

## Summary of Periodic Review Progress to Date

Portland’s *Comprehensive Plan* is being updated within the structure of a mandated State of Oregon process called “periodic review.”

The City undertook a self-evaluation and determined updates were warranted for all three parts of the *Comprehensive Plan*: the policies, the map and the list of significant projects. The City Council adopted Resolution 36626 on August 6, 2008 which forwarded a proposed periodic review work program to the DLCD. The department approved the City’s work program with minor modifications on September 30, 2009.

The City’s work program is organized into the following five tasks:

- Task I, Community Involvement
- Task II, Inventory and Analysis
- Task III, Consideration of Alternatives
- Task IV, Policy Choices
- Task V, Implementation

The summary below is organized in chronological order. This organization reflects the interrelated nature of the work products, and the fact that work products were sometimes updated or expanded in the next sequential task.

### Task I of Periodic Review Obligations

Task I required appointment of a dedicated CIC for periodic review. Members were nominated by the Mayor and confirmed by the City Council (Task I, Subtask A). The appointment of the CIC was approved by DLCD Order 001792 on August 5, 2010. City Council Ordinance 184047 adopted a Community Involvement Program (Task I, Subtask B) that was approved by DLCD Order 001798 on January 5, 2011. Under Task I, the CIC has a continuing obligation to help “ensure meaningful, timely, and sufficient community participation in all phases on plan update.” The CIC is charged with submitting a report to the City Council as each periodic review task is proposed for adoption.

The CIC was established as a temporary committee charged with ensuring citizen participation during periodic review. The CIC has completed its obligation by completing reports covering each of the periodic review tasks (Task I, Subtask C) and by recommending beneficial changes to the *Comprehensive Plan* and *Zoning Code* (Task I, Subtask D). The City Council accepted a CIC report for periodic review Tasks III and IV with companion ordinance adopted the same day as this ordinance.

With the adoption of the new *2035 Comprehensive Plan*, a new CIC will be established as a permanent standing committee with oversight for the community involvement components of all programs of the BPS. The PSC will retain oversight of all other of the program components of implementing the *2035 Comprehensive Plan*.

### Task II of Periodic Review Obligations

Task II of the City’s periodic review work program required the City to adopt “at least the following” work products by ordinance and submit them to LCDC:

- Inventory Map of Buildable Residential Lands
- Inventory Map of Buildable Employment Lands
- Inventory Map of Significant Natural Resources
- Inventory Map of Hazards
- Housing Needs Analysis
- Economic Opportunities Analysis
- Estimate of Remaining Housing Capacity
- Estimate of Remaining Employment Capacity

The City Council fulfilled all of these Task II obligations on October 3, 2012, by adopting Ordinance 185657 that adopted the following reports and maps as official supporting documents for the *Comprehensive Plan*:

**Economic Opportunity Analysis (EOA)** in four documents:

*Economic Opportunities Analysis Section 1: Trends, Opportunities and Market Factors* – updated version as recommended by the PSC on June 12, 2012 as amended by Council

*Economic Opportunities Analysis Section 1, Appendix C, Harbor Lands Report* – updated version as recommended by the PSC on June 12, 2012 as amended by Council

*Economic Opportunities Analysis Sections 2/3: Supply and Demand* – updated version as recommended by the PSC on June 12, 2012 as amended by Council

*Economic Opportunities Analysis Section 4: Alternative Choices* – updated version as recommended by the PSC on June 12, 2012 as amended by Council

**Housing Needs Analysis (HNA) in five documents:**

*Housing and Transportation Cost Study* – version as recommended by the PSC in December 2010

*Updates on Key Housing Supply and Affordability Trends* – version as recommended by the PSC on July 12, 2011

*Housing Supply* – version as recommended by the PSC on July 12, 2011

*Housing Affordability* – version as recommended by the PSC on July 12, 2011

*Housing Demand and Supply Projections* – version as recommended by the PSC on July 12, 2011

**Infrastructure Condition and Capacity Analysis in one document:**

*Infrastructure Condition and Capacity* – version as recommended by the PSC on July 10, 2012

**Natural Resource Inventory (NRI) Report in two documents:**

*Natural Resource Inventory* – version as recommended by the PSC on July 10, 2012

*Natural Resource Inventory Update* – version as recommended by the PSC on July 10, 2012

**Buildable Lands Inventory (BLI) Report in four documents:**

*Buildable Lands Inventory Report, Summary of Future Development Capacity* – as recommended by the PSC on June 12, 2012 as amended by Council

*Buildable Lands Inventory Report, Appendix A, City of Portland Development Capacity Analysis, Development Capacity GIS model* – updated version as recommended by the PSC on June 12, 2012

*Buildable Lands Inventory Report, Appendix B, Central City Development Capacity Study* – updated version as recommended by the PSC on June 12, 2012

*Buildable Lands Inventory Report, Appendix C, Constraint Maps and Model Assumptions* – updated version as recommended by the PSC on June 12, 2012

### **BLI Maps**

Fifty-one (51) maps divided into the categories of “Constraints,” “Hazards,” “Natural Resources,” and “Infrastructure” – versions as recommended by the PSC on July 10, 2012.

After the City submitted Task II for State approval, but before the LCDC made a final decision, there were two significant changes in circumstances. First, the Port of Portland withdrew its application to annex West Hayden Island to the City of Portland, a portion of which the Port proposed to develop with a new marine industrial terminal. The Port’s action prompted the City to reevaluate both the harbor-related industrial land need and supply described in the EOA. Second, Metro adopted an employment forecast and jobs allocation lower than the draft Metro allocation and forecast the City relied upon to prepare its original EOA. This final forecast allocated to Portland the responsibility for creating approximately 123,000 new housing units and 142,000 new jobs<sup>1</sup>.

### City Task II Work Withdrawn from Consideration

Because of these two changes in circumstances, the City withdrew the following documents from state consideration:

*Economic Opportunities Analysis Section 1: Trends, Opportunities and Market Factors* – updated version as recommended by the PSC on June 12, 2012 as amended by Council

*Economic Opportunities Analysis Section 1, Appendix C, Harbor Lands Report* – updated version as recommended by the PSC on June 12, 2012 as amended by Council

*Economic Opportunities Analysis Section 2/3: Supply and Demand* – updated version as recommended by the PSC on June 12, 2012 as amended by Council

*Economic Opportunities Analysis Section 4: Alternative Choices* – updated version as recommended by the PSC on June 12, 2012 as amended by Council

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<sup>1</sup> Metro Council Ordinance 12-1292A, November 29, 2012. These totals include Portland’s growth allocation, and the allocation to the unincorporated portions of Multnomah, Washington, and Clackamas Counties that are within Portland’s Urban Services Boundary (the planning area for the *2035 Comprehensive Plan*). The forecast was rounded up to the nearest thousand to facilitate clearer communication and analysis.

City Work Acknowledged as Meeting Task II

The LCDC approved all of the City's Task II submittal, except for the five withdrawn documents, on May 23, 2014 by Order 001850. The approved maps, reports, and documents, through operation of OAR 660-025-0160(8), became acknowledged supporting documents for the *2035 Comprehensive Plan*. LCDC Order 001850 also transferred the EOA requirement from periodic review Task II, Subtask D, to Task III, Subtask D, and required the City to recognize the forecast and allocation adopted by the Metro Council on November 29, 2012.

Compliance Status Summary of Portland's Periodic Review Work Program

The following is a summary of the City's periodic review compliance status.

|                    |  |
|--------------------|--|
| Task I, Subtask A  | Community Involvement Committee, approved by LCDC Order 001792 on August 5, 2010           |
| Task I, Subtask B  | Community Involvement Program, approved by LCDC Order 001789 on January 5, 2011            |
| Task II, Subtask A | Characterization of Existing Land Supply, approved by LCDC Order 001850 on May 23, 2014    |
| Task II, Subtask B | Estimate of Remaining Housing Potential, approved by LCDC Order 001850 on May 23, 2014     |
| Task II, Subtask C | Coordination of Housing Forecast with Metro, approved by LCDC Order 001850 on May 23, 2014 |
| Task II, Subtask E | Identification of Housing Needs, approved by LCDC Order 001850 on May 23, 2014             |

Periodic Review Products Adopted by Ordinance 187831 on June 15, 2016

The products adopted by Ordinance 187831 are listed below, and became effective on July 15, 2016. They have not been reviewed by the DLCD or LCDC pursuant to the procedures described in OAR Division 660, Chapter 25, so they are not yet acknowledged to comply with the Statewide Planning Goals. They include:

|                   |   |
|-------------------|---|
| Task I, Subtask C | <i>Community Involvement Report</i> , Exhibit B of Ordinance 187831, evaluating the involvement leading up to the adoption of periodic review products for both Tasks III and IV. |
|-------------------|---|

- Task II, Subtask A Four revised BLI supporting maps, Exhibits D, E, H and I of Ordinance 187831.
- Task II, Subtask D Two Revised Residential BLI Summary Maps, Exhibits F and G of Ordinance 187831, and a Revised Estimate of Remaining Housing Potential supported by the methods described in Exhibit J of Ordinance 187831.
- Task III, Subtask A Evaluation Criteria for Alternatives Analysis, which is part of the *Growth Scenarios Report*, Exhibit K of Ordinance 187831.
- Task III, Subtask B Thematic Alternatives Analysis, which is part of the *Growth Scenarios Report*, Exhibit K of Ordinance 187831.
- Task III, Subtask C Detailed Alternatives Analysis, which is part of the *Growth Scenarios Report*, Exhibit K of Ordinance 187831.
- Task III, Subtask D Revised *EOA*, Revised Employment BLI Summary Map, Exhibit C of Ordinance 198783, and Revised Estimate of Remaining Employment potential, Exhibits L1, L2, L3, and L4 of Ordinance 187831.
- Task IV, Subtask D, Part 1. *Citywide Systems Plan* (except for transportation), Exhibit M of Ordinance 187831.

Periodic Review Products Adopted by Ordinance 187832 on June 15, 2016

The products adopted by Ordinance 187832 are listed below and will become effective on January 1, 2018. They have not been reviewed by the DLCD or LCDC pursuant to the procedures described in OAR Division 660, Chapter 25, so they are not yet acknowledged to comply with the Statewide Planning Goals. They include:

- Task IV, Subtask A *2035 Comprehensive Plan Map*, Exhibit C of Ordinance 187832.
- Task IV, Subtask B Goals and policies comprising the economic element of the *2035 Comprehensive Plan*, Exhibits B and C of Ordinance 187832, Chapter 6.
- Task IV, Subtask C Goals and policies comprising the housing element of the *2035 Comprehensive Plan*, Exhibits B and C of Ordinance 187832, Chapter 5.
- Task IV, Subtask D, Parts 2-5 List of water, sewer and drainage projects necessary to support the *2035 Comprehensive Plan*, Exhibit B of Ordinance 187832, Chapter 8, and *List of Significant Projects*.

Policy addressing Portland International Airport expansion, Exhibit B of Ordinance 187832, Chapter 9.

Policy addressing Portland Heliport, Exhibit B of Ordinance 187832, Chapter 9.

Coordination with school facilities plans, Exhibit B of Ordinance 187832, Chapter 8 and 10.

Task IV, Subtask E, Parts 1-3, Goals and policies of the *Transportation System Plan*, Exhibit B of Ordinance 187832, Chapters 3, 8 and 9.

Modal preferences or mode split targets, level of service standards, including possible alternatives, Exhibit B Ordinance 187832, Chapter 9.

List of transportation projects necessary to support the *2035 Comprehensive Plan* and conform *City Transportation System Plan* to the *Regional Transportation System Plan*, Exhibits C, D and E of Ordinance 187832.

#### Periodic Review Products Adopted by this Ordinance

This ordinance completes the City's periodic review work program in two ways: (1) by adopting Zoning Map and Zoning Code amendments to implement the *2035 Comprehensive Plan*; and (2) by adopting minor revisions, updates, and corrections to previous periodic review work tasks. Specifically, in this ordinance the Portland City Council adopts the following products for each of following periodic review work program requirements:

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|--------------------|--|
| Task I, Subtask C  | Community Involvement Committee review of Task V, Exhibit I of this ordinance.   |
| Task I, Subtask D  | Revised Community Involvement Program and related amendment to Title 3 of the City Code, Exhibit H of this ordinance.  |
| Task IV, Subtask A | Revision to the <i>Comprehensive Plan Map</i> depicting Major Public Trails, Exhibit H of this ordinance.  |
| Task IV, Subtask B | Minor revisions to <i>Comprehensive Plan</i> policy to limit mixed use development within employment areas and correcting errors and omissions, Exhibit C of this ordinance. |



Task IV, Subtask E     *Transportation System Plan* policies, revised to include policy objectives, and amendments to Title 17 of the City Code, Exhibit F of this ordinance.

Task V                    Implementation Measures.

Amendments to the base zones of the *Zoning Map*, Exhibit D1 of this ordinance.

Amendment to the *Zoning Map* adding an “l” overlay zone, Exhibit D2 of this ordinance.

Amendment to the *Zoning Map* adding an “m” overlay zone, Exhibit D3 of this ordinance.

Amendment to the *Zoning Map* removing the “b” overlay zone, Exhibit D4 of this ordinance.

Amendment to the *Zoning Map* adjusting the application of the “d” overlay zone, Exhibit D5 of this ordinance.

Amendment to the *Zoning Map* adjusting the application of the “a” overlay zone, Exhibit D6 of this ordinance.

Amendment to the *Zoning Map* removing the “j” and “m” overlay zones, Exhibit D7 of this ordinance.

Amendment to the *Zoning Map* establishing new plan district boundaries and adjusting the boundaries of existing plan districts, Exhibit D8 of this ordinance.

Amendment to the *Zoning Map* adding Major Public Trails, Exhibit D9 of this ordinance.

Amendments to Title 33 of the *Portland City Code*, Planning and Zoning (the *Zoning Code*), Exhibit E of this ordinance.

Report on Mixed Use Zone Amendments, Exhibit J of this ordinance.

Report on Residential and Open Space Zone Amendments, Exhibit K of this ordinance.

Report on Employment Zone Amendments, Exhibit L of this ordinance.

Report on Campus Institutional Zone Amendments, Exhibit M of this ordinance.

Report on Miscellaneous Zone Amendments, Exhibit N of this ordinance.

Adoption of these products completes the City's obligations under its periodic review work program.

## **Findings of Fact**

These findings rely on evidence in the record before the Portland City Council and explain why the decisions made by the Council comply with three different sets of criteria: Statewide Planning Goals, Metro's *Urban Growth Management Functional Plan* (UGMFP) and *Regional Transportation Functional Plan* (RTPFP), and the policies of Portland's new *2035 Comprehensive Plan*.

These findings are for Task V of periodic review. Since periodic review is a process through which present decisions are supported by the decisions made in the preceding tasks, these findings focus on those facts and reasons particular to Task V. A full demonstration of compliance would also rely on materials adopted by Ordinances 184047, 185657, 187831, and 187832. The findings adopted by this ordinance occasionally make reference to, and in some cases repeat, those earlier findings. The general approach of the findings adopted by this ordinance is to describe evidence that is unique to Task V, or was not described by the earlier findings, and to respond to testimony presented to the City Council during consideration of this specific ordinance.

### **Statewide Planning Goal Findings**

The Statewide Planning Goals addressing citizen involvement and coordination apply to all periodic review tasks. Many of the other goals focus on the assembly of information, proper analysis, and policy decisions. These topics and actions were the subjects of Tasks II, III, and IV of periodic review and were adopted by Ordinances 185657, 187831, and 187832. This ordinance addresses Task V, the final step in periodic review, which requires adoption of implementing measures sufficient to carry out the policy decisions made in Task IV. The findings adopted by Ordinance 187832 explain how the adopted policy decisions comply with the Statewide Planning Goals and are not repeated here. Certain provisions of the Statewide Planning Goals address the adoption of implementing measures, and they are addressed below.

Statewide Planning Goals that Apply to Portland

The Statewide Planning Goals that apply to Portland are:

- Goal 1, Citizen Involvement
- Goal 2, Land Use Planning
- Goal 5, Natural Resources, Scenic and Historic Areas, and Open Spaces
- Goal 6, Air, Water and Land Resource Quality
- Goal 7, Areas Subject to Natural Hazards
- Goal 8, Recreational Needs
- Goal 9, Economic Development
- Goal 10, Housing
- Goal 11, Public Facilities and Services
- Goal 12, Transportation
- Goal 13, Energy Conservation
- Goal 14, Urbanization
- Goal 15, Willamette River Greenway

Statewide Planning Goals that no longer Apply to Portland

There are approximately 560 acres of land both within Portland's municipal boundaries and beyond the regional urban growth boundary that can be classified as rural land. In 1991, as part of Ordinance 164517, the City Council took an exception to Goal 3 and 4, the agriculture and forestry goals, in the manner described and authorized by state law and Goal 2. As a result of the acknowledged exception, the following goals do not apply:

- Goal 3, Agricultural Lands
- Goal 4, Forest Lands

Statewide Planning Goals that do not apply to Portland

Other Statewide Planning Goals apply only within Oregon's coastal zone. The Statewide Planning Goal Glossary defines "Coast Zone" as "The area lying between the Washington border on the north to the California border on the south, bounded on the west by the extent of the state's jurisdiction, and in the east by the crest of the coastal mountain range, with the exception of: (a ) The Umpqua River basin, where the coastal zone shall extend to Scottsburg; (b) The Rogue River basin, where the coastal zone shall extend to Agness; (c) The Columbia River basin, where the coastal zone shall extend to the downstream end of Puget Island. (Formerly ORS191.110)." Since Portland is not within Oregon's coastal zone, the following goals do not apply to this decision:

- Goal 16, Estuarine Resources
- Goal 17, Coastal Shorelands
- Goal 18, Beaches and Dunes
- Goal 19, Ocean Resources

**Statewide Planning Goal 1 Findings**

***Goal 1. To develop a citizen involvement program that insures the opportunity for citizens to be involved in all phases of the planning process.***

Goal 1 applies to all legislative land use decisions. Administrative rules under Goal 1 further require cities to:

- Designate a committee for citizen involvement;
- Provide for widespread citizen involvement with an opportunity for citizens to be involved in all phases of the planning process (developing, evaluating, and amending plans; and in the development, adoption, and application of legislation to carry out the plan - the subject of periodic review Task V);
- Adopt and publicize a program for citizen involvement that is appropriate to the scale of Portland's *2035 Comprehensive Plan* process;
- Provide the opportunity for the public to be involved in data collection;
- To assure that technical information is available in an understandable form;
- Assure effective two-way communication with citizens, including feedback mechanisms; and
- Assure a sufficient level of funding and human resources are allocated to the citizen involvement program to make citizen involvement an integral part of the planning process.

These requirements apply to both the development of the plan, and to the ongoing involvement program that will be adopted by the plan.

**Community Involvement Committee and Program**

Goal 1 allows the City Council three choices: it may appoint itself as the committee for citizen involvement, it may appoint the Planning and Sustainability Commission (PSC) as the committee, or it may appoint a committee separate from the Council or Commission. The City Council, exercising the third option, appointed a CIC. The appointment of the CIC is periodic review Task I, Subtask A, was approved by DLCD Order 001792 on August 5, 2010, and has been completed.

The City Council, on the recommendation of the CIC and the PSC, adopted Ordinance 184047, which adopted a Community Involvement Program for Portland's periodic review. This program is periodic review Task I, Subtask B, was approved by DLCD Order 001798 on January 5, 2011, and has been completed.

Public engagement throughout the planning process was overseen by the appointed CIC. The

CIC has met quarterly from 2009 until 2016. During that time, they produced or reviewed ten different progress/evaluation reports, with detailed meeting and activity logs. Those reports were referenced with the impact statement filed with the present ordinance. They cataloged extensive outreach beyond the traditional mechanisms.

Under Task I, Subtask C, of Portland's periodic review work program, the CIC has a continuing obligation to monitor and evaluate how the Community Involvement Program is being carried out. The program also provides the CIC opportunities to report its findings to City Council before a periodic review task is adopted by ordinance and submitted for State approval. The Task II report from the CIC was approved by LCDC Order 001850 on May 23, 2014. On July 28, 2015, the CIC presented a report to the PSC describing community outreach that occurred during development of the *2035 Comprehensive Plan*, and the related supporting documents. The PSC accepted that report. The *Community Involvement Report* for periodic review Tasks III and IV (CIC Report) was accepted by City Council with the adoption of Ordinance 187831.

Exhibit I of this ordinance is the CIC's *Community Involvement Report* for Task V, which includes a summary of the community involvement activities leading up to this ordinance. Additional information is also provided in project-specific staff reports (Exhibits J through N). The PSC accepted this report on June 14, 2016. The Council acceptance of this with this ordinance completes the City's obligations under Task I, Subtask C, of Portland's periodic review work program.

Task I, Subtask D, of Portland's periodic review work program requires policy and code adjustments necessary to continue citizen involvement as the City builds upon and implements the new *2035 Comprehensive Plan*. The necessary policies were adopted by Ordinance 187832. This ordinance reconstitutes an ongoing committee for citizen involvement and amends two chapters of the City Code. Amendments to Title 3, which are adopted as Section V of Exhibit H of this ordinance, establishes a Community Involvement Committee as a permanent standing committee of the City of Portland. A revised *Community Involvement Program*, which is Section IV of Exhibit H, is also adopted by this ordinance. Amendments to Title 33 of the City Code concerning legislative procedures and a definition of "recognized organization" are adopted as part of Exhibit E of this ordinance. The program and code amendments adopted by this ordinance completes the City's Task I, Subtask D, periodic review work program obligations.

#### Response to Specific Goal 1 Testimony

The establishment of a committee separate from the city planning commission to guide citizen involvement is one of three options allowed by Statewide Planning Goal 1. The new committee established by the amendments to Title 3 of the City Code meets the requirements of Goal 1. The amended Title 3 provides that, "The Community Involvement Committee members shall be appointed by the Commissioner-in-Charge of the Bureau of Planning and Sustainability and confirmed by the City Council."

Council received testimony that the Title 3 language violates Goal 1 because does not repeat the language in Goal 1 requiring the combined committee membership be, "... broadly representative of geographic areas and interests related to land use and land use decisions."

The absence of geographic representation language in the recommended version of the code in itself does not violate Statewide Planning Goal 1. As long as Title 3 coder language substantially implements the goal's requirement, it does not need to repeat the exact language of the goal. Title 3 provides for the kind of broad representation that Goal 1 envisions by assuring that the CIC will be diverse. To underscore this point, the Council amended the recommended Title 3 language to provide explicitly for broad geographic representation.

#### Goal 1 Conclusions

Because the City appointed a CIC, adopted and implemented a far-reaching program for citizen involvement, supported the CIC to completion of the program, established a revitalized CIC, adopted a revised *Community Involvement Program* to carry out the *2035 Comprehensive Plan*, and provided adequate and timely public notices for all periodic review tasks, the City has complied with all requirements of Statewide Planning Goal 1.

#### Statewide Planning Goal 2 Findings

***Goal 2. To establish a land use planning process and policy framework as a basis for all decision and actions related to use of land and to assure an adequate factual base for such decisions and actions.***

Goal 2 has three parts: planning, exceptions and guidelines. Since the City is not taking a Part II exception to any Statewide Planning Goal, and since the Oregon Legislature has nullified the Part III requirement to demonstrate how the planning guidelines were used to achieve the goals [see: ORS 197.015(9), *Churchill v. Tillamook County*, 29 Or LUBA 68 (1995) and *People for Responsible Prosperity v. City of Warrenton*, 52 Or LUBA 181 (2006)], only Part I of Goal 2 applies to this ordinance.

Part I of Goal 2 requires Portland's *2035 Comprehensive Plan* be coordinated with the plans of other governments. The plan was developed with the assistance of several committees and advisory committees that include government partners. Findings describing the details of this coordination were included with the periodic review Task IV adoption (Ordinance 187832)

The City provided timely notices of adoption of the implementation measures for the *2035 Comprehensive Plan* to Clackamas, Multnomah and Washington Counties, the Cities of Beaverton, Gresham, Happy Valley, Lake Oswego, Maywood Park, Milwaukie, and Tigard, Metro, TriMet, the Port of Portland, and the Special Districts Association of Oregon.

Throughout the development of implementation strategies for the *2035 Comprehensive Plan*, the City convened several project advisory committees and issue-specific focus groups, and circulated initial Discussion Drafts prior to bringing more formal proposals to the PSC. These activities, described in Exhibits J through N, allowed the City to collect initial feedback from a variety of other governmental entities, including Metro, the Port of Portland, Portland Public Schools, and Portland Community College. In addition, the mixed use zoning recommendation was developed in part with Metro grant funding, which added an additional level of regional coordination for those recommendations.

For the *Transportation System Plan* elements of this ordinance, the City also continued to convene the Transportation Expert Group (TEG) to provide further oversight of street classification maps, performance measures, and transportation demand management approaches. The TEG included representatives from the Oregon Department of Transportation (ODOT), Trimet, Metro, and the Port of Portland. A subset of this group met quarterly to more closely coordinate transportation modeling, issue identification, and proposed solutions. This included representatives from Metro, TriMet and ODOT.

All applicable requirements of Goal 2 have been met, based on the coordination described above.

### **Statewide Planning Goal 3 Findings**

#### ***Goal 3. To preserve and maintain agricultural lands.***

In 1991, as part of Ordinance 164517, the City Council took an exception to the agriculture and forestry goals in the manner described and authorized by state law and Goal 2. Since this ordinance does not change any facts or analyses upon which the assumption is based, the exception is still valid and Goal 3 does not apply.

### **Statewide Planning Goal 4 Findings**

#### ***Goal 4. To conserve forest lands by maintaining the forest land base and to protect the state's forest economy by making possible economically efficient forest practices that assure the continuous growing and harvesting of forest tree species as the leading use on forest land consistent with sound management of soil, air, water, and fish and wildlife resources and to provide for recreational opportunities and agriculture.***

In 1991, as part of Ordinance 164517, the City Council took an exception to the agriculture and forestry goals in the manner described and authorized by state law and Goal 2. Since this ordinance does not change any of the facts or analyses upon which the assumption is based, the exception is still valid and Goal 4 does not apply.

**Statewide Planning Goal 5 Findings*****Goal 5. To protect natural resources and conserve scenic and historic areas and open spaces.***

This ordinance does not affect the City's Goal 5 program. The City adopted a new *Natural Resources Inventory* (NRI) by Ordinance 185657, which was approved by LCDC Order No. 001850. This inventory identified the location, quantity and quality of various natural resources and determined their significance in compliance with the initial steps of the Goal 5 process. The adoption of a new NRI was included in the periodic review work plan to ensure that the City's Goal 9 and Goal 10 analysis could be informed by an up-to-date inventory of natural resource lands. Goal 5 is otherwise not a required periodic review topic, and Portland's periodic review work program requires no further actions to comply with Goal 5.

The next steps in the Goal 5 process are to identify conflicting uses, examine the consequences of limiting conflicting uses versus conserving natural resources, make decisions to allow, limit or prohibit conflicting uses, and adopt a program to carry out any such decision. This ordinance leaves implementation of these next steps to the future and takes no further Goal 5 actions now. It does not repeal or replace any existing Goal 5 program or any environmental overlay zone and, therefore, leaves undisturbed the City's current Goal 5-compliant program and regulations.

**Statewide Planning Goal 6 Findings*****Goal 6. To maintain and improve the quality of the air, water and land resources of the state.***

The "Regulatory Compliance" section of the *Citywide Systems Plan*, adopted as Exhibit M of Ordinance 187831, describes city facilities, projects and operations that are regulated by state or federal permit and demonstrates that city facilities either comply with air and water quality regulations or are on a permitted path to comply. Policies calling for continued improvement in air and water quality were adopted as Exhibit B of Ordinance 187832.

Portland's periodic review work program requires no further actions to comply with Goal 6.

**Statewide Planning Goal 7 Findings*****Goal 7. To protect people and property from natural hazards.***

Goal 7 requires the City to maintain a current inventory of natural hazards, to avoid development in areas where hazards cannot be mitigated, and to prohibit essential facilities, hazardous facilities, and major structures in areas where hazards cannot be mitigated.

On May 23, 2014, LCDC approved a complete and current inventory of natural hazards as part of City's Task II periodic review submittal (Order No. 001850). Ordinance 187831 updated inventories for flood, slope and slide hazards. The Goal 7 hazard inventory requirement has been fully satisfied. The BLI inventory of "sufficient" residential land adopted by Ordinance 187831



did not include Goal 7 hazards. In addition, this ordinance amended the *Zoning Map* to reduce allowed residential density in certain hazard-prone lands.

Exhibit M of Ordinance 187832, the *Citywide Systems Plan*, completed the city's Goal 7 obligations by identifying essential public facilities.

Portland's periodic review work program requires no further actions to comply with Goal 7.

### **Statewide Planning Goal 8 Findings**

***Goal 8. To satisfy the recreational needs of the citizens of the state and visitors and, where appropriate, to provide for the siting of necessary recreational facilities including destination resorts.***

Goal 8 requires the City to plan for recreational facilities in such quantity, quality and locations as is consistent with the availability of the resources to meet such requirements. These requirements have been met for the reasons stated in the Goal 8 findings for periodic review Task IV (Ordinance 187832). This ordinance furthers the purpose of Goal 8 by amending Exhibit C of Ordinance 187832 to depict "Major Public Trails" on the *Comprehensive Plan Map*.

This ordinance removes an insignificant amount of existing City land zoned for open space (less than 0.5 acres). These removals are more than compensated by the amount of new open space zoning.

Figure 8-1. New open space zoning

| Former zoning category                            | Acres of new OS zoning |
|---|------------------------|
| Land rezoned from commercial zones                | 9 acres                |
| Land rezoned from residential zones               | 1,235 acres            |
| Land rezoned from employment and industrial zones | 622 acres              |

Portland's periodic review work program requires no further actions to comply with Goal 8.

### **Statewide Planning Goal 9 Findings**

***Goal 9. To provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon's citizens.***

Goal 9 requires cities to consider economic activities vital to the health, welfare, and prosperity of Oregon's citizens. Comprehensive plans for urban areas are required to include, among other things: an analysis of economic patterns, potentialities, strengths, and deficiencies; policies concerning economic development; and land use maps that provide for at least an adequate supply of sites for a variety of industrial and commercial uses.

Land needs for a variety of industrial and commercial uses are identified in the *Economic Opportunities Analysis* (EOA), which was adopted as Exhibits L1, L2, L3, and L4 with periodic review Task III (Ordinance 187831). How these needs are met is explained in the findings contained within Exhibit A of that ordinance.

A new *Comprehensive Plan Map* was adopted with periodic review Task IV (Exhibit C of Ordinance 187832). Exhibit A of Ordinance 187832 contains findings explaining how the various land use designations on the new *Comprehensive Plan Map* meet the categories of industrial and commercial uses identified as needed within the *Economic Opportunities Analysis*.

This ordinance includes changes to both the *Zoning Map* and *Zoning Code*, as necessary to remove conflicts with the new *2035 Comprehensive Plan*, and to take initial steps to advance the goals of the plan.

- All zone changes were made to a base zone permitted by the new *Comprehensive Plan Map* as provided by Policies 10.1, 10.2, 10.3, and 10.4 of the *2035 Comprehensive Plan*, and as described in the “Corresponding and Allowed Zone” table, which is Figure 10-1 of the *2035 Comprehensive Plan*. These zone changes are adopted as Exhibit D-1 of this ordinance.
- The *Zoning Code* amendments adopted with this ordinance are described in Exhibit E. Chapters 33.130, 33.140, and 33.150 of the as-amended *Zoning Code* each contain a table of various commercial, industrial, and institutional uses derived from the EOA, and each of these uses are identified as allowed, limited, conditional, or prohibited by the land use regulations within these chapters.

#### Supply of Industrial Employment Land

The question of employment land supply was addressed by the EOA adopted with periodic review Task III (Ordinance 187831) and the land use designations on the *Comprehensive Plan Map* adopted with Task IV (Ordinance 187832). The purpose of this ordinance is to carry out the decisions made by the previous stages of periodic review, not to revisit them.

The adopted EOA analyzed adequate growth capacity for a diverse range of employment uses by distinguishing several geographies and analyzing growth capacity at each one. The relevant industrial geographies were Harbor and Airport, Harbor Access, Columbia East, Dispersed Employment, and Central City Industrial. Each of these industrial employment geographies represented a different mix of industrial and related employment sectors, building types, and densities. The EOA included a buildable land inventory and capacity analysis in each of the geographies. That capacity analysis specifically considered a range of site sizes, infrastructure and service deficiencies, and various other development constraints.

The EOA included a summary of how the new *Comprehensive Plan Map* provided at least a twenty-year growth capacity in these geographies (Exhibit L of Ordinance 187831 - Figure 2 of Volume 4). That table described the constrained supply of land, described how additional capacity could be made available through investments in infrastructure and brownfield cleanup

(the “With Other Gains” column), and described the impact of an “Integrated Strategy”, which also accounted for anticipated additional environmental protections in the future. The conclusion was that on balance there was an adequate 20-year supply provided within the *Comprehensive Plan Map*.

The present ordinance adopts *Zoning Map* amendments to begin implementing the recently adopted *Comprehensive Plan Map*. Assessing the adequacy of the employment land supply provided by the *Zoning Map* is a slightly different exercise than assessing the adequacy of the 20-year supply. The *Comprehensive Plan Map* is a long range 20-year plan, while the *Zoning Map* grants immediate entitlements. Not every land use designation on the 20-year map is immediately implemented in the *Zoning Map*. By its nature, the *Zoning Map* addresses short term need.

Figure 9-1 below supplements Figure 2 of EOA Volume 4, by adding columns to report the vacant and underutilized land supply available with the *Zoning Map* (as amended by this ordinance). The short term (2020) need is also reported, taken from Figure 19 of EOA Volume 2/3. This comparison demonstrates that the *Zoning Map* provides enough land to satisfy the short term (through 2020) industrial employment need. The land supply for the new *Zoning Map* has been calculated based on a GIS analysis, as summarized with Figures 9-2 through 9.6<sup>2</sup>.

Figure 9-1. Industrial Employment Demand and Supply Reconciliation

| <u>Employment<br/>Geography</u> | 20-Year<br>Land<br>Demand<br>(acres) | Land Supply (acres)      |                      |                                     |                    | Short<br>Term<br>Land<br>Demand<br>(acres) | Surplus/<br>Deficit |
|---------------------------------|--------------------------------------|--------------------------|----------------------|-------------------------------------|--------------------|--|---------------------|
|                                 |                                      | Existing<br>Comp<br>Plan | 2035<br>Comp<br>Plan | With<br>Other<br>Gains <sup>3</sup> | New<br>Zoning      |  |                     |
| Harbor and<br>Airport           | 1013                                 | 774                      | 900                  | 1067                                | 1011               | 659  | +352                |
| Harbor Access                   | 192                                  | 113                      | 136                  | 167                                 | 144                | 82   | +62                 |
| Columbia East                   | 350                                  | 356                      | 346                  | 416                                 | 388                | 279  | +109                |
| Dispersed Emp.                  | 130                                  | 121                      | 146                  | 146                                 | 369                | 109  | +260                |
| Central City<br>Industrial      | 90                                   | 65                       | 188                  | 188                                 | 188 <sup>4</sup> + | 75   | +113                |

<sup>2</sup> This analysis used the same methodology as the BLI. *Buildable Lands Inventory and Growth Allocation GIS Model*, Revised April 2016 (Exhibit J of Ordinance 187831).

<sup>3</sup> “Other Gains” are the result of other actions described in the EOA to remove constraints from employment land to increase the net supply, such as brownfield cleanup, or investment in transportation infrastructure.

<sup>4</sup> In this geography, consistent with the EOA/BLI methodology used in Task II and IV, this figure includes both re-developable and vacant land. In other geographies the EOA/BLI assumes only vacant land as available supply. This was done because industrial employment uses often involve large outdoor storage and work areas, and formulas that are typically used to identify under-utilized land based on building coverage or improvement to land value ratios do not work well for those land uses. The 188-acre figure also includes the 123 acres of supply gained by

Figure 9-2. Land Supply in Harbor and Airport EOA Geography

|                    |  | Not in BLI | BLI Vacant | TOTAL |
|--------------------|--|------------|------------|-------|
| HARBOR AND AIRPORT |  | 7858       | 1011       | 8869  |
| EG1                |  | 29         | 5          | 34    |
| EG2                |  | 163        | 251        | 414   |
| EX                 |  | 16         | 0          | 16    |
| IG1                |  | 54         | 2          | 56    |
| IG2                |  | 4666       | 474        | 5140  |
| IH                 |  | 2930       | 279        | 3209  |

Figure 9-3. Land Supply in Harbor Access EOA Geography

|               |  | Occupied | BLI Vacant | TOTAL |
|---------------|--|----------|------------|-------|
| HARBOR ACCESS |  | 2105     | 144        | 2249  |
| EG2           |  | 40       | 12         | 52    |
| IG2           |  | 87       | 4          | 91    |
| IH            |  | 2019     | 128        | 2106  |

Figure 9-4. Land Supply in Columbia East EOA Geography

|               |  | Occupied | BLI Vacant | TOTAL |
|---------------|--|----------|------------|-------|
| COLUMBIA EAST |  | 1776     | 388        | 2164  |
| EG2           |  | 149      | 101        | 250   |
| IG2           |  | 1627     | 287        | 1914  |

Figure 9-5. Land Supply in Dispersed Employment EOA Geography

|                      |  | Occupied | BLI Vacant | TOTAL |
|----------------------|--|----------|------------|-------|
| DISPERSED EMPLOYMENT |  | 548      | 369        | 917   |

expansion of the EOS zoning, as described in the EOA, Section IV, page 12.

|     |     |     |     |
|-----|-----|-----|-----|
| EG1 | 10  | 65  | 75  |
| EG2 | 90  | 301 | 391 |
| IG1 | 264 | 0   | 264 |
| IG2 | 174 | 3   | 177 |
| IH  | 10  | 0   | 10  |

Figure 9-6. Land Supply in Central City Industrial EOA Geography

|                            |     | BLI<br>Redevelopment<br>or Vacant |    | TOTAL |
|----------------------------|-----|-----------------------------------|----|-------|
| CENTRAL CITY<br>INDUSTRIAL |     | Occupied                          |    |       |
|                            |     | 422                               | 65 | 487   |
|                            | CX  | 1                                 | 3  | 4     |
|                            | EG1 | 1                                 | 6  | 7     |
|                            | EX  | 135                               | 40 | 175   |
|                            | IG1 | 266                               | 15 | 281   |
|                            | IH  | 19                                | 1  | 20    |

The supply in the Central City Industrial Geography (The Central Eastside Industrial District) is in-effect further increased by code changes made in the Central City Plan District to expand the Economic Opportunity Subarea (EOS) subarea to encompasses the broader district. This code change implements recommendations from Section 2/3 of the EOA, Chapter III. As explained in Exhibit E (33.510.113), that change enables more intensive employment density in that district. Industrial Office uses are allowed in this expanded area, and Retail Sales and Service and Traditional Offices uses are limited. The changes are intended to provide a balanced approach that supports industrial retention and industrial office job growth.

The existing EOS area has been very successful at increasing employment densities, especially those in industrial office space, while retaining existing industrial operations. As described in the EOA, industrial office uses are limited primarily to information sector businesses, such as graphics and software. This zoning innovation helped accelerate job growth in the Central Eastside by reuse of underutilized second-floor space. The predominant industrial zoning in this geography has created an affordable environment for robust job growth by cost-conscious office tenants. Continued growth in this market appears to be reliant on hybrid zoning that retains industrial sanctuary cost levels while expanding development capacity of Class C office tenants. Expanding this allowance has the effect of allowing more intensive job density in the district, adding the equivalent of 123 acres to the district's capacity.

The *Zoning Map* provides an expanded supply of land in the Dispersed Employment Geography (369 vacant acres, compared with only 146 acres available under the *Comprehensive Plan Map*). This is explained by the fact that there are 200+ acres of land zoned employment (generally EG or IG) with a Commercial/Mixed Use Comprehensive Plan designation. These parcels are available for short term employment use, but for purposes of assessing the long term 20-year land supply, they were not counted in EOA analysis. For the same reason, the number of acres

available in the Harbor Access Geography is slightly higher with the *Zoning Map* than the *Comprehensive Plan Map*.

#### Protection of Prime Industrial Lands

Statewide Planning Goal 9 is implemented by OAR Chapter 660, Division 9 (the Goal 9 Rule). In addition to requiring the identification and designation of an adequate supply of employment land, this rule has special provisions for the identification and protection of “prime” industrial land. The rule describes this type of land as possessing site characteristics that are difficult or impossible to replicate in the planning area or region, particularly lands having access to transportation and freight infrastructure “including, but not limited to, rail, marine ports and airports, multimodal freight or transshipment facilities, and major transportation routes.”

In particular, Subsection (8) requires the City to adopt zoning map amendments and land use regulations to identify and protect prime industrial land. The City has responded to these mandates by amending the Official City Zoning Map to add an “I” (this is a lower case “L”) overlay zone, titled the “Prime Industrial Overlay” (Exhibit D-2). This overlay maps prime industrial land, and the regulations associated with the overlay prohibit the re-designation of prime industrial land to any other use through any quasi-judicial procedure, and reduces the number of non-industrial uses allowed in the overlay. These reductions are in addition to already stringent use restrictions associated with the also-applicable industrial base zones.

The I overlay and its associated land use regulations meet the requirements of the Goal 9 Rule for prime industrial land.

#### Adequate Supply of Commercial Land

During the hearings leading to the adoption of this ordinance the City received testimony asserting that it lacked a sufficient supply of commercial land, or at least sufficient supplies of particular types of commercial land – specifically land for large format retail uses.

The questions of an overall adequate supply of commercially-designated land, and how narrowly commercial land needs must be analyzed before these designations are made, are both misplaced and untimely. These are matters already addressed by the EOA adopted with periodic review Task III (Ordinance 187831) and the land use designations on the *Comprehensive Plan Map* adopted with Task IV (Ordinance 187832). Council addressed and resolved these questions as part of those ordinances. The purpose of this ordinance is to carry out the decisions made by the previous stages of periodic review, not to revisit them.

The adopted EOA analyzed adequate growth capacity for a diverse range of commercial uses by distinguishing five commercial geographies and analyzing growth capacity at each one. These geographies were Central City Commercial; Gateway Regional Center; Town Centers; Neighborhood Centers and Corridors; and Institutions. Each of these geographies represented a different mix of commercial sectors, building types, and densities.

The EOA included a buildable land inventory and capacity analysis in each of the five commercial employment geographies representing the City’s primary commercial site types and locations. That capacity analysis specifically considered a range of site sizes, infrastructure and service deficiencies, and various other development constraints. The *Economic Opportunities Analysis* found that the new *Comprehensive Plan Map* provided at least a twenty-year growth capacity in all of the commercial geographies. Since twenty-year supply is “adequate” within the meaning of Statewide Planning Goal 14, the City retains more than an adequate supply of commercial land. Major commercial surplus capacities exist within the Neighborhood Commercial geographies where the supply is 216 percent of the forecasted twenty-year commercial need; in Centers and Corridors where the supply is 293 percent of the commercial need; and in the Gateway Regional Center where the supply is 328 percent of the commercial need.

The EOA identified the need for large-format retail use within each of the Neighborhood Commercial geographies. The analysis found that only 25 percent of forecast demand in the Neighborhood Commercial geographies would be for sites larger than three acres in area. Existing underutilized sites in these geographies meet 309 percent of the demand for commercial sites larger than three acres.

This supply is summarized in the following table:

Figure 9-7. Commercial land supply

| District          | Site Size (acres) | Zone | Number of Lots | Total Acres  |
|-------------------|-------------------|------|----------------|--------------|
| EAST              | 2 - 9.9           | CE   | 33             | 155.6        |
| EAST              | 2 - 9.9           | CM1  | 7              | 21.2         |
| EAST              | 2 - 9.9           | CM2  | 16             | 66.7         |
| EAST              | 2 - 9.9           | CM3  | 11             | 43.7         |
| EAST              | 2 - 9.9           | CX   | 13             | 46.1         |
| EAST              | 10 - 14.9         | CE   | 2              | 23.0         |
| EAST              | 10 - 14.9         | CM2  | 1              | 11.3         |
| EAST              | 10 - 14.9         | CX   | 3              | 37.1         |
| EAST              | 15 - 19.9         | CE   | 1              | 18.1         |
| EAST              | 20+               | CX   | 1              | 21.9         |
| <b>EAST TOTAL</b> |                   |      |                | <b>444.9</b> |
| NORTH             | 2 - 9.9           | CE   | 21             | 91.8         |
| NORTH             | 2 - 9.9           | CM1  | 6              | 24.9         |
| NORTH             | 2 - 9.9           | CM2  | 5              | 16.7         |
| NORTH             | 2 - 9.9           | CM3  | 1              | 8.7          |
| NORTH             | 10 - 14.9         | CE   | 2              | 27.4         |
| NORTH             | 15 - 19.9         | CE   | 1              | 17.9         |
| NORTH             | 20+               | CE   | 7              | 279.8        |

| <b>District</b>            | <b>Site Size<br/>(acres)</b> | <b>Zone</b> | <b>Number of<br/>Lots</b> | <b>Total Acres</b> |
|----------------------------|------------------------------|-------------|---------------------------|--------------------|
| <b>NORTH TOTAL</b>         |                              |             |                           | <b>467.1</b>       |
| NORTHEAST                  | 2 - 9.9                      | CE          | 1                         | 2.5                |
| NORTHEAST                  | 2 - 9.9                      | CM1         | 4                         | 12.9               |
| NORTHEAST                  | 2 - 9.9                      | CM2         | 10                        | 38.4               |
| NORTHEAST                  | 2 - 9.9                      | CM3         | 6                         | 21.0               |
| NORTHEAST                  | 2 - 9.9                      | CX          | 1                         | 4.5                |
| NORTHEAST                  | 15 - 19.9                    | CM2         | 1                         | 15.4               |
| <b>NORTHEAST<br/>TOTAL</b> |                              |             |                           | <b>94.8</b>        |
| SOUTHEAST                  | 2 - 9.9                      | CE          | 4                         | 15.9               |
| SOUTHEAST                  | 2 - 9.9                      | CM1         | 6                         | 18.9               |
| SOUTHEAST                  | 2 - 9.9                      | CM2         | 15                        | 54.2               |
| SOUTHEAST                  | 2 - 9.9                      | CM3         | 1                         | 6.0                |
| SOUTHEAST                  | 2 - 9.9                      | CX          | 3                         | 9.5                |
| SOUTHEAST                  | 10 - 14.9                    | CM2         | 1                         | 11.5               |
| <b>SOUTHEAST<br/>TOTAL</b> |                              |             |                           | <b>115.9</b>       |
| WEST                       | 2 - 9.9                      | CE          | 9                         | 33.3               |
| WEST                       | 2 - 9.9                      | CM1         | 5                         | 15.6               |
| WEST                       | 2 - 9.9                      | CM2         | 16                        | 57.0               |
| WEST                       | 2 - 9.9                      | CM3         | 9                         | 23.1               |
| WEST                       | 10 - 14.9                    | CM2         | 1                         | 12.6               |
| <b>WEST TOTAL</b>          |                              |             |                           | <b>141.7</b>       |
|                            |                              |             |                           |                    |
| <b>PORTLAND<br/>TOTAL</b>  |                              |             |                           | <b>1,264.4</b>     |

The EOA described commercial development trends that indicated increasing demand for transit-oriented development while emphasizing the attraction of retail to locations with increasing housing density, good transit access, and small business vitality. In response, the new *Comprehensive Plan Map* adopted with periodic review Task IV established designations providing an expanded system of neighborhood centers and corridors. The present ordinance implements the new *Comprehensive Plan Map* with updated mixed use zoning. In essence, much of the testimony advocated for analysis, policy, and map decisions that the Portland City Council rejected in Ordinances 187831 and 187832. Specifically, the Council declined to adopt zones and land use regulations that would prioritize access to commercial sites by automobile, and chose to emphasize multimodal access. The “auto-oriented” approach advocated in some testimony is not supported by adopted plan policy or an adequate factual base.

Testifiers also maintained that Statewide Planning Goal 9 requires the amount of goods sold within the City to equal the amount of goods purchased by persons residing within the City as a



whole, and within each of several sub-areas within the City. When fewer goods are sold in a certain area than purchased by its residents, the phenomenon is styled “retail leakage.” Its opposite is “retail surplus.” Nothing in the Goal 9 Rule requires the elimination of geographic area leakages and surpluses. The new *Comprehensive Plan Map* provides sufficient commercial land capacity for surpluses and leakages to come more into balance, but it is the nature of cities and metropolitan areas to have some areas, like Portland’s downtown, to have a “surplus” of retail sales, and for more suburban residential areas to have leakage.

There is conflicting evidence in the record as to whether the City as a whole has retail leakage. The study contained within the City’s adopted EOA, Section 1, pages 61, 62, and 63, is based on ESRI Business Analyst data, and it indicates that Portland has no retail leakage. During the public hearings another study was introduced into the record based on Nielsen data and it did indicate some retail leakage for the City as a whole. The consultant providing testimony did not assert or provide any evidence indicating that the first study for the City was in anyway flawed, but did note that the Nielsen data was newer. In response to this assertion the City re-ran the ESRI Business Analyst with newer data, and provided that information to Council. This newer data confirmed the earlier conclusion, — the City as a whole does not have retail leakage, and for most retail types the City has retail surplus. This means that the City has adopted zoning and land use regulations that “overserves” its residents with commercial opportunities.

In support of this conclusion, the Council adopts the facts and reasons within its April 19, 2016 memorandum “Portland and Pattern Area Retail Demand and Sales Analysis” addressed to the Mayor and Council from Tyler Bump, Senior Economic Planner, Steve Kountz, Senior Economic Planner, and Tom Armstrong, Supervising Planner.

The City has adopted 20-minute neighborhood and food equity policies in its 2035 *Comprehensive Plan* that exceed state planning requirements. The Council’s decision also responds to and is consistent with these policies. In summary, the City has adopted a plan and implementing measure emphasizing walkable mixed use complete communities. While implementing these policies will not eliminate all concentrations of retail surplus and leakage, for all neighborhoods, for all retail store types, the plan allows for opportunities to meet every day needs closer to home. To the extent that certain retail store types are underrepresented in some parts of the City, the Council agrees with the April 19 memorandum that this is attributed to market factors and not attributable to an absence or shortage of land planed and zoned for commercial uses.

### Commercial Formats

The City Council received testimony that Goal 9 obligates the City to provide not only an adequate supply of commercially zoned land, but land zoned and regulated to permit particular commercial formats – particularly large format retail and automobile-accommodating retail.

The City is not required to adopt plans and land use regulations ensuring that large format retail or auto-oriented commercial uses will be approved. Rather, Goal 9 requires the City to demo strait it considered the effects of its decisions on broad categories of commercial and industrial uses in light of competing policy objectives.

The Council considered whether to amend its land use regulations to provide for more auto-oriented commercial formats. Council concluded that the City retains a sufficient supply of land zoned for retail and other commercial uses (Figure 9-7 and other evidence presented in the EOA as part of Task II and IV). The fact that the City's land use regulations restrict some auto-oriented formats does not affect supply available to commercial uses. In short, a format is not a use.

Furthermore, restricting certain auto-oriented formats helps advance the purpose of the *Oregon Transportation Planning Rule* (OAR Chapter 600, Division 12) that calls for "availability of a variety of transportation choices for moving people that balance vehicular use with other transportation modes, including walking, bicycling and transit in order to avoid principal reliance upon any one mode of transportation." This rule further provides that,

Within metropolitan areas, coordinated land use and transportation plans are intended to improve livability and accessibility by promoting changes in the transportation system and land use patterns. A key outcome of this effort is a reduction in reliance on single occupant automobile use, particularly during peak periods. To accomplish this outcome, this division promotes increased planning for alternative modes and street connectivity and encourages land use patterns throughout urban areas that make it more convenient for people to walk, bicycle, use transit, use automobile travel more efficiently, and drive less to meet their daily needs.

Findings in response to Goal 12 and OAR 660-012-0045 address this in particular. In summary, many of the standards that are alleged to interfere with the supply of commercial land for auto accommodating businesses are standards which are specifically required by the Transportation Planning Rule. For example:

- In response to OAR 660-012-0045 (3) and Metro RTP Title 1, the new commercial/mixed use zoning includes pedestrian circulation standards similar to those previously adopted by the City to meet this rule (Exhibit E, 33.130.240).
- In response to OAR 660-012-0045 (4) and Metro Tile 1, the new commercial/mixed use zoning also includes maximum building setback and main entrance requirements designed to ensure new buildings are oriented to the street and provide direct access form the sidewalk to main entrances (Exhibit E, 33.130.215 and .242).
- Maximum parking ratios in 33.266 (not amended by this ordinance) will continue to apply in order to comply with Metro RTP Title 4.
- In response to OAR 660-012-0045 (2), new main street overlay zones adopted with this ordinance include zoning regulations that limit vehicle areas close to the street along certain commercial main streets to ensure more continuous pedestrian zone (Exhibit E, 33.415.330).

- The City prohibits drive-through facilities in certain designated centers in order to qualify for lower vehicle trip generation assumptions provided in OAR 660-012-0060.

Do the City's zoning rules unreasonably limit auto-accommodating formats?

Testifiers are also incorrect that the City's new zones unduly limit access to goods and services by automobile.

The zoning code amendments that replace commercial zones with mixed use zones accommodate a variety of development options. Generally, the Central Commercial (CX) zone is primarily reserved for the Central City. The CM1, CM2, and CM3 mixed use zones generally replace commercial zones outside the Central City. The CE zone replaces much of the existing CG zone outside the central city.<sup>5</sup> The CR zone is applied in limited areas in the context of single dwelling zoned areas.

All of these commercial and mixed use zones allow retail sales and services and other commercial uses to be accessed, to varying degrees, by automobile. The development standards of the zones provide a wide array of development formats.

- In all commercial/mixed use zones, minimum building coverage requirements exist only in designated centers (33.415). In all other areas, there is no regulation that precludes low building coverage designs that are typical in auto accommodating formats. This is a change being made with this ordinance, as the former CS zone did have minimum building coverage standards.
- Maximum building setbacks apply in all commercial/mixed use zones along transit streets, but allowances exist to accommodate large format retailers on larger sites (33.130.215). This provision is being expanded with this ordinance.
- The location of parking is regulated in all commercial/mixed use zones, and parking is typically not allowed between the building and the street, but allowances exist to accommodate larger sites that front multiple streets (Table 266-3). Grocery stores and other similar large format retail buildings have been built in compliance with these standards.
- Standards exist in all of the commercial/mixed use zones requiring on-site pedestrian circulation, and windows and main entrances oriented to the street (33.130.230, .240, and .242). These standards do not preclude large format retail – they simply govern certain features of the building. Many retailers are able to meet the standard while still having the main entrance easily accessible and visible from the parking.

A summary of the primary use allowance and a summary of selected development standards are below.

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<sup>5</sup> A full accounting of this is provided with Exhibit J, page 69.

Figure 9-8. Excerpt of Table 130-1

| <b>Table 130-1 (excerpt)</b>                  |           |            |            |            |           |           |
|---|-----------|------------|------------|------------|-----------|-----------|
| <b>Commercial/Mixed Use Zone Primary Uses</b> |           |            |            |            |           |           |
| <b>Use Categories</b>                         | <b>CR</b> | <b>CM1</b> | <b>CM2</b> | <b>CM3</b> | <b>CE</b> | <b>CX</b> |
| <b>Commercial Categories</b>                  |           |            |            |            |           |           |
| Retail Sales And Service                      | L [2]     | L [2]      | Y          | Y          | Y         | Y         |
| Office  | L [2]     | L [2]      | Y          | Y          | Y         | Y         |
| Quick Vehicle Servicing                       | N         | L [2]      | L [2]      | L [2]      | Y         | N         |
| Vehicle Repair                                | N         | N          | Y          | Y          | Y         | L [5]     |
| Commercial Parking                            | N         | N          | L [9]      | L [9]      | Y         | CU [9]    |
| Self-Service Storage                          | N         | N          | N          | L [4]      | Y         | L [4]     |
| Commercial Outdoor Recreation                 | N         | N          | Y          | Y          | Y         | Y         |
| Major Event Entertainment                     | N         | N          | CU         | CU         | CU        | Y         |

Y = Yes, Allowed

L = Allowed, But Special Limitations

CU = Conditional Use Review Required

N = No, Prohibited

The new *2035 Comprehensive Plan* calls for focused growth in Centers and Corridors, hence a vertical mixed use development is a preferred format for a variety of reasons discussed in documentation submitted with periodic review Task III. However, the development standards for the commercial and mixed-use zones do not require this format.

While the CE zone is characterized as the most auto-accommodating zone, all of the new commercial/mixed use zones still allow for automobile access and auto-accommodating formats to varying degrees, as described above, with appropriate limits imposed in order to comply with other state and regional goals.

## **Statewide Planning Goal 10 Findings**

### ***Goal 10. To provide for the housing needs of citizens of the state.***

#### **Background**

This goal specifies that each city must plan for and accommodate needed housing types, such as multifamily and manufactured housing. It requires each city to inventory its buildable residential lands, project future needs for such lands, and plan and zone enough buildable land to meet those needs. It also prohibits local plans from discriminating against needed housing types.

Goal 10 and its implementing administrative rules contain the following specific requirements:

1. Identify future housing needs by amount, type, tenure and affordability;
2. Maintain a residential *Buildable Lands Inventory* (BLI) with sufficient land to meet identified needs;
3. Adopt land use maps, public facility plans and policies to accommodate needed housing (housing capacity, as well as type, tenure and affordability);
4. Meet minimum density and housing mix requirements (including the Metropolitan Housing Rule); and
5. Adopt clear and objective standards for needed housing.

The findings below respond to these five requirements.

#### **Identification of Needed Housing and Adoption of a BLI**

The City satisfactorily completed the first two requirements of Goal 10 with its Task II periodic review submittal adopted by Ordinance 185657, and as updated and revised with Ordinance 187831 (Exhibits F and G of that ordinance). The housing needs analysis adopted with these ordinances provided a specific estimate of the types of households (by size and income) likely to be in Portland by 2035, and provided additional facts describing housing need by type, tenure and affordability. The BLI identified the supply of land available to provide this needed housing. The first two parts of Goal 10 have been met for the reasons stated in findings prepared with those ordinances.

#### **Accommodation of Needed Housing**

Ordinance 187832 addressed the third and fourth of these requirements by adopting a new *Comprehensive Plan Map* and new housing policies. In conjunction with the adoption of that ordinance the City documented that the new land use map and policies provide for needed housing. The findings below will review the relevant facts again, this time through the lens of the *Zoning Map* and regulations being adopted with this ordinance. In particular, the findings below address Goal 10 requirements that the *Zoning Map* and associated regulations accommodate 20-years of forecast growth at urban densities, and provide the opportunity for a variety of housing

types and tenures, with a variety of affordability levels. Several aspects of the Metropolitan Housing Rule are addressed directly.

First overall housing capacity is considered.

With Ordinance 187831 the City adopted a revised inventory of vacant and underutilized land (Exhibits F and G). Using this revised inventory of land, and the same GIS methods acknowledged with LCDC Order No. 001850, the City estimated that the *2035 Comprehensive Plan Map* provides a capacity of 247,000 additional units,<sup>6</sup> still well beyond the estimated need. Using the revised inventory of land adopted with Ordinance 187831, and the same GIS methods acknowledged with LCDC Order No. 001850, the City estimates that the *Zoning Map* provides a capacity of 201,000 additional units,<sup>7</sup> still well beyond the estimated need (123,000 units). Because supply greatly exceeds need, both with the *Comprehensive Plan Map* and *Zoning Map*, this ordinance is consistent with the Goal 10 requirement to accommodate needed housing.

Second, allowed density is considered.

The Metropolitan Housing Rule (OAR 660-007-0035) states that cities “***must provide for an overall density of ten or more dwelling units per net buildable acre***”. This applies to land within the Urban Growth Boundary.<sup>8</sup> Buildable is defined to include vacant and re-developable land, excluding land constrained by natural hazards, steep slopes, or land subject to natural resource protection measures.

In practice most residential development in Portland occurs on land designated for mixed use development. The rule also allows consideration of mixed use areas as “residentially-designated” (OAR 660-07-0018 (1)). The Metropolitan Housing Rule applies only to new construction on vacant and re-developable land. Including mixed use zoning, and residential zoning, the Buildable Lands Inventory contains about 9,888 acres of residentially-zoned vacant and re-developable land. The *Zoning Map* adopted with this ordinance allows a zoned-capacity of about 201,000 additional dwellings on that land. This equates to an allowed overall residential density of about 20 du/acre on this land, without excluding the kind of natural resource or other constraints that the rule allows to be excluded.

Of the 9,888 acres of residentially-designated vacant and re-developable land, approximately 3,802 of those acres are sites with slopes over 25 percent, within a landslide hazard area, within the 100-year floodplain, or within an environmental conservation or protection overlay (Portland’s acknowledged Goal 5 program). Those types of excludable lands together have a residential capacity of about 11,381 units. Excluding these sites from the Metropolitan Housing Rule calculations leaves 6,086 acres of remaining vacant or re-developable land, with a

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<sup>6</sup> Buildable Lands Inventory and Growth Allocation GIS Model (model run 5/24/16)

<sup>7</sup> Buildable Lands Inventory and Growth Allocation GIS Model (model run 9/07/16).

<sup>8</sup> Because Portland was incorporated before the creation of the UGB, there is a small area (about 440 acres) of residentially-zoned land in Portland that is outside the UGB, which is zoned for rural farm and forest uses with a 20-acre minimum lot size. This land has been excluded from the analysis of this section.

residential zoned capacity of 188,619 new dwellings. This equates to about 31 du/acre. As a result, the *Zoning Map* being adopted with this ordinance complies with this rule.

While allowed density is still well above that required by this Rule, two actions are being taken which reduce residential densities in limited areas. These are briefly discussed below.

- This ordinance reduces allowed residential density in several locations where urban infrastructure is lacking (no sidewalks, unpaved streets, limited sewer and water access), and where provision of such infrastructure would be expensive (steep slopes, landslide hazard areas). These locations are primarily in relatively remote low density areas (R7, R10, R20). These density reductions will not impact affordable housing opportunities because development of these areas would be inherently more expensive. The impact on the overall housing supply is limited because these areas are constrained, and are therefore already counted at a discounted rate in the BLI.
- Some multi-dwelling designations are being removed and replaced with single-dwelling designations in East Portland. This is occurring primarily in areas that are not close to transit, and where there is limited sidewalk infrastructure. Because these areas are not well served by transit, new residents in these areas would likely have higher transportation costs. Limited down-designations in these locations will encourage multi-dwelling development to be built in more transit-accessible locations, with a positive impact on household budgets. There is more than enough remaining multi-dwelling capacity elsewhere to compensate for this impact.

Third, housing type and tenure and affordability are considered.

The Metropolitan Housing Rule also requires that at least 50 percent of the City's remaining residential capacity be available for multi-family units or attached single family units.

***“Jurisdictions other than small developed cities must either designate sufficient buildable land to provide the opportunity for at least 50 percent of new residential units to be attached single family housing or multiple family housing” OAR 660-007-0030(1)***

To provide a framework for this analysis the City calculated the potential supply of twelve different housing types, and compared that with the needs of the eight household types identified in the acknowledged housing needs analysis (Exhibits B.2 – B.5 of Ordinance 185657). The following table (Figure 10-1) describes the eight household types used in this analysis (taken from Table 14 on page 49 of the *Growth Scenario Report*; based on data from Exhibit B.5 of Ordinance 185657).

Figure 10-1. Household Types

| <b>Household Income</b>     | <b>Group Number</b> | <b>Expected New Households by 2035</b> |
|-----------------------------|---------------------|--|
| Less than \$15,000          | 1                   | 24,540                                 |
| \$15,000 to \$24,999        | 2                   | 23,400                                 |
| \$25,000 to \$34,999        | 3                   | 22,095                                 |
| \$35,000 to \$44,999        | 4                   | 15,896                                 |
| \$45,000 to \$59,999        | 5                   | 8,391                                  |
| \$60,000 to \$74,999        | 6                   | 6,030                                  |
| \$75,000 to \$99,999        | 7                   | 12,227                                 |
| More than \$100,000         | 8                   | 9,697                                  |
| <b>Total New Households</b> | <b>All</b>          | <b>122,276</b>                         |

The comparison of households and housing types was provided in the *Growth Scenarios Report* (Exhibit K of Ordinance 187831). At its simplest level, the analysis provided an understanding of the share of Portland's capacity that is available for multi-dwelling development. Figure 10-2 below provides a summary of these conclusions. The table includes results from the 2012 BLI (based on the existing *Comprehensive Plan*), and the updated 2015 inventory. The 2015 inventory provided data for both the existing *Comprehensive Plan* and the *2035 Comprehensive Plan*. The final column shows the capacity of the *Zoning Map* being adopted with the present ordinance, using the same methods used in the 2015 BLI.

The data in Figure 10-2 shows that Portland's existing *Comprehensive Plan* easily complies with this aspect of the Metropolitan Housing Rule, OAR 660-007-0030(1), because far more than 50 percent of the City's remaining housing capacity is available for multi-dwelling development. The *2035 Comprehensive Plan* and new *Zoning Map* similarly meet the requirement. This requirement is met.

Figure 10-2. Multifamily Housing Capacity Share

| <b>Housing Capacity</b> | <b>Existing Comprehensive Plan (2012 BLI adopted w. Ord. No. 185657)</b> | <b>Existing Comprehensive Plan (2015 BLI methods)</b> | <b>2035 Comprehensive Plan (2015 BLI) Adopted w. Ord. No. 187831)</b> | <b>Zoning Map adopted w. this ordinance</b> |
|-------------------------|--|---|---|---|
| Single-dwelling         | 35,000 (15%)   | 29,000 (14%)  | 29,000 (12%)  | 26,000 (13%)                                |
| Multi-dwelling          | 198,000 (85%)  | 181,000 (86%)   | 218,000 (88%)   | 174,000 (87%)                               |
| Total                   | 233,000  | 210,000   | 247,000   | 200,000                                     |

Because Portland has far more zoned capacity for residential development than the forecast growth (200,000 new units for 123,000 new households), the City developed a computer model to estimate where the forecast 123,000 units would most likely be built, and what form they



might take.<sup>9</sup> This was done in order to better understand if expected housing production allowed by zoning would meet identified needs (type, tenure, affordability), and also to evaluate the City's performance on other metrics (transportation modeling, environmental impacts, etc.)

Figure 10-3. Housing Types

| Housing Types  | Type Code  | New Housing Type Allocation (2010-2035) |               |
|--|------------|---|---------------|
|  |            | New Comp. Plan                          | Zoning* Map   |
| <b>Single Dwelling</b>   | <b>SFR</b> | <b>26,000</b>                           | <b>25,500</b> |
| Detached Single Family House   | A          | 14,000                                  | 14500         |
| Small-Lot Detached Single Family House                                 | B          | 3,000                                   | 3000          |
| Medium Density Building with Attached Single Family Units              | C          | 5,000                                   | 4500          |
| High Density Building with Attached Single Family Units                | D          | 4,000                                   | 3500          |
| <b>Multi Dwelling</b>  | <b>MFR</b> | <b>94,000</b>                           | <b>93,500</b> |
| Duplex to Six-Unit Building  | E          | 6,000                                   | 8000          |
| Four Story Corridor Apartment Building all Residential                 | F          | 13,500                                  | 18000         |
| Single Room Occupancy and Studio Apartment Building                    | G          | 13,500                                  | 14500         |
| Neighborhood Four Story Mixed Use Building with Retail on Ground Floor | H          | 15,000                                  | 13000         |
| Mid-Rise, Small Unit Apartment Building                                | I          | 18,000                                  | 16000         |
| Mid-Rise, Large Unit Apartment Building                                | J          | 4,000                                   | 3000          |
| High-Rise Apartment Building   | K          | 24,000                                  | 22000         |
| <b>Accessory Dwelling Unit</b>   | <b>ADU</b> | <b>3,000</b>                            | <b>3000</b>   |

\* Numbers in this column are different than the *Comprehensive Plan Map* because not all density increases authorized by the *Comprehensive Plan Map* are in place with this ordinance, and because the allocation incorporates as-built data for the almost 21,000 units built during the 2010-2015 period. The forecast period is 2010-2035, so as each year progresses, the forecast is more and more influenced by what has actually been built.

This “Housing Allocation” analysis (Figure 10-3) was based on the inventory of vacant and underutilized land described above. This model creates a simulated housing allocation based on the type and density of housing allowed in each land use designation or zone, past building permit trends, and several economic factors. The model identifies four types of single-dwelling

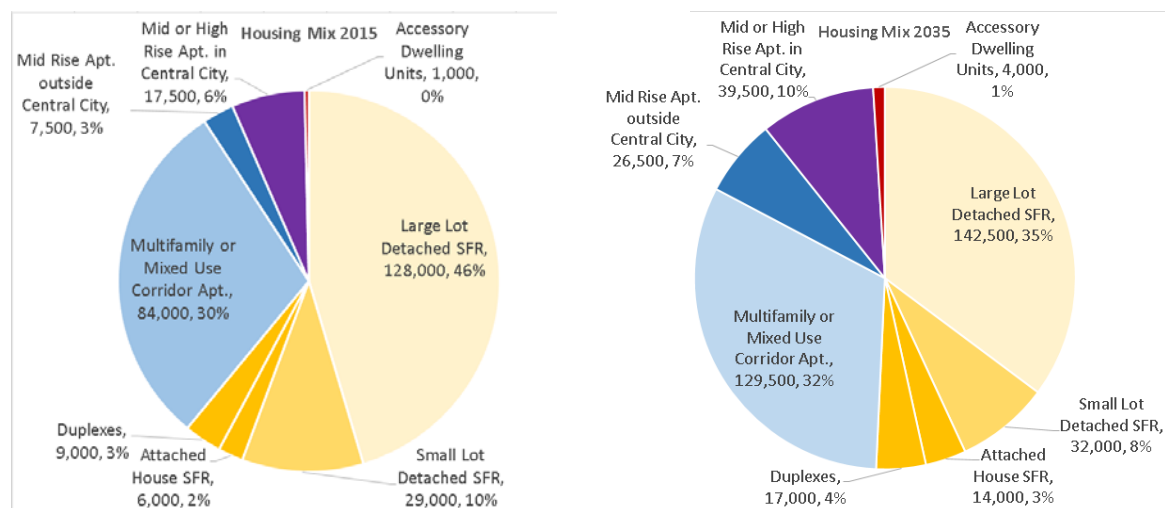
<sup>9</sup> Buildable Lands Inventory and Growth Allocation GIS Model, Revised April 2016 (Exhibit J of Ordinance 187831)

units, seven types of multi-dwelling units, and accessory dwelling units. These types are listed in the table below and also described in the *Growth Scenario Report* adopted to fulfill periodic review Task III (Exhibit K of Ordinance 187831). Supporting documents use the term “allocation” to reference this model output, distinct from the term “capacity.” The “allocation” refers to the number of units that are forecast to be built in a particular area by 2035, while the “capacity” refers to the full build out of all vacant and underutilized land within the area.

The *Growth Scenario Report* adopted with periodic review Task III (Ordinance 187831) includes an analysis explaining which housing types in Figure 10-3 are affordable to each of the household types in Figure 10-1. These tables are included here to demonstrate that the *Zoning Map* provides a comparable level of housing choice and range of affordability levels.

The pie charts below illustrate how the housing mix is expected to change over the next 20 years, given the growth allocation described above. In 2015 about 40 percent of Portland housing units were multi-dwelling units. By 2035 that share is expected to increase to about 50 percent. Over 75 percent of new construction over the next 20 years is expected to be multi-dwelling units. This represents a continuation of established trends over the past 10 years. During the period between 2005 and 2014, only about 23 percent of new units in Portland were single dwelling units. As a result of these trends and Portland’s land use plan, the 2035 housing mix is expected to be more diverse (by type and tenure) than it is today.

Figure 10-4. Predicted Housing Mix (2015 and 2035)



In addition to Zoning Map amendments, this ordinance adopts a variety of regulations that impact affordability. Oregon state laws prohibit rent control and real estate transfer fees. Recent changes in state law allow limited forms of inclusionary zoning. These are tools that cities in other states have used, with varying degrees of effectiveness, to create and maintain more permanent/protected (regulated) supplies of affordable housing. Other affordability tools available to Portland include appropriating funds derived from tax revenue, deferring tax revenue, allocating state and federal grants, and awarding height or floor area ratio bonuses for buildings that otherwise would not include affordable units.

Several specific regulatory changes are made with this ordinance with the intent to expand housing choice, and affordability.

- This ordinance adopts a new set of mixed use zoning designations, to replace the City's commercial designations. The new designations are based on a "Centers and Corridors" growth strategy described in the Urban Design chapter of the *Comprehensive Plan* (Chapter 3). This change re-affirms the City's intent to provide a range of mixed use housing opportunities, especially in close-in locations.
- The new commercial/mixed use zones include floor area and height bonuses to encourage more affordable housing (33.130.212). The bonuses are a voluntary form of inclusionary housing, awarding extra density in exchange for a commitment that a percentage of dwelling units are affordable to those earning 80 percent of the median family income, or lower.

Goal 10 and the Metropolitan Housing Rule also requires cities to allow certain forms of housing.

- Manufactured homes are recognized as components of Housing Types A and B (Detached Single Family House, and Small-Lot Detached Single Family House). Manufactured homes are allowed in all residential zones.
- Other housing types, such as floating homes, are also allowed in the City, but since these types have not been identified as "needed," the City does not need to maintain or increase a supply of sites for these types.
- In 1991, as part of Ordinance 164517, the City Council took an exception to the agriculture and forestry goals in the manner described and authorized by state law and Goal 2. As a result of the acknowledged exception, Portland does not have an obligation to identify farmworker housing as a particular category of need. Nevertheless, housing for farmworkers and their families is allowed in all single family and multi-family zones.

Housing Types A through K and ADUs are allowed without restriction on type of tenure and without regard to government ownership, assistance or subsidy.

While the City has an ample supply of land available and suitable for the amounts needed for all housing types, the cost of land, materials and labor means that the market alone cannot provide the housing needed by very low income households.

State planning law requires that housing needs be analyzed and identified by affordability, and requires that land be made available in sufficient supply to accommodate the amount of affordable housing needed. Allowing for a robust supply of inherently more affordable housing types (small studio apartments, ADUs, small-lot single family, etc.) does not mean that these housing units will actually be affordable in practice. In a market economy, housing is allocated to the highest bidder. If supply is limited, the price of even the more affordable housing types can be bid up. In addition, new housing is typically more expensive than older housing. Not all

new households will occupy new housing units. Higher income households will often occupy new housing units, leaving older units to lower income households. If housing supply is tight, the price of older housing units can also be bid up. In light of these market dynamics, the primary impact of zoning on affordability will be the extent to which it allows for an adequate overall supply, and allows for a diverse mix of housing. The facts described above show that *the Zoning Map* adopted with this ordinance does this. Based on the facts and reasons stated above, the requirement to allow a diverse range of housing choices has been met.

#### Clear and Objective Standards

The final requirement of Goal 10 is that the City adopt clear and objective standards for needed housing. This ordinance makes amendments to the *Zoning Code*, to conform the City's base zone land use regulations to the land use designations of the new *Comprehensive Plan Map* and the policies of the *2035 Comprehensive Plan*. These code amendments are adopted as Exhibit E of this ordinance. Chapters 33.110 and 33.120 of the *Zoning Code*, as amended by Exhibit E, each contain a table of single and multi-dwelling uses derived from the housing needs analysis, and each of these uses are identified allowed, limited, conditional, or prohibited by the land use regulations within these chapters.

This ordinance also amends the *Zoning Code* in several ways that are designed to improve housing outcomes, while maintaining clear and objective standards for needed housing. Related code changes include:

- Re-written commercial/mixed use codes. The new commercial/mixed use code (Chapter 33.130) continues to allow housing as a by-right use, with defined clear and objective (measurable) development standards. Standards cover a number of traditional zoning topics - height, floor area, setbacks, building orientation, parking, and building façade design. The standards were modeled financially and architecturally to ensure buildings can be built without relying on discretionary land use reviews (Adjustments, etc.). More information about this new zoning can be found in Exhibits E and J.
- Expanded design overlay zone. *Zoning Map* amendments adopted with this ordinance expand the coverage of the Design Overlay zone (Exhibit D-5). The Design Overlay Zone promotes quality high-density development through development of design guidelines for each district, and by requiring Design Review or compliance with the Community Design Standards. In keeping with Goal 10, the Community Design Standards offer a clear and objective path to implement this overlay, as an alternative to discretionary review outside of the Central City and Gateway districts.

#### Goal 10 Conclusions

For the reasons stated above, this ordinance meets all applicable requirements of Goal 10. The City complies with the single-dwelling to multi-dwelling capacity ratio requirement of Goal 10. The *2035 Comprehensive Plan Map* and *Zoning Map* provide a City supply of residential land that is sufficient to meet identified housing needs within the meaning of ORS 197.307(3), Goal 10 and OAR Chapter 660, Division 7. The *Zoning Map* provides a wide range of allowed housing types, at a variety for allowed densities. As a result, the 2035 housing mix is expected to

be more diverse than it is today. Clear and objective standards are retained in order to ensure needed housing can be built by right, without land use reviews.

### **Statewide Planning Goal 11 Findings**

***Goal 11. To plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban and rural development.***

A *Citywide Systems Plan* was adopted as Exhibit M of Ordinance 187831. Portland's periodic review work program requires no further actions to comply with Goal 11.

### **Statewide Planning Goal 12 Findings**

***Goal 12. To provide and encourage a safe, convenient and economic transportation system***

#### **Goal 12 Background**

Statewide Planning Goal 12, Transportation, requires Portland to adopt a Transportation System Plan (TSP) that supports safe, convenient and economical movement of people and goods, and supports a pattern of travel that will avoid air pollution, traffic and livability problems. Parts but not all of the City's *Transportation System Plan* has to be adopted as part of the *2035 Comprehensive Plan*.

All cities are required to provide safe and convenient motor vehicle, pedestrian and bicycle travel on a well-connected network of streets. Larger cities are required to provide for transit service and to promote more efficient performance of existing transportation facilities through transportation system management and demand management measures.

A key objective of Goal 12 (and associated administrative rules) is to reduce reliance on single occupancy automobile use, particularly during the morning and afternoon commutes. To accomplish this, the Goal requires street connectivity and land use patterns "that make it more convenient for people to walk, bicycle, use transit, use automobile travel more efficiently, and drive less to meet their daily needs."

The Goal allows the recognition that some parts of the City, such as downtown, pedestrian districts, transit-oriented developments and other mixed-use, pedestrian-friendly centers, are highly convenient for a variety of modes, including walking, bicycling and transit, while other parts of the City are more auto-oriented. Nevertheless, the objective for the City as a whole is to "avoid principal reliance upon any one mode of transportation."

Ordinance 187831 and Ordinance 187832 completed most periodic review obligations by:

- Recognition, acceptance and accommodation of the population and employment forecast and distribution issued by Metro under ORS 195.036. Pursuant to Portland's periodic review work order, this is approximately 123,000 new households and 142,000 new jobs

(2010-2035).<sup>10</sup>

- Adoption of a new *2035 Comprehensive Plan Map* carrying out and enhancing the spatial development pattern established by the *Region 2040 Growth Concept*, and furthering land use patterns “that make it more convenient for people to walk, bicycle, use transit, use automobile travel more efficiently, and drive less to meet their daily needs” within the meaning of Goal 12 and the TPR (this is discussed in response to 660-012-0035).
- Adoption of *2035 Comprehensive Plan* policies sufficient to guide the completion of the TSP, and
- Adoption of an adequate list of transportation projects and related financial plan.

The TPR (OAR 660-0012) sets forth specific requirements for consistency with Statewide Planning Goal 12, and will be addressed below.

### **OAR 660-012-0020 - Elements of Transportation System Plans**

This section of the rule requires that the TSP establish a coordinated network of transportation facilities and services adequate to serve state, regional, and local transportation needs, and identifies the required elements of a TSP. The table below summarizes the required elements, and identifies where they are addressed.

Figure 12-1. TSP Elements

| Element   | Status   |
|---|--|
| Section 2 (a) - A determination of transportation needs and evaluation of alternatives  | This was completed as part of periodic review Tasks III and IV. In addition, see findings for OAR 660-012-0030 and 0060 below.   |
| Section 2 (b) - A road plan for a system of arterials and collectors and standards for the layout of local streets and other important non-collector street connections | Street classification amendments are occurring with this ordinance to bring the City’s classifications into conformance with the new <i>Comprehensive Plan</i> , and regional transportation plan (Exhibit F, Sections 4-7).   |
| Section 2 (c) – A public transportation plan  | The TSP project list adopted with periodic review Task IV is consistent with the <i>Regional High Capacity Transit Plan</i> , and contains projects to support Trimet’s transit system plans (Exhibit D of Ordinance 187832). A letter of intent outlines steps to further joint planning with Trimet. |
| Section 2 (d) - A bicycle and pedestrian plan   | Existing adopted modal plans fulfill this requirement, which are not being amended   |

<sup>10</sup> Metro Council Ordinance 12-1292A (November 29, 2012).

|   |  |
|---|--|
|   | <p>with this ordinance.</p> <p>The TSP project list adopted with periodic review Task IV includes projects developed with the <i>Bicycle Plan for 2030</i> (Exhibit D of Ordinance 187832)</p>   |
| Section 2 (e) - An air, rail, water and pipeline transportation plan which identifies airports, railroads, ports, and major regional pipelines and terminals. | <p>The existing adopted <i>Freight Master Plan</i> and <i>PDX Airport Futures Plan</i>.</p> <p>The <i>2035 Comprehensive Plan</i> adopted with periodic review Task IV incorporated new policies aimed at protecting harbor access lands within Industrial Sanctuary (Exhibit B of Ordinance 187832).</p> <p>TSP project list adopted with periodic review Task IV contains harbor and rail projects recommended by the Port of Portland, and regional rail freight studies (Exhibit D of Ordinance 187832).</p> |
| Section 2 (f) - A plan for transportation system management and demand management   | New TDM programs are proposed with this ordinance (Exhibit F, Section 14).   |
| Section 2 (g) - A parking plan  | <p>With this ordinance Council has directed further refinement of parking plans, for further consideration in 2018 (Exhibit P).</p> <p>Further changes to the City's off-street parking regulations are adopted with this ordinance (Exhibit E, Chapter 33.266).</p>   |
| Section 2 (h) - Policies and land use regulations for implementing the TSP  | <p>The <i>2035 Comprehensive Plan</i> adopted with periodic review Task IV incorporated new Transportation and Public Facilities policies (Exhibit B of Ordinance 187832).</p> <p>Additional objectives and performance measures are adopted with this ordinance, which provide further more detailed policy guidance (Exhibit F, Sections 2 and 10)</p> <p>Amendments to the zoning code and Title 17 are adopted by this ordinance to implement</p>  |

|  |  |
|--|--|
|  | <p>elements of the TSP. See additional details in findings under 660-012-0045 below.</p> <p>The list of refinement plans and studies is updated by this ordinance (Exhibit F, Section 12).</p> |
| Section 2 (i) - A transportation financing program | This was adopted with periodic review Task IV (Exhibit F of Ordinance 187832).   |

### **OAR 660-012-0030 - Determination of Transportation Needs**

This rule requires TSPs to be based, in part, on an assessment of state, regional, and local transportation needs; needs of the transportation disadvantaged; and needs for movement of goods and services to support industrial and commercial development planned for pursuant to Statewide Planning Goal 9 (Economic Development) “needs” are defined in OAR 660-012-0005(32) as:

*Estimates of the movement of people and goods consistent with acknowledged comprehensive plan and the requirements of this rule. Needs are typically based on projections of future travel demand resulting from a continuation of current trends as modified by policy objectives, including those expressed in Goal 12 and this rule, especially those for avoiding principal reliance on any one mode of transportation.*

The requirement for a needs analysis was addressed with periodic review Task III and Task IV. As part of those Tasks, the City conducted an analysis of motor vehicle mobility (volume to capacity ratios) in collaboration with Metro and ODOT. Based on this needs analysis, several segments of state highways do not meet mobility standards, even with planned projects in place. These are addressed in more detail later under findings for compliance with 660-012-0060. The City’s proposed approach for addressing these unmet state needs is to carry out further analysis as part of the projects identified at these locations in the TSP, and to conduct further refinement plans as defined in section 660-012-0025(3).



### Regional Travel Demand Model and Analysis

To support this analysis, the City coordinated with Metro to run the Regional Travel Demand Model. As a baseline for this modeling exercise, the City used the adopted 2035 Financially Constrained RTP project list (adopted 2010, based on the City's 2007 TSP), the adopted 2012 *Metro Urban Growth Report* jobs and housing forecast for 2035, and the subsequent RTP allocation of households and jobs to Metro Traffic Analysis Zones (TAZs).<sup>11</sup> The performance of other subsequent model results was compared with this baseline outcome.

The Regional Travel Demand Model was run five times, with additional supplemental City analysis.<sup>12</sup> In each case, this analysis compares expected performance of the planned transportation system in 2035.

1. The first model run measured the impact of staff-proposed land use changes, while holding planned transportation improvements constant per the current adopted City TSP.
2. The second run added the staff-proposed revised TSP project list<sup>13</sup> to measure the impact of project list changes in isolation.
3. The third model run used the updated land use and project recommendations from the Planning and Sustainability Commission. These results were reported in findings for Task IV (Ordinance 187832).
4. The fourth model run used the land use and projects from the adopted *Comprehensive Plan* Map (known as the "ACP", or Adopted *Comprehensive Plan* run).
5. The fifth model run was the same as the fourth, except the *Zoning Map* was used to generate land use assumptions, rather than the *Comprehensive Plan Map* (known as the "FZ", future zoning run).

### **OAR 660-012-0045 – Implementation of the Transportation System Plan**

This ordinance adopts a variety of implementation tools consistent with this rule, as summarized below in Figure 12-2.

Figure 12-2 – TSP implementation approaches adopted with this ordinance

| Rule | Description of what | Impact of this ordinance |
|------|---------------------|--------------------------|
|------|---------------------|--------------------------|

<sup>11</sup> This allocation was made using land use assumptions from the current adopted *Comprehensive Plan*.

<sup>12</sup> A more detailed description of modelling methods is found in a memo to City Council dated April 18, 2016.

<sup>13</sup> The "project list" is the list of improvements that define the planned modes, functions, capacities, and general locations of improvements to the transportation system. In RTFP terms, the project list is the list of "solutions" or strategies (defined in 3.08.220) to meet "needs" identified pursuant to RTFP 3.08. 110 through 160 and 3.08.210.

| Section | the section requires  |   |
|---------|---|---|
| (2)     | Protect transportation facilities, corridors and sites for their identified functions | <ul style="list-style-type: none"> <li>• New main street overlay zones adopted with this ordinance include zoning regulations that limit parking and driveways close to certain commercial main streets to ensure more continuous pedestrian zone (33.415.330).</li> <li>• Special setbacks have been applied along several major traffic streets to enable a more comfortable sidewalk zone on wide streets (33.130.215).</li> </ul>   |
| (3)     | Ensure safe and convenient pedestrian and bicycle access                              | <ul style="list-style-type: none"> <li>• The new commercial/mixed use zoning includes pedestrian circulation standards similar to those previously adopted to meet this rule (Exhibit E, 33.130.240).</li> <li>• Bike parking requirements already adopted by the City will continue to apply (Exhibit E, 33.266).</li> <li>• Updated Master Street Plans (Exhibit F, Section 9).</li> </ul>  |
| (4)     | Support transit   | <ul style="list-style-type: none"> <li>• The new commercial/mixed use zoning also includes maximum building setback and main entrance requirements designed to ensure new buildings are oriented to the street and provide direct access from the sidewalk to main entrances (Exhibit E, 33.130.215 and .242).</li> </ul>   |
| (5)     | Reduce reliance on the automobile   | <ul style="list-style-type: none"> <li>• New Transportation and Parking Demand Management requirements will apply to college and hospital campus development, as well as larger residential or mixed use developments. College and hospitals will continue to be required to prepare TDM plans with major campus expansions, but with greater emphasis on measuring outcomes, and developing a toolbox of best practices among the impacted institutions. The new requirements for residential development will require a transit pass subsidy for each unit, for the initial first year of building occupation - or an equivalent subsidy to car share or bike share systems (Exhibit E, 33.266.410 and .420)</li> <li>• Changes to off-street parking requirements, removing those requirements for residential buildings close to frequent transit (Exhibit E, 33.266.110). New</li> </ul> |

|     |   |   |
|-----|---|---|
|     |   | <p>maximum parking ratios are also applied to residential development.</p> <ul style="list-style-type: none"> <li>• Parking code changes are also included to allow greater use of shared parking, and commercial paid parking (Exhibit E, 33.266.100 and 33.130.100.B.9).</li> <li>• New multimodal transportation adequacy criteria which will be applicable to a variety of land use reviews (Exhibit E, 33.852).</li> </ul> |
| (6) | Improvements to facilitate bicycle and pedestrian trips to meet local travel needs in developed areas | <ul style="list-style-type: none"> <li>• New bicycle classifications are incorporated into the TSP, implementing the adopted Bicycle Plan for 2030 (Exhibit F, Sections 4 and 5).</li> </ul>  |
| (7) | Narrow street standards   | <ul style="list-style-type: none"> <li>• No changes to the City’s existing street and subdivision standards are being made with this ordinance – existing allowances for “skinny” streets are retained.</li> </ul>  |

### **OAR 660-012-0060 - Plan and Land Use Regulation Amendments**

These findings are in four parts:

1. The first part discusses applicability of OAR 660-012-0060 to this periodic review ordinance;
2. Second, there is a discussion of the expected household and job distribution under zoning adopted with this ordinance, in comparison to the distribution predicted under the recently adopted 2035 *Comprehensive Plan Map*;
3. Third, there is a brief discussion of general (citywide) Regional Travel Demand Model Analysis results; and
4. Finally, there is a discussion of more specific model results – with an emphasis on locations that fail to meet state volume/capacity standards.

#### General Applicability

OAR 660-012-0060 is not applicable to this ordinance because the City is replacing its entire *Comprehensive Plan* in addition to a major update of its *Transportation System Plan*. The zone changes in this ordinance are integral to the *Comprehensive Plan* acknowledgement process. OAR 660-012-0060 focuses on discrete, specific amendments to an existing plan, not a wholesale change such as the one the City is making under its periodic review work program.

This ordinance is part of a sequence of City actions that are steps in an integrated periodic review work plan that is intended to result in a new acknowledged *Comprehensive Plan*. On June 15, 2016 the City Council adopted a new 2035 *Comprehensive Plan* (Task IV of periodic review). With that ordinance the City Council adopted findings in response to Goal 12, the State Highway Plan, and the Regional Transportation Plan, and other state land use goals. In those findings the City identified elements of the transportation network that fail to meet state-adopted volume to capacity congestion standards, and identified projects and further studies intended to address those problems.

When a comprehensive plan and its associated transportation system plan are acknowledged to comply with Goal 12, the land uses allowed by the plan and the planned supporting transportation facilities are deemed to be in “balance.” When the *Comprehensive Plan* or *Zoning Map* designations, are changed, the city must demonstrate that this balance can be maintained, as required by OAR 660-012-0060. Periodic review is a major revision of plans. During each major revision plans are rebalanced to assure that existing and future land uses can be supported by existing and future transportation facilities.

The *Zoning Map* changes in this ordinance are consistent with and required to implement the recently-adopted 2035 *Comprehensive Plan* and *Transportation Systems Plan*. The exception under OAR 660-012-0060 (9) allows for zoning changes in conformance with comprehensive plans, but does not directly address the applicability of the rule to amendments that are carried out within periodic review (when a new plan has been adopted but not yet acknowledged). Nevertheless, for the reasons stated above, the rule must be read as a whole to apply to post-acknowledgement amendments, not periodic review amendments. As part of periodic review, the City is required to amend its *Zoning Map* to implement the new plan and remove conflicts between the *Zoning Map* and new *Comprehensive Plan*. An alternate interpretation of OAR 660-012-0060 potentially puts the City in the position of being unable to complete zoning amendments necessary to bring zoning into conformance with the new *Comprehensive Plan*.

Although the rule does not apply, the Regional Travel Demand Model was run to test the impact of the recommended *Zoning Map* on state facilities, with additional analysis by the City. The City coordinated review of transportation modeling results with ODOT. The remaining findings are made out of caution, should decision-makers find that 0060 is applicable. From the model results, impacts to state highway volume to capacity ratios were examined. Information was generated about the freeway system generally, as well as other “locations of concern” on state highways. ODOT staff reviewed model results with the City.

### Job and Household Allocation

The basis of transportation modeling is a predicted allocation of households and jobs at the end of the planning horizon (2035 in this case). The City relies on 20-year population and employment forecasts issued by Metro under ORS 195.036. Pursuant to Portland's periodic review work order, this is approximately 123,000 new households and 142,000 new jobs (2010-2035).<sup>14</sup> For purposes of modeling plan outcomes, this citywide allocation was further distributed to smaller geographies. This information and related methodology was published and presented to decision-makers as part of periodic review Task III, in the *Growth Scenarios Report*, and the *Buildable Lands Inventory and Growth Allocation GIS model*.

Because the *Zoning Map* adopted with this ordinance conforms to the new 2035 *Comprehensive Plan*, the expected housing and employment distribution is similar. Differences are attributable to the fact that not all zoning authorized by the plan has been immediately implemented. For example, zoning has been held at a lower density for the short term in some locations, pending further planning, or pending further infrastructure investments. Zoning may be a lower density or less intensive use than what is allowed by the *Comprehensive Plan*, but not higher. Because the City's total growth assumption is a fixed number, applying a lower density zone in one location will cause zoned capacity in other locations to be more fully used. While zoning land for a lower density or less intensive use than the *Comprehensive Plan* allows may reduce pressure on the transportation system in that specific location, it may actually increase pressure in other locations (depending on where that growth appears instead).

Figures 12-3 and 12-4 below identify certain locations (Transportation Analysis Zones) in red, where modeling suggests higher growth under the *Zoning Map* than under the *Comprehensive Plan Map*. As shown on the map, much of the City's expected growth is comparable under either map. Transportation outcomes in these areas should be similar. In some areas, the *Zoning Map* results in lower growth than would be the case with the *Comprehensive Plan Map*. An example of such an area is inner SE Portland, where some of the mixed use corridors are not yet zoned to the full potential allowed by the *Comprehensive Plan*. In areas like this, transportation outcomes should also be comparable to what would be predicted under the *Comprehensive Plan Map*, or slightly better. The remainder of this analysis focuses on areas in red on Figures 12-3 and 12-4. The red areas demonstrate where transportation congestion potentially could be worse under the *Zoning Map*, relative to the adopted *Comprehensive Plan Map*.

Transportation modeling results for the recommended 2035 *Comprehensive Plan* were provided to City Council as part of periodic review Task IV, in a memo dated April 18, 2016. Further modeling was completed in October of 2016, using the adopted 2035 *Comprehensive Plan Map*. Figure 12-5 below is a map from this most recent modeling, identifying ODOT facilities with a volume to capacity ratio above .99 under the land use pattern of the adopted 2035 *Comprehensive Plan*<sup>15</sup>.

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<sup>14</sup> Metro Council Ordinance 12-1292A, November 29, 2012.

<sup>15</sup> The map shows predicted 2035 v/c ratios generated by both the spring 2016 modeling ("Run #3") and fall 2016 modeling ("ACP").

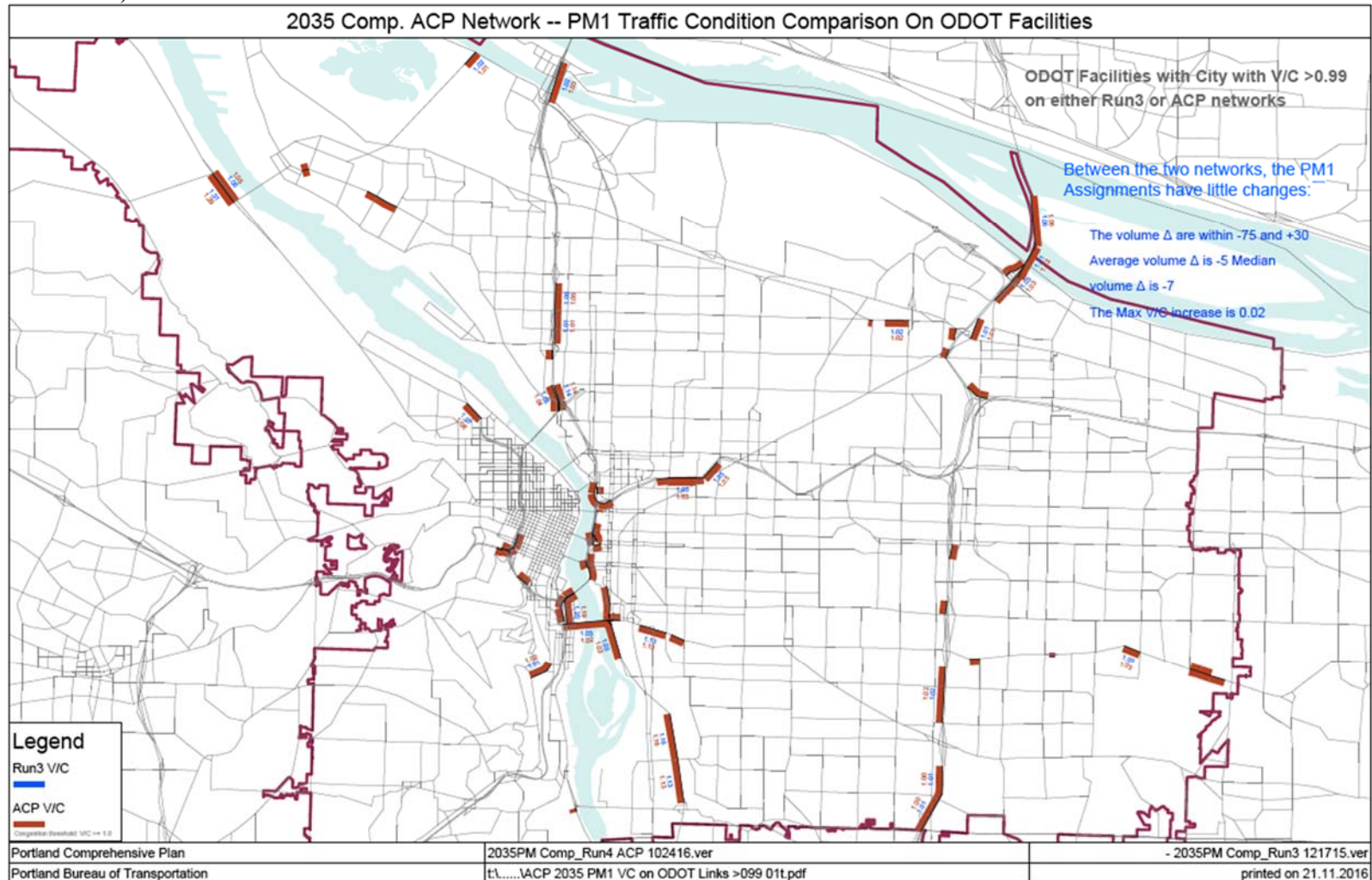
**Legend**

- Metro TAZ (2162)
- TAZ Household Allocation Comparison
  - Adopted Comp Plan is higher (by 10%, 50 units or more)
  - Both Allocations are within 10% of each other
  - Proposed Consolidated Zoning is higher (by 10%, 50 units or more)
- City Boundary





Figure 12-5. Map of facilities that fail to meet Policy 1.F (Table 7) V/C ratios from the *Oregon Highway Plan* using model results based on the housing and employment distribution predicted from the adopted 2035 *Comprehensive Plan Map* (known as the “ACP” model run)





Overlaying the information from Figures 12-3 through 12-5 shows that there are a few locations where there is both a transportation facility that failed to meet Policy 1.F when the *Comprehensive Plan Map* was modeled, and a forecast of higher growth under the *Zoning Map* than under the *Comprehensive Plan Map*. These locations are listed in Figure 12-6 below.

Figure 12-6. TAZs with both (a) a transportation facility that failed to meet Policy 1.F when the adopted *Comprehensive Plan Map* was modelled, and (b) a model prediction of higher growth under the *Zoning Map* than under the *Comprehensive Plan Map*.

| TAZ       | Change in modelled growth allocation ( <i>Zoning Map</i> relative to <i>Comprehensive Plan</i> ) | Transportation Facility that that fails to meet Policy 1.F (Table 7) V/C ratios from the <i>Oregon Highway Plan</i> |
|-----------|--|---|
| 65 (OHSU) | +47 households; +522 jobs*   | I-405 exit ramps  |
| 127       | +172 households; +117 jobs   | I-5 North   |
| 159       | + 68 households; -1,159 jobs**   | US 30 Bypass (N Lombard)  |
| 160       | + 112 jobs; -212 households  | US 30 Bypass (N Ivanhoe, N Philadelphia, N Lombard)   |
| 219       | +24 households; +833 jobs***   | US 26 (Inner Powell Blvd.)  |
| 220       | -37 households; +152 jobs  | OR 99-E (SE McLoughlin Boulevard south of Ross Island Br.)  |
| 230       | +51 households; -6 jobs  | OR 43 (SW Macadam)  |
| 231       | +70 households; +402 jobs  | OR 99-E (SE McLoughlin Boulevard)   |
| 247       | +170 households; +29 jobs  | US 26 (Inner Powell Blvd.)  |
| 267       | +173 households; +83 jobs  | I-205 in Lents vicinity   |
| 276       | +94 households; +176 jobs  | I-205 exit ramps near Gateway   |
| 349       | +109 households; +288 jobs   | US 30 Bypass (NE Killingsworth @ 70 <sup>th</sup> -82 <sup>nd</sup> )   |
| 354       | +3 households; +310 jobs   | I-205 @ Killingsworth   |
| 356       | +397 jobs****  | I-205 @ Airport Way   |
| 357       | +547 jobs****  | I-205 @ Airport Way   |
| 396       | +9 households; +99 jobs  | I-205 exit ramps  |
| 403       | +94 households; +126 jobs  | I-205 exit ramps  |
| 418       | +65 households; +240 jobs  | US 26 (Powell Blvd. @ 136 <sup>th</sup> – 168 <sup>th</sup> )   |
| 443       | +100 households; +46 jobs  | US 26 (Powell Blvd. @ 112 <sup>th</sup> )   |
| 444       | +23 households; +276 jobs  | US 26 (Powell Blvd. @ 112 <sup>th</sup> )   |
| 453       | +38 households; +78 jobs   | I-205 in Lents vicinity   |

\* This difference in OHSU is the result of that campus retaining its existing EX zoning, rather than changing to a new campus zone. The model is based on fixed job density assumptions for each zone, so this changed the model assumption for this TAZ.

\*\*This large difference in TAZ 159 is most likely due to assumptions for future campus use of the McCormack & Baxter site, shown on *Comprehensive Plan Map*, but not yet zoned.

\*\*\* No significant *Zoning Map* changes were made in TAZ 219, but modeling suggests that the *Zoning Map* will result in higher utilization of existing entitlements in this area because other employment land in other locations on the *Comprehensive Plan Map* has not yet been zoned to accommodate these uses.

\*\*\*\* No *Zoning Map* changes were made in the vicinity of I-205 and Airport way, but modeling suggests that the *Zoning Map* will result in higher utilization of existing entitlements in this area because other employment land in other locations on the *Comprehensive Plan Map* has not yet been zoned to accommodate these uses.

The facilities in these areas are examined further in the final part of these findings, to confirm the predicted V/C ratios based on the land use pattern expected from the *Zoning Map*. The purpose of this analysis is to both determine if the additional growth expected in these locations with the *Zoning Map* land use pattern will worsen the failure of these facilities, and to verify if there are projects and studies in the TSP that provide a mechanism to consider additional remedies at these locations.

#### Regional Travel Demand Model Analysis – General Results

Before discussing specific locations and transportation facilities, it is useful to compare citywide performance modeling results. Figure 12-7 below compares predicted 2035 citywide mode splits and vehicle miles travelled (VMT) for both the adopted *Comprehensive Plan Map* and the *Zoning Map* being adopted with this ordinance. As shown in this table, model results are virtually identical at the citywide scale. In other words, at a citywide scale, any difference in outcomes between the adopted 2035 *Comprehensive Plan Map* and the *Zoning Map* are insignificant. This supports a conclusion that the transportation effect of this ordinance is not significant, for purposes of OAR 660-012-0060.

Figure 12-7. Citywide modelling results comparison (fall 2016 “ACP” and “FZ” model runs)

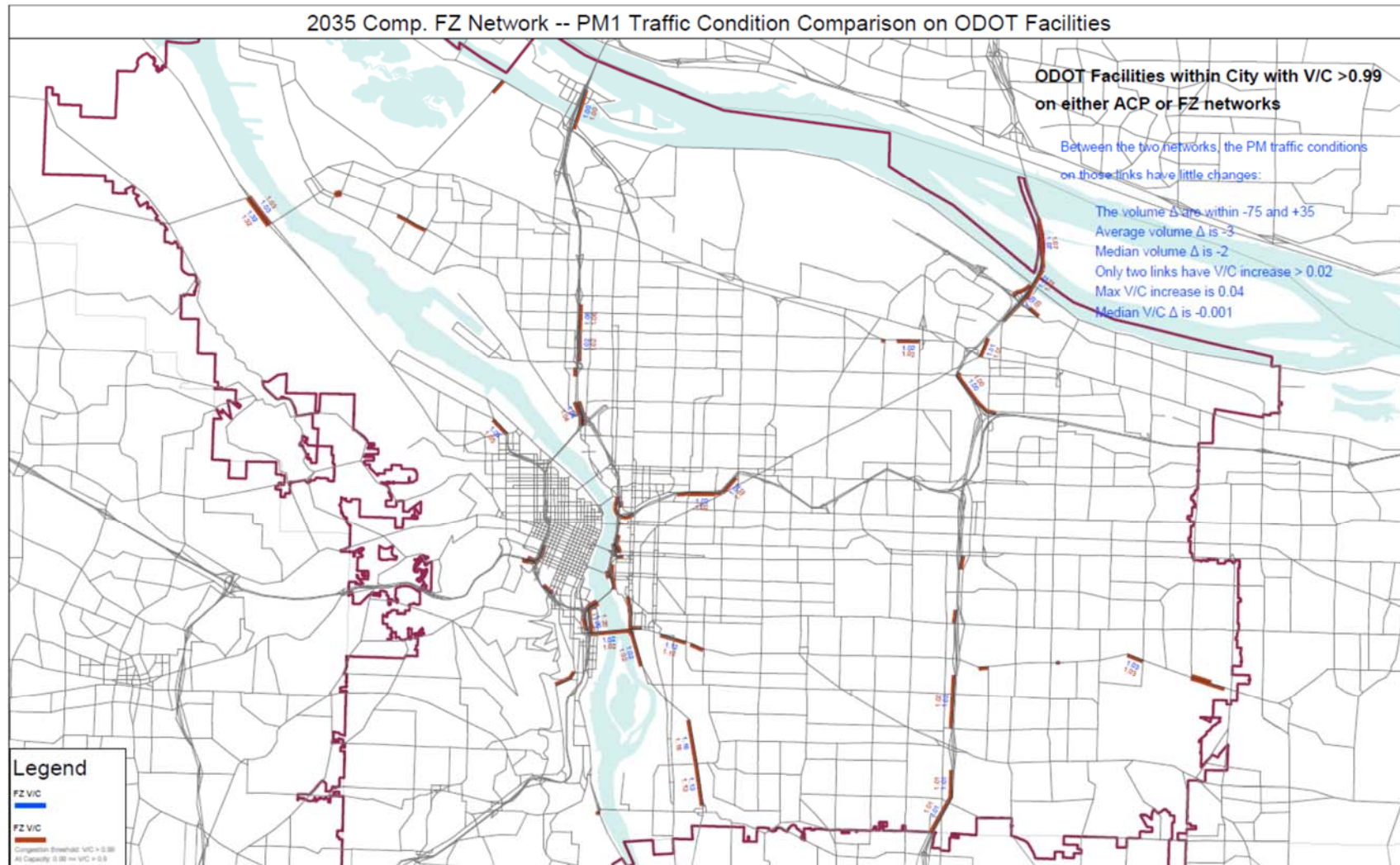
|              |                |         | Adopted<br><i>Comprehensive Plan</i> | <i>Zoning Map</i> |
|--------------|----------------|---------|--------------------------------------|-------------------|
| All<br>Trips | Mode %         | Auto    | 74%*                                 | 74%*              |
|              |                | Transit | 12.4%                                | 12.5%             |
|              |                | Bike    | 3.6%                                 | 3.6%              |
|              |                | Walk    | 9.9%                                 | 9.9%              |
|              | Carpool        |         | 33.3%                                | 33.3%             |
|              | Non SOV        |         | 46.3%                                | 46.5%             |
|              | VMT per Capita |         | 11.5                                 | 11.4              |

\* For context, auto mode share was 81percent in 2010.

#### Regional Travel Demand Model Analysis – Location-Specific Results

The remainder of these findings focus on specific ODOT system locations that fail to meet Oregon Highway Plan Policy 1.F mobility targets, based on the most recent fall 2016 modelling of the *Zoning Map* (the “FZ” model run). Figure 12-8 below is a map of ODOT facilities with a volume to capacity (V/C) ratio above .99 based on either the adopted 2035 *Comprehensive Plan* or the *Zoning Map*. As explained above, differences are attributable to the fact that not all zoning authorized by the new plan has been immediately implemented in zoning. As a result, predicted housing and employment distribution is slightly different.

Figure 12-8. Map of facilities that fail to meet Policy 1.F (Table 7) V/C ratios from the *Oregon Highway Plan* using model results based on the housing and employment distribution predicted from the *Zoning Map* (known as the “FZ” model run).



The subsequent table (Figure 12-9) itemizes the specific links highlighted with Figure 12-8. Many of the locations listed also do not meet the mobility targets with the current acknowledged *Comprehensive Plan* and TSP, as documented in baseline model results disclosed as part of periodic review Task IV. For each location, the table identifies the recommended project, study, or refinement plan associated with each location. These projects, plans, and further studies provide a mechanism for more location-specific analysis to identify the best way to make progress toward better meeting mobility targets in these locations. Because most of the projects in question have not been designed at a detailed level, there is an opportunity to do more site-specific analysis and consider further design solutions to improve the v/c at these locations.

Figure 12-9. Facilities that fail to meet Policy 1.F (Table 7) V/C ratios from the *Oregon Highway Plan* using model results based on the housing and employment distribution predicted from the *Zoning Map* (known as the “FZ” model run).

| Highway/Street/Road                                      | Location   | Response (Projects and Refinement Plans)                               |
|--|--|--|
| Facilities within the Central City*                      |  |  |
| I-405  | Broadway exit and entrance ramps                     | MMA projects, CC2035 Plan, Project #20027, CC Loop Refinement Plan     |
| I-405 NB   | Between US 26 and Salmon                             | MMA projects, CC2035 Plan, CC Loop Refinement Plan                     |
| I-5 SB   | Marquam Bridge approaching I-405 interchange         | MMA projects, CC2035 Plan, CC Loop Refinement Plan                     |
| Junction of I-405 and US 26                              | Various ramps  | MMA projects, CC2035 Plan, I-405 Safety Study                          |
| Junction of I-405 and I-5                                | Various ramps at east end of Freemont Bridge         | MMA projects, CC2035 Plan, CC Loop Refinement Plan                     |
| I-405 NB   | Kerby Street exit                                    | MMA projects, CC2035 Plan, added light at Vancouver (project complete) |
| Junction of I-5 and I-84                                 | Various ramps  | MMA projects, CC2035 Plan, CC Loop Refinement Plan, Project #20119     |
| US 26 (Sunset Hwy)                                       | Vista Tunnel   | MMA projects, CC2035 Plan  |
| I-5 SB and NB  | Various ramps connecting to and from Morrison Bridge | MMA, CC2035 Plan, CC Loop Refinement Plan                              |
| US 26 (Powell Blvd.)                                     | Between Ross Island Bridge and Milwaukie Ave.        | MMA projects, CC2035 Plan  |
| Junction of US 26 (Powell Blvd.) and US 99E (McLoughlin) | ramp from Ross Island Bridge to McLoughlin Blvd. SB  | MMA projects, CC2035 Plan, Projects #20050, 70030, 70045, 70078, 80040 |
| US 26  | Ross Island Bridge                                   | MMA projects, CC2035, Project #80039, 80040                            |

|  |                                       |   |
|--|---------------------------------------|---|
| 99E (SE Grand/MLK)                                 | Viaduct from Lincoln to Powell        | MMA projects, CC2035 Plan, Project #20050   |
| Freeways and expressways outside the Central City  |                                       |   |
| I-5 NB   | Going to Ainsworth                    | Third Track Connector Study   |
| I-5 NB   | Marine Dr. to Interstate Bridge       | Projects #30020, 30033, Hayden Island Access Study                                |
| I-84 EB  | 16 <sup>th</sup> to 32 <sup>nd</sup>  | Project #70078  |
| I-205 NB   | I-84 to over Glenn Jackson Bridge     | Interstate 205 Corridor Refinement Plan, Project #40046                           |
| Junction of I-205 and Airport Way                  | Various ramps                         | Interstate 205 Corridor Refinement Plan   |
| Junction of I-205 and NE Killingsworth             | Various ramps                         | Interstate 205 Corridor Refinement Plan, Project #40018                           |
| I-205 SB   | Killingsworth to Prescott             | Interstate 205 Corridor Refinement Plan   |
| I-205 SB   | Exit to SE Division                   | Interstate 205 Corridor Refinement Plan   |
| I-205 SB   | Powell to Foster                      | Interstate 205 Corridor Refinement Plan   |
| I-205 NB   | In vicinity of Flavel                 | Interstate 205 Corridor Refinement Plan   |
| I-205 NB   | exit ramp to SE Washington in Gateway | Interstate 205 Corridor Refinement Plan   |
| OR 99-E (SE McLoughlin Boulevard)                  | Ross Island Bridge to Center          | Project #70030, Portland-Milwaukie LRT, ODOT “Hot Spots” Refinement Plan.         |
| OR 99-E (SE McLoughlin Boulevard)                  | Reedway to Tacoma                     | Projects #70030, 70076, Portland-Milwaukie LRT, ODOT “Hot Spots” Refinement Plan. |
| Other ODOT facilities outside the Central City     |                                       |   |
| US 30 (NW Yeon)                                    | NW Nicolai to NW 26 <sup>th</sup>     | Project #60023  |
| US 30 Bypass (N Ivanhoe, N Philidephia, N Lombard) | St Johns                              | Projects #30035, 30050  |
| US 30 Bypass                                       | St Johns Bridge, and NW Bridge Ave    | North Willamette River Crossing Study   |
| US 30 Bypass (N Lombard)                           | Westanna to Foss                      | Lombard Corridor Plan, Projects #30035, 30059                                     |
| US 30 Bypass (NE Killingsworth)                    | 70 <sup>th</sup> to 82 <sup>nd</sup>  | ODOT “Hot Spot” Refinement Plan   |
| North Portland Rd                                  | At Marine Drive                       | Project #30038, Industrial Lands Access Study                                     |
| US 26 (Powell Blvd.)                               | Ross Island Bridge to Chavez          | Projects #80037, 80039,   |

|                      |  |   |
|----------------------|--|---|
|                      |  | 80040, 70045  |
| US 26 (Powell Blvd.) | I-205 to 112 <sup>th</sup>             | Projects #80015, 80032, 80035, 80037                                    |
| US 26 (Powell Blvd.) | 136 <sup>th</sup> to 168 <sup>th</sup> | Projects #80015, 80032, 80037, 80035, ODOT “Hot Spots” Refinement Plan. |
| 99W (SW Barbur)      | Bancroft to OR 10 (Capital Hwy)        | Projects #90014, 90017, 90018, 90105, 90106, 90107, SW Corridor         |
| OR 43 (SW Macadam)   | Taylor's Ferry to Sellwood Bridge      | monitor   |
| OR 43 (SW Macadam)   | At Palatine Hill Rd                    | Project #90071  |

\* This table shows the performance of Central City locations but does not yet reflect the impact of land use or project list changes being proposed with the *Central City 2035 Plan*, which will be adopted as a post-acknowledgement Plan.

#### Conclusions for 660-012-0060

These findings conclude that OAR 660-012-0060 does not apply to this periodic review ordinance. Even if it does apply, the *Zoning Map* changes being made are being made in conformance with the adopted 2035 *Comprehensive Plan Map*.

Furthermore:

- Comparing the household and job distribution predicted with the adopted *Comprehensive Plan Map* with that predicted with the *Zoning Map*, the differences are minor. This is relevant because this distribution impacts transportation patterns;
- The differences between the *Zoning Map* and the *Comprehensive Plan Map* did not introduce new problems that had not already been known during earlier (Task IV) analysis of the *Comprehensive Plan Map* and TSP, and those problems have not been made worse (as evidenced by Figure 12-6);
- The Regional Travel Demand Model Analysis results from these two distributions are virtually identical (Figure 12-5); and
- The state facilities that are expected to fail to meet state volume/capacity standards have been identified, and they correspond to locations already identified for future capital projects or studies in the recently adopted TSP (Exhibit D of Ordinance 187832). Although Figure 12-6 illustrates that the modeled outcomes we expect by building these planned projects has not fully resolved these failures, the planned projects and studies provide a mechanism to carry out further analysis and consideration of design alternatives that could address them.

**Statewide Planning Goal 13 Findings*****Goal 13. To conserve energy.***

Goal 13 requires that land use plans contribute to energy conservation. The *Growth Scenario Report* adopted with periodic review Task IV by Ordinance 187831 contains information about how energy conservation was considered in the development of the *2035 Comprehensive Plan*. For the facts and reasons stated in the finding in Exhibit A of that previously submitted task, Portland's periodic review work program requires no further actions to comply with Goal 13.

**Statewide Planning Goal 14 Findings*****Goal 14. To provide for an orderly and efficient transition from rural to urban land use, to accommodate urban population and urban employment inside urban growth boundaries, to ensure efficient use of land, and to provide for livable communities.***

Statewide Planning Goal 14, Urbanization, has several purposes, including:

- Providing orderly and efficient transitions from rural to urban land uses;
- Accommodating urban population and urban employment inside urban growth boundaries;
- Ensuring efficient use of land; and
- Providing for livable communities.

Goal 14 and its administrative rule assign most of these functions to Metro rather than the City. The City's role is limited to accepting the share of regional household and employment growth allocated by Metro, and demonstrating that this growth can be accommodated in an orderly and efficient manner that preserves and enhances livability. The template for this desired development pattern is the *Region 2040 Growth Concept*, which is carried out by Metro's *Urban Growth Management Functional Plan* (UGMFP). The growth concept emphasizes development within designated centers and corridors.

The Goal 2 analysis performed for the *Growth Scenarios Report* adopted by periodic review Task III (Ordinance 187831) provides substantial evidence that the spatial development pattern of urban jobs and housing allowed by the *2035 Comprehensive Plan Map* is compatible with the *Region 2040 Growth Concept*, ensures efficient use of urban land through infill and redevelopment opportunities, and will provide for more complete and livable communities. For the facts and reasons stated in the finding for Goals 2, 9, 10 and 12 in Exhibit A of Ordinance 87832, all requirements of Goal 14 have been met. Portland's periodic review work program requires no further actions to comply with Goal 14.

**Statewide Planning Goal 15 Findings**

***Goal 15. To protect, conserve, enhance and maintain the natural, scenic, historical, agricultural, economic and recreational qualities of lands along the Willamette River as the Willamette River Greenway.***

This ordinance does not adopt an inventory of greenway resources or uses, or adopt land use regulations that allow intensification of uses within the Greenway. For this reason, most of Goal 15 does not apply to this ordinance. Goal 15 does, however, require that the Greenway boundary be depicted in the *2035 Comprehensive Plan*. This was done with the adoption of periodic review Task IV (Ordinance 187832).

The only provision of Goal 15 applicable to this ordinance is the requirement that “Each comprehensive plan shall designate areas identified for possible public acquisition.” This ordinance adopts needed segments of the Willamette Greenway Trail as components of the “Major Public Trails” depicted on the of the *Comprehensive Plan Map* and *Zoning Map* (Exhibits B and D-9).

Portland’s periodic review work program requires no further actions to comply with Goal 15.

**Statewide Planning Goal 16, 17, 18, and 19 Findings**

Portland is not within Oregon’s coastal zone, and Goals 16, 17, 18, and 19 do not apply to this ordinance.

**Metro Coordination Findings**

Within the Portland Metropolitan area, Metro has the authority and obligation under ORS 195.025 and ORS 195.036 to coordinate the comprehensive plans of the City and 25 other incorporated municipalities, and the unincorporated urban portions of three counties with one another. Metro accomplishes this in three ways:

- Adopting a 20-year population forecast for the entire Metropolitan region;
- Allocating 20-year housing and job need numbers to each of the 29 jurisdictions; and
- Requiring each city and county plan to meet the allocated 20-year housing and job need numbers.

When all 29 governments change their plans to meet their Metro allocations, the 29 plans will be sufficiently coordinated with one another within the meaning of ORS 195.036 and Statewide Planning Goal 2.



The Metro Council adopted a new regional forecast by Ordinance 12-1292A on November 29, 2012, and the City recognized and accepted this forecast of jobs and housing through the year 2035 on June 15, 2016 (Ordinance 187831). For this reason, and for the facts and reasons included in the findings for Goals 2, 9, 10 and 14 in this ordinance, the City is in full accord with Metro's authorities and obligations under ORS 195.025 and ORS 195.036.

### **Metro Urban Growth Management Functional Plan Findings**

Under ORS 268.380 and its charter Metro has the authority to adopt regional plans and require city and county plans to comply with regional plan. Metro adopted its *Urban Growth Management Functional Plan* under this authority.

In its June 2011 update to its 2010 compliance report Metro found "The City of Portland is in compliance with all UGMFP requirements in effect on December 15, 2010, except for Title 13, Nature in Neighborhoods. On January 16, 2013, the City received a letter from Metro stating that Portland had achieved compliance with Title 13.

Most of the UGMFP requirements concern zones and land use regulations. Many of the zones and land use regulations that Metro has deemed to comply with UGMFP are not repealed or amended by this ordinance and continue in effect. Specific changes that do relate to UGMFP compliance are addressed below.

### **Urban Growth Management Functional Plan Title 1 Findings, Housing Capacity**

*The Regional Framework Plan calls for a compact urban form and a "fair-share" approach to meeting regional housing needs. It is the purpose of Title 1 to accomplish these policies by requiring each city and county to maintain or increase its housing capacity except as provided in section 3.07.120.*

This element of the regional plan limits down-zoning in the Central City and other 2040 places – specifically Regional Centers, Town Centers, 2040 Corridors, Station Communities, and 2040 Main Streets. There is a limited set of circumstances when down-zoning within these 2040-defined places may occur, including changes to address Title 4 (Industrial and Other Employment Areas), to add medical or educational facilities, and to protect natural resources.

For purposes of this title, Metro measures "minimum zoned capacity." The title is clear that individual parcels may be down-zoned, provided the impact on the citywide minimum zoned capacity is negligible.

#### **Method of Analysis**

To evaluate compliance with Title 1, GIS analysis was performed to calculate the minimum zoned capacity for Gateway; all Town Centers; Neighborhood Centers; and other 2040 Station Communities, Corridors and Main Streets. The Central City was not included in this analysis because no land use map changes have been proposed involving designations with minimum residential densities (Central City Plan Map changes will come later, as part of the *Central City*

2035 project, and will be subject to a separate analysis). Some of the City-designated Town Centers shown in the *2035 Comprehensive Plan* are not yet adopted by Metro, but most of these places are already designated 2040 Corridors, Station Communities, or 2040 Main Streets. The City-designated Neighborhood Centers are a local designation, generally equivalent to the Metro Main Street designation (not to be confused with a different use of that terminology in Metro Title 12).<sup>16</sup>

This analysis compares current minimum zoned residential capacity with the minimum zoned capacity of the new *Zoning Map* being adopted with this ordinance. The different 2040 geographies within Portland are each summarized. The analysis is focused on vacant and underutilized land identified by the City's *Buildable Lands Inventory (BLI)*. Other lots may have minimum residential density higher than current utilization, but are not considered part of the City's "capacity" to accommodate additional growth. The analysis also excluded land within adopted college and medical center campus master plan areas and public land (such as parks, schools, etc.). Some college and hospital campuses, schools, and parks are currently zoned with residential designations, but they are not functionally available to accommodate additional housing.

#### Current Minimum Density Rules

This analysis is based on current minimum densities in the Zoning Code. Figure T1-1 below summarizes current Zoning Code residential density requirements. Only residential zones have minimum residential density requirements, though housing is also allowed in commercial/mixed use zones.

The Portland Zoning Code also specifies how minimum and maximum density numbers are rounded:

- Truncate all min and max density numbers after the second decimal (3.83 if 3.839);
- For min density, round up after .5 (3.83 becomes 4);
- For results below 1.00, always round up to 1 (0.1 would become 1);
- For max density, if the result is 1.01 to 3.99, round up only after .9;
- For max density, if the result is 4.01 to 10.99, round up only after .75;
- For max density, if the result is 11.01 or greater, round up at .5; and
- For final results, truncate to the rounded whole number.

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<sup>16</sup> Maps of the relevant GIS analysis geographies were provided to City Council in a memo dated April 18, 2016, as part of a preliminary analysis conducted with periodic review Task V.

Figure T1-1. Minimum Residential Density from the Portland Zoning Code

| <b>Zoning Map Designation</b>   | <b>Minimum Residential Density<sup>1, 2</sup></b> | <b>Maximum Residential Density</b> |
|---|---|------------------------------------|
| RX  | 1 unit per 500 square feet.                       | 1 unit per 250 square feet.        |
| RH  | 1 unit per 1,000 square feet.                     | 1 unit per 500 square feet.        |
| R1  | 1 unit per 1,450 square feet <sup>3</sup>         | 1 unit per 1,000 square feet.      |
| R2  | 1 unit per 2,500 square feet.                     | 1 unit per 2,000 square feet.      |
| R3  | 1 unit per 3,750 square feet.                     | 1 unit per 3,000 square feet.      |
| R2.5  | 1 unit per 6,250 square feet.                     | 1 unit per 2,500 square feet.      |
| R5  | 1 unit per 6,250 square feet.                     | 1 unit per 5,000 square feet.      |
| R7  | 1 unit per 8,750 square feet.                     | 1 unit per 7,000 square feet.      |
| R10   | 1 unit per 12,500 square feet.                    | 1 unit per 10,000 square feet.     |
| R20   | 1 unit per 25,000 square feet.                    | 1 unit per 20,000 square feet.     |
| RF  | 1 unit per 108,900 square feet.                   | 1 unit per 87,120 square feet.     |
| Notes:<br>1) The minimum density of the portion of the site in the environmental zone, floodplain, or Landslide Hazard Area is 0.<br>2) If the minimum density is equal to the maximum density, then reduce the minimum by one.<br>3) In the R1 zone, if the site is less than 10,000 square feet in area, the minimum density is 1 unit per 2,000 square feet. |   |                                    |

Using these rules, and the City's zoning and parcel data, GIS software was used to add up the total residential minimum density of the analysis areas in question. Several maps were used in this process:

- Metro 2040 Main Streets – areas within ¼ mile;
- Metro 2040 Corridors – areas within ¼ mile;
- Metro 2040 Station Areas – areas within ¼ mile of stations;
- District Liaison Boundaries;
- Town Centers and Neighborhood Centers (with actual boundaries, including Gateway and Central City);
- Urban Services Boundary (Proposed);
- 2035 *Comprehensive Plan* designations;

- Zoning (current);
- Parcels;
- Vacant and Underutilized Land/BLI – the 2015 version;
- Environmental zones;
- Floodplains; and
- Landslide Hazard Areas.

### Analysis Results

As shown in Table 2, the citywide estimated minimum residentially-zoned capacity is 39,324 dwellings, using the current *Zoning Map*. With zoning changes made with this ordinance, that number is 33,808 (about 14 percent less).

Most of the individual geographies reported in Table 2 have negligible changes (changes of less than 50 units, or less than 5 percent). Areas with more significant decreases are generally due to one of the following two reasons:

1. Some parcels changed from residential to commercial/mixed use zoning. These changes represent a loss of minimum residentially-zoned capacity only because the City does not currently have minimum density requirements for residential development in commercial/mixed use zones. It should be noted that this change may be beneficial from the perspective of Title 6 incentives.
2. Some parcels changed from one residential zone to a lower density residential zone (for example from R7 to R10, etc.). In many cases these changes were made in response to land hazards, historic district designations, lack of supporting transportation infrastructure, and school district capacity constraints.

These reasons are noted in Figure T1-2.

Changes from residential to commercial/mixed use are not likely to result in an actual loss of zoned residential capacity because residential development is allowed in commercial/mixed use zones. In fact, between 2005 and 2014, 74 percent of development projects in Portland's commercial/mixed use zones included new residential units. These projects added 6,866 units to the City's housing supply. 3,670 of those units were in 155 different mixed use buildings, and the remainder were in entirely residential buildings. Forty of those mixed use projects were profiled in more detail in the *Mixed Use Zones Assessment Report* (October 2014). The average density of those 40 mixed use projects was 140 units/acre.

Figure T1-2. Estimated Minimum Residentially-Zoned Capacity

| Place                       | Existing Zoning | New Zoning   | Change       | % Change    | Notes   |
|-----------------------------|-----------------|--------------|--------------|-------------|---|
| <b>CENTRAL</b>              | <b>1902</b>     | <b>1902</b>  | <b>0</b>     | <b>0%</b>   |   |
| Central City                | 1902            | 1902         | 0            | 0%          |   |
| <b>EAST</b>                 | <b>19435</b>    | <b>16102</b> | <b>-3333</b> | <b>-17%</b> |   |
| Gateway Regional Center     | 3912            | 3433         | -479         | -12%        | * changes from residential to commercial/mixed use                                    |
| Midway TC                   | 570             | 515          | -55          | -10%        |   |
| Lents TC                    | 530             | 238          | -292         | -55%        | *changes from residential to commercial/mixed use                                     |
| 122nd/Hazelwood             | 1075            | 1000         | -75          | -7%         |   |
| Jade District               | 1298            | 1274         | -24          | -2%         |   |
| Division/162nd              | 351             | 219          | -132         | -38%        |   |
| Rosewood/Glenfair           | 2792            | 2543         | -249         | -9%         |   |
| Parkrose                    | 221             | 178          | -43          | -19%        |   |
| Other 2040 Areas            | 8686            | 6702         | -1984        | -23%        | *residential down-designations in DDSD  |
| <b>NORTH</b>                | <b>4031</b>     | <b>3508</b>  | <b>-523</b>  | <b>-13%</b> |   |
| St. Johns TC                | 609             | 547          | -62          | -10%        |   |
| Hayden Island               | 66              | 28           | -38          | -58%        |   |
| Kenton Lombard              | 1056            | 977          | -79          | -7%         |   |
| Mid-Lombard                 | 245             | 224          | -21          | -9%         |   |
| Other 2040 Areas            | 2055            | 1732         | -323         | -16%        | *residential down-designations  |
| <b>NORTHEAST</b>            | <b>5419</b>     | <b>4281</b>  | <b>-1138</b> | <b>-21%</b> |   |
| Hollywood TC                | 148             | 140          | -8           | -5%         |   |
| Killingsworth/Interstate TC | 1002            | 922          | -80          | -8%         |   |
| 42nd/Killingsworth          | 60              | 44           | -16          | -27%        |   |
| Alberta/MLK                 | 101             | 74           | -27          | -27%        |   |
| Cully                       | 157             | 100          | -57          | -36%        |   |
| Fremont/Williams            | 1030            | 412          | -618         | -60%        | * residential down-designations   |
| Roseway                     | 274             | 118          | -156         | -57%        |   |
| Other 2040 Areas            | 2647            | 2471         | -176         | -7%         | * residential down-designations, and changes from residential to commercial/mixed use |
| <b>SOUTHEAST</b>            | <b>6018</b>     | <b>5829</b>  | <b>-189</b>  | <b>-3%</b>  |   |
| Belmont/Hawthorne/Division  | 181             | 156          | -25          | -14%        | * changes from residential to   |

|                          |              |              |              |             |   |
|--------------------------|--------------|--------------|--------------|-------------|---|
|                          |              |              |              |             | commercial/mixed use  |
| Heart of Foster          | 7            | 2            | -5           | -71%        |   |
| Kerns                    | 324          | 227          | -97          | -30%        |   |
| Montavilla               | 252          | 252          | 0            | 0%          |   |
| NE 60th/North Tabor      | 228          | 428          | 200          | +88%        | *Up-zoning  |
| Powell/Creston           | 194          | 210          | 16           | +8%         |   |
| Sellwood/Moreland        | 91           | 84           | -7           | -8%         |   |
| Woodstock                | 69           | 72           | 3            | +4%         |   |
| Other 2040 Areas         | 4762         | 4398         | -274         | -6%         |   |
| <b>WEST<sup>17</sup></b> | <b>2519</b>  | <b>2186</b>  | <b>-333</b>  | <b>-13%</b> |   |
|                          |              |              |              |             | * Some zoning changed from residential to mixed use or employment |
| Northwest District       | 622          | 470          | -152         | -24%        |   |
| Hillsdale TC             | 0            | 0            | 0            | 0%          |   |
| West Portland TC         | 0            | 0            | 0            | 0%          |   |
| Macadam                  | 203          | 139          | -64          | -32%        |   |
| Multnomah Village        | 0            | 0            | 0            | 0%          |   |
| Other 2040 Areas         | 1694         | 1577         | -117         | -7%         |   |
| <b>TOTAL</b>             | <b>39324</b> | <b>33808</b> | <b>-5516</b> | <b>-14%</b> |   |

### Title 1 Conclusions

The conversion of some residential land to mixed use land in the 2035 *Comprehensive Plan* appears to reduce residential capacity. To ensure and reinforce the City's ability to meet Title 1, this ordinance adopts minimum density requirements with commercial/mixed use zones when residential units are included in a project (Figure T1-3). These requirements will not preclude all-commercial projects, but they will ensure that commercial/mixed use land is not under-built when residential development does occur.

Figure T1-4 examines the impact of this new zoning requirement. The result in mixed use zones was multiplied by 74 percent to reflect recent (5-year) building permit history, where 74 percent of projects include residential units and 26 percent are purely commercial buildings. As Table 4 shows, gains from adding minimum residential density requirements to commercial/mixed use zones are greater than the loss from reduced minimum residentially-zoned capacity from other *Zoning Map* changes.

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<sup>17</sup> Some geographies in West Portland have no minimum density because they are within the mapped Landslide Hazard Area, or partially within the environmental overlay zone or floodplain. The Portland Zoning Code exempts these areas from minimum residential density requirements.

Figure T1- 3. New Mixed Use Minimum Density (33.130.207, in Exhibit E)

| Mixed Use/Commercial Zone | Minimum Residential Density                   |
|---------------------------|---|
| CX, CE                    | None  |
| CM3                       | 1 unit per 1,000 square feet (the same as RH) |
| CM2                       | 1 unit per 1,450 square feet (the same as R1) |
| CM1, CR                   | None  |

Figure T1- 4. Estimated Minimum Residentially-Zoned Capacity  
(including new Mixed Use minimum density requirement)

| Place                       | Existing Zoning | New Zoning   | Change      | % Change    | Notes |
|-----------------------------|-----------------|--------------|-------------|-------------|-------|
| <b>CENTRAL</b>              | <b>1902</b>     | <b>1902</b>  | <b>0</b>    | <b>0%</b>   |       |
| Central City                | 1902            | 1902         | 0           | 0%          |       |
| <b>EAST</b>                 | <b>19435</b>    | <b>23630</b> | <b>4195</b> | <b>22%</b>  |       |
| Gateway Regional Center     | 3912            | 3910         | -2          | 0%          |       |
| Midway TC                   | 570             | 1390         | 820         | 144%        |       |
| Lents TC                    | 530             | 2047         | 1517        | 286%        |       |
| 122nd/Hazelwood             | 1075            | 1923         | 848         | 79%         |       |
| Jade District               | 1298            | 2354         | 1056        | 81%         |       |
| Division/162nd              | 351             | 225          | -126        | -36%        |       |
| Rosewood/Glenfair           | 2792            | 2876         | 84          | 3%          |       |
| Parkrose                    | 221             | 599          | 378         | 171%        |       |
| Other 2040 Areas            | 8686            | 8306         | -380        | -4%         |       |
| <b>NORTH</b>                | <b>4031</b>     | <b>7020</b>  | <b>2989</b> | <b>74%</b>  |       |
| St. Johns TC                | 609             | 1060         | 451         | 74%         |       |
| Hayden Island               | 66              | 28           | -38         | -58%        |       |
| Kenton/Lombard              | 1056            | 1789         | 733         | 69%         |       |
| Mid-Lombard                 | 245             | 497          | 252         | 103%        |       |
| Other 2040 Areas            | 2055            | 3646         | 1591        | 77%         |       |
| <b>NORTHEAST</b>            | <b>5419</b>     | <b>11808</b> | <b>6389</b> | <b>118%</b> |       |
| Hollywood TC                | 148             | 892          | 744         | 503%        |       |
| Killingsworth/Interstate TC | 1002            | 1697         | 695         | 69%         |       |
| 42nd/Killingsworth          | 60              | 171          | 111         | 185%        |       |
| Alberta/MLK                 | 101             | 834          | 733         | 726%        |       |
| Cully                       | 157             | 358          | 201         | 128%        |       |
| Fremont/Williams            | 1030            | 1809         | 779         | 76%         |       |
| Roseway                     | 274             | 721          | 447         | 163%        |       |
| Other 2040 Areas            | 2647            | 5326         | 2679        | 101%        |       |
| <b>SOUTHEAST</b>            | <b>6018</b>     | <b>12732</b> | <b>6714</b> | <b>112%</b> |       |
| Belmont/Hawthorne/Division  | 181             | 949          | 768         | 424%        |       |

|                          |              |              |              |            |
|--------------------------|--------------|--------------|--------------|------------|
| Heart of Foster          | 7            | 520          | 513          | 7329%      |
| Kerns                    | 324          | 1179         | 855          | 264%       |
| Montavilla               | 252          | 999          | 747          | 296%       |
| NE 60th/North Tabor      | 228          | 558          | 330          | 145%       |
| Powell/Creston           | 194          | 858          | 664          | 342%       |
| Sellwood/Moreland        | 91           | 221          | 130          | 143%       |
| Woodstock                | 69           | 344          | 275          | 399%       |
| Other 2040 Areas         | 4762         | 7104         | 2432         | 52%        |
| <b>WEST<sup>18</sup></b> | <b>2519</b>  | <b>4409</b>  | <b>1890</b>  | <b>75%</b> |
| Northwest District       | 622          | 1559         | 937          | 151%       |
| Hillsdale TC             | 0            | 0            | 0            | 0%         |
| West Portland TC         | 0            | 0            | 0            | 0%         |
| Macadam                  | 203          | 397          | 194          | 96%        |
| Multnomah Village        | 0            | 0            | 0            | 0%         |
| Other 2040 Areas         | 1694         | 2453         | 759          | 45%        |
| <b>TOTAL</b>             | <b>39324</b> | <b>61501</b> | <b>22177</b> | <b>56%</b> |

The above analysis demonstrates that with the above-described code amendment, the new *Zoning Map* increases the City's minimum residential density by more than 50 percent.

### **Urban Growth Management Functional Plan Title 2 Findings**

Title 2 addressed parking policy, but was repealed when similar provisions were added to the RTP. The former Title 2 does not apply to this ordinance.

### **Urban Growth Management Functional Plan Title 3 Findings, Water Quality and Flood Management**

*To protect the beneficial water uses and functions and values of resources within the Water Quality and Flood Management Areas by limiting or mitigating the impact on these areas from development activities and protecting life and property from dangers associated with flooding.*

Title 3 addresses water quality and flood management. The City has adopted overlay zones and land use regulations that, in the June 2011 update to its 2010 compliance report, Metro found sufficient to comply with Title 3. This ordinance does not change any of these overlays or

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<sup>18</sup> Some geographies in West Portland have no minimum density because they are within the mapped Landslide Hazard Area, or partially within the environmental overlay zone, or floodplain. The Portland Zoning Code exempts these areas from minimum residential density requirements.



regulations, nor does it adopt policy that would require such changes. Title 3 does not apply to this ordinance.

### **Urban Growth Management Functional Plan Title 4 Findings, Industrial and Other Employment Areas**

***The Regional Framework Plan calls for a strong regional economy. To improve the economy, Title 4 seeks to provide and protect a supply of sites for employment by limiting the types and scale of non-industrial uses in Regionally Significant Industrial Areas (RSIAs), Industrial and Employment Areas.***

The purpose of Title 4 is to maintain a regional supply of existing industrial and employment land by limiting competing uses for this land. Metro has not adopted a Statewide Planning Goal 9 economic opportunities analysis for the region, so Title 4 is not based on an assessment of the land needed for various employment types, nor do the Title 4 maps necessarily depict lands most suitable to accommodate future job growth. Rather, Title 4 seeks to protect the manufacturing, warehousing, and distribution of goods within three types of mapped areas by limiting competing uses. These three areas are Regionally Significant Industrial Areas (RSIAs), Industrial Areas, and Employment Areas. They were identified in 2004 from clusters of existing industrial and employment uses. Industrial clusters with multi-modal freight handling infrastructure were designated as RSIAs.

Identified competing uses include retail commercial uses (such as stores and restaurants), and retail and professional services that cater to daily customers (such as financial, insurance, real estate, legal, medical, and dental offices, schools, places of assembly, and parks). Limitations on competing uses are most strict within RSIAs, slightly less strict within the Industrial Areas, and least stringent within Employment Areas. Title 4 places no limitations on residential, farm, forest or open space uses in any of the three mapped areas, provided designated open spaces are not developed into parks, schoolyards or athletic fields.

Title 4 encourages the location of retail and commercial uses in Centers, Corridors, Main Streets and Station Communities, and thus works in tandem with Title 6 to support the desired future settlement pattern depicted in the *Region 2040 Growth Concept*. Title 4 was adopted in 2004 and required Portland to achieve initial compliance by 2007 and by 2010 for additional restrictions on parks and places of assembly.

All previous Metro compliance reports have determined that land in Portland within an “Industrial Sanctuary” *Comprehensive Plan Map* designation meets all Title 4 requirements for mapped RSIA Land and Industrial Land. Similarly, all land in Portland within a General Employment *Comprehensive Map* designation meets Title 4 requirements for Employment Areas. The annual Metro compliance reports for 2010 through 2015 were included in the record for periodic review Task IV (Ordinance 187832). The last report for 2015 was prepared in March of 2016. Each of these reports finds Portland’s *Zoning Map* and *Zoning Code* complies with Title 4, with its existing *Zoning Map* and *Zoning Code*.

A new *Comprehensive Plan Map* was adopted with periodic review Task IV (Exhibit C of Ordinance 187832). Exhibit A of Ordinance 187832 contained findings explaining how the various land use designations shown in the new *Comprehensive Plan Map* comply with Title 4, provided the zones adopted by this ordinance either correspond or are otherwise allowed by the designations on new *Comprehensive Plan Map*. The distinction between plan and zone designations was made in the earlier findings because the Metro compliance reports were based on zone rather than plan designations and on land use regulations rather than plan policy.

The Metro compliance determinations examined whether City land use regulations limited retail and certain commercial uses to the extent required by Title 4. In particular, Metro evaluated whether certain uses identified in Title 4 as competing or interfering with employment and industrial uses were sufficiently limited by land use regulations associated with the City's industrial and general employment zones.

In its comments on Ordinance 187832 Metro noted that new *Comprehensive Plan* Policy 10.2, along with Figure 10-1, identifies certain mixed use zones (CM1, CM2, CM3 and CE) as non-corresponding but nevertheless allowed zones within the City's Mixed Employment *Comprehensive Plan Map* designation. To resolve this conflict, this ordinance amends the 2035 *Comprehensive Plan* to remove the CM1, CM2, CM3 and CE zones from the list of allowed zones in the City's Mixed Employment *Comprehensive Plan Map* designation. This is a largely housekeeping change because the City had not mapped any of these zones on land with the Mixed Employment designation. This means that there are no conflicts between the amended Zoning Map and Title 4. Additionally, the zones not amended by this ordinance have already been determined to comply with Title 4 by the annual Metro compliance reports the *Zoning Map*, as amended by this ordinance, continues to comply with Title 4 of the *Urban Growth Management Functional Plan*.

Like the *Zoning Map*, the land use regulations associated with the City's industrial and employment zones were determined to comply with Title 4 in the annual Metro compliance reports for 2010 through 2015. None of the amended land use regulations for the industrial and general employment zones adopted in Exhibit E of this ordinance allow uses that are either not allowed by Title 4 or allowed in amounts greater than those allowed by Title 4. In many cases the City's regulations are more protective of industrial employment land than Title 4. For example, residential uses are not explicitly restricted in Metro employment areas (although arguably contrary to the purpose of Title 4). Under the City's amended regulations residential uses in the general employment zones are explicitly no longer allowed. Similarly, retail facilities up to 60,000 square feet are expressly allowed in Metro employment areas, but under the City's amended regulations for its general employment zones retail facilities larger than 20,000 square feet are no longer allowed. These changes were made, going beyond Title 4 requirements, to ensure an adequate land supply under Goal 9.

This ordinance also exceeds the requirements of Title 4 by adopting a "Prime Industrial Land" overlay zone as mapped in Exhibit D-2 and as regulated in Exhibit E. This overlay is also described in the findings for Statewide Planning Goal 9 above. The overlay regulations prohibit quasi-judicial *Comprehensive Plan Map* amendments in prime industrial areas and reduce the type and amount of non-industrial uses allowed in the prime industrial areas. These restrictions

apply in addition to the regulations of the base zones. The additional overlay regulations restrict parks to no more than two acres, restrict commercial outdoor recreation to no more than 20,000 square feet, and prohibit major event entertainment and self-service storage. These overlay regulations both exceed the requirements of Title 4 help assure that there is no inconsistency between the industrial zones and Title 4.

For the facts and reasons stated above, the *Zoning Map* and the *Zoning Code*, as amended by this ordinance, continue to comply with Title 4 of the regional *Urban Growth Management Functional Plan*.

### **Urban Growth Management Functional Plan Title 5 Findings**

Title 5 addressed neighbor cities and rural reserves, but was repealed. The former Title 5 does not apply to this ordinance.

### **Urban Growth Management Functional Plan Title 6 Findings, Centers, Corridors, Station Communities and Main Streets**

*The Regional Framework Plan identifies Centers, Corridors, Main Streets and Station Communities throughout the region and recognizes them as the principal centers of urban life in the region. Title 6 calls for actions and investments by cities and counties, complemented by regional investments, to enhance this role.*

Title 6 establishes eligibility criteria for certain regional investments, and the use of more flexible trip generation assumptions when evaluating transportation impacts. Title 6 also contains aspirational activity level targets for different Metro 2040 place types. There are no specific mandatory compliance standards in Title 6 that apply to this ordinance.

### **Urban Growth Management Functional Plan Title 7 Findings, Housing Choice**

*The Regional Framework Plan calls for establishment of voluntary affordable housing production goals to be adopted by local governments and assistance from local governments on reports on progress towards increasing the supply of affordable housing. It is the intent of Title 7 to implement these policies of the Regional Framework Plan.*

Title 7 addresses housing choice. Metro adopted voluntary affordable housing goals for each city and county in the region for the years 2001 to 2006, but never updated them. Since this ordinance adopts implementation measures for the planning period of 2015 to 2035, Title 7 does not apply. Nevertheless, the recently adopted *2035 Comprehensive Plan* adopts affordable housing production goals that greatly exceed those adopted by the outdated Title 7 (Ordinance 178832).

**Urban Growth Management Functional Plan Title 8 Findings, Compliance Procedures**

Title 8 addresses compliance procedures. This Title requires the City to notify Metro of pending land use decisions by providing Metro a copy of the 35-day notice required by the DLCD for proposed completion of a periodic review task. This notice was provided to Metro. Title 8 also requires the City to provide findings of compliance with the *Urban Growth Management Functional Plan*. The findings in this ordinance were also provided to Metro. All applicable requirements of Title 8 have been met.

**Urban Growth Management Functional Plan Title 9 Findings, Performance Measures**

Title 9 addressed performance measures, but was repealed. The former Title 9 does not apply to this ordinance.

**Urban Growth Management Functional Plan Title 10 Findings, Definitions**

Title 10 contains definitions. Whenever the City had a question about a term in the *Urban Growth Management Functional Plan*, the definition in Title 10 was applied. When the measures adopted by this ordinance use a term found in Title 10, either the term has the same meaning found in Title 10 or the difference is explained in these ordinance findings. All applicable requirements of Title 10 requirements have been met.

**Urban Growth Management Functional Plan Title 11 Findings, Planning for New Urban Areas**

Title 11 addresses planning for new urban areas. Since no areas added to the urban growth boundary or designated as urban reserves have been assigned to Portland by Metro for planning, Title 11 does not apply to this ordinance.

**Urban Growth Management Functional Plan Title 12 Findings, Protection of Residential Neighborhoods**

*Existing neighborhoods are essential to the success of the 2040 Growth Concept. The intent of Title 12 of the Urban Growth Management Functional Plan is to protect the region's residential neighborhoods. The purpose of Title 12 is to help implement the policy of the Regional Framework Plan to protect existing residential neighborhoods from air and water pollution, noise, and crime and to provide adequate levels of public services.*

Title 12 addresses protection of residential neighborhoods. This title largely restricts Metro's authority to plan and regulate, but does allow City designation of "Neighborhood Centers." The City has not exercised the option to designate neighborhood centers within the meaning of Title

12, but has employed the same term with a different meaning. The areas designated as a Neighborhood Center on the recently adopted 2035 *Comprehensive Plan* map are functionally equivalent to a “Main Street” designation within Title 6. Since the City has not employed any of the optional provisions of Title 12, the title does not apply to this ordinance.

### **Urban Growth Management Functional Plan Title 13 Findings, Nature in Neighborhoods**

*The purposes of this program are to (1) conserve, protect, and restore a continuous ecologically viable streamside corridor system, from the streams’ headwaters to their confluence with other streams and rivers, and with their floodplains in a manner that is integrated with upland wildlife habitat and with the surrounding urban landscape; and (2) to control and prevent water pollution for the protection of the public health and safety, and to maintain and improve water quality throughout the region.*

Title 13 addresses nature in neighborhoods. The City adopted a new *Natural Resources Inventory* by Ordinance 185657, and this inventory was approved as a completed periodic review task by LCDC Order 001850. On January 16, 2013, the City received a letter from Metro which stated that Portland, upon adoption of this inventory, had also achieved compliance with Title 13.

The LCDC and Metro-approved inventory identified the location, quantity and quality of various natural resources, and determined their significance – including identification of significant fish and wildlife habitat areas and riparian areas regulated by Title 13. In addition to the approved inventory, 2035 *Comprehensive Plan* adopted with periodic review Task IV included policies that provide guidance for further refinement plans.

West Hayden Island is a Habitat Conservation Area within the meaning of Title 13. Title 13 states: “The City of Portland shall develop a District Plan that complies with Metro Code Section 3.07.1330(B)(4)(a), in cooperation with the Port of Portland, that applies to West Hayden Island.” The City prepared such a plan with Port participation, but it was withdrawn from Council consideration when the Port objected to its adoption.

Metro Code 3.07.1330(B)(4)(a) allows the adoption of a plan that either complies with Metro Code Section 3.07.1330(B)(1) or Metro Code Section 3.07.1330(B)(2). On January 16, 2013 the City received a letter from Metro stating that Portland had achieved compliance with Title 13 by adoption of an inventory of maps that “substantially comply with the Metro Habitat Conservation Areas Map” as required by the Section 3.07.1330(B)(2) option. These maps were also adopted as official *Comprehensive Plan* supporting documents as part of periodic review Task II.

Because this ordinance leaves in place the unchanged land use regulations and inventories previously determined to comply with Title 13, and because no provision in this ordinance makes changes to these inventories and land use regulations, all applicable requirements of Title 13 have been met.

**Urban Growth Management Functional Plan Title 14 Findings, Urban Growth Boundary**

Title 14 addresses the regional urban growth boundary. Since this ordinance does not require, nor initiate, a boundary change, Title 14 does not apply.

**Summary, Urban Growth Management Functional Plan Findings**

The Metro Title 10 definition of comply or compliance means “substantial” rather than absolute compliance. “Substantial compliance” means city and county comprehensive plans and implementing ordinances, on the whole, conform with the purposes of the performance standards in the functional plan and any failure to meet individual performance standard requirements is technical or minor in nature.

For the facts and reasons stated above this ordinance substantially complies with all *Urban Growth Management Functional Plan* requirements applicable to Task V of Portland’s periodic review work program.

**Metro Regional Transportation Functional Plan (RTFP, Chapter 3.08)**

The *Regional Transportation Plan (RTP)* establishes an outcomes-based framework that is performance-driven and includes policies, objectives and actions that direct future planning and investment decisions to consider economic, equity, and environmental objectives.

The principal performance objectives of the RTP are improved public health, safety and security for all; attraction of jobs and housing to downtowns, main streets, corridors and employment areas; creating vibrant, livable communities, sustaining the region’s economic competitiveness and prosperity; efficient management to maximize use of the existing transportation system; completion of the transportation system for all modes of travel to expand transportation choices; increasing use of the transit, pedestrian and bicycle systems; ensuring equity and affordable transportation choices; improving freight reliability; reducing vehicle miles traveled and resulting emissions; and promoting environmental and fiscal stewardship and accountability.

The *Regional Transportation Functional Plan (RTFP)* implements the Goals and Objectives in section 2.3 of the RTP and the policies of the RTP and its constituent freight, high-capacity transit, and transportation system management and operations plans which cities and counties of the region will carry out in their comprehensive plans, transportation system plans (TSPs), other land use regulations, and transportation project development.

Local implementation of the RTP is intended to result in a more comprehensive approach for implementing the *2040 Growth Concept*, help communities achieve their aspirations for growth, support current and future efforts to achieve the principal objectives of the RTP, and address climate change. The RTFP is intended to be consistent with federal law that applies to Metro in its role as a metropolitan planning organization, the Oregon Transportation Plan, and Statewide Planning Goal 12 (Transportation) and its Transportation Planning Rule (TPR). If a TSP is

consistent with this RTFP Metro deems it consistent with the RTP.

### **Regional Transportation Functional Plan Title 1, System Design**

Title 1 addresses street, transit, freight, bicycle and pedestrian system design, green street design, street connectivity, bicycle and pedestrian connections to the transit system, modal plans, and system management.

Street designs in the already adopted *Portland Design Guide for Public Street Improvements* (October 1993) are generally consistent with Metro standards. This document provides detailed design and engineering specifications, and is used in tandem with street functional and design classifications, which provide guidance on the specific elements that must be accommodated in specific locations. Portland's existing TSP contains master street plans for areas that do not meet Metro connectivity standards. These plans are being carried over into the new TSP, and have been further refined with this ordinance (Exhibit F, Section 9).

The TSP project list adopted with periodic review Task IV includes a large number of projects that provide better pedestrian and bike connections to transit.

The City's existing zoning code includes design standards that regulate the orientation of buildings to the street and limit the location of parking lots and auto-oriented uses. These standards are being updated through the commercial/mixed use zoning rewrite adopted with this ordinance (Exhibit E, 33.130.215, .230, .240, .242, .and .260).

The City has existing adopted modal plans for transit,<sup>19</sup> freight, bikes, and pedestrians. The 2035 *Comprehensive Plan* and TSP adopted with periodic review Task IV incorporated goals and policies from the 2011 *Bicycle Plan for 2030*. Corresponding changes to bike classifications are being adopted with this ordinance (Exhibit F, Sections 4 and 5). The freight and pedestrian plans were adopted in 2006 and 1998, respectively, and have previously been incorporated into the TSP. Those plans are carried forward as part of the new TSP, but have not been changed. Updates to the modal plans are anticipated as a post-acknowledgement amendment at some time after 2017. Policies 9.17 through 9.40 in the recently adopted 2035 *Comprehensive Plan* provide high level mode-related policies to guide that work. The City is working toward a future update of its transit plans by initiating coordination with Trimet through its Service Enhancement process, through a pending new memorandum of understanding,<sup>20</sup> and through several studies that are in progress (Growing Transit Communities Plan, and the Enhanced Transit Corridors Study).

The 2035 *Comprehensive Plan* and TSP takes a system management approach rather than proposing construction of new roadway capacity. The TSP project list adopted with periodic

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<sup>19</sup> The master street plan for transit in the TSP, which will be updated in Stage 3, serves as the city's modal plan for transit. Cities are not required to have a stand-alone plan, but do need a plan/map in the TSP.

<sup>20</sup> See Letter of Intent signed September 1, 2015

review Task IV contains a number of ITS projects to manage the existing system better through signal technology and live information about traffic conditions. Expanded TDM programs are also promoted through policy (Policies 9.52-9.54), and with new zoning requirements adopted with this ordinance (Exhibit E, 33.266; Exhibit F, Section 14).

Title 1 also addresses Green Street Elements (3.08.110.A.2). The City's existing development regulations comply with these requirements because the City has adopted standards for incorporation of green elements into public and private streets (17.38, 33.654, and the *BDS Admin Rule for Private Rights-of-Way - Streets, Alleys, Shared Courts, Common Greens and Pedestrian Connections*). These standards, developed to ensure compliance with federal water quality mandates, include requirements to include green features in streets such as vegetated swales, planters, street trees, and pervious pavement.

In conclusion, the zoning code and TSP amendments adopted with this ordinance meets RTFP Title 1 because:

- Already adopted street design standards are generally consistent with Metro standards;
- The City had existing street classifications and street plans, and is adopting updated bike classifications with this ordinance;
- The new commercial/mixed use zoning code adopted with this ordinance includes design standards that regulate the orientation of buildings to the street, require pedestrian connections, and limit the location of parking lots and auto-oriented uses, and;
- City has an existing suite of modal plans that have already been deemed to meet the requirements of this Title.

### **Regional Transportation Functional Plan Title 2, TSP Updates**

Title 2 describes certain elements that must be included and standards that apply when a City updates its TSP. This Title is applicable because this ordinance includes updates to the TSP. In particular, this ordinance adopts list of Refinement Plans and Studies (Exhibit F, Section 12), which is an element of how the TSP aims to resolve traffic problems identified in transportation system modeling.

Table 3.08-2 of the RTFP contains the same mobility standards described in Policy 1F of the *Oregon Highway Plan*. The Goal 12 findings above are therefore also applicable to documentation of RTFP compliance. The RTFP applies these targets to state facilities and to other regional facilities shown on Figure 2-7 of the RTP. As a supplement to the *Oregon Highway Plan* findings, all non-ODOT City streets on Figure 2-7 have been evaluated.

Figure RTP-1 below identifies the links (in addition to the ODOT facilities listed in Goal 12 findings) that will not meet mobility targets, based on the modeling described earlier in those



Goal 12 findings. For each location, the table identifies the recommended TSP project, study, or refinement plan associated with each location. While these projects, plans, and studies do not resolve these problems, they provide a mechanism for more location-specific analysis to identify the best way to make progress toward better meeting mobility targets in these locations.

Figure RTP - 1. Additional regionally-important facilities that do not meet Table 3.08-2 mobility targets (in addition to the state facilities identified in Goal 12 findings)

| Street/Road                    | Location                              | Response (Projects and Studies)                        |
|--------------------------------|---------------------------------------|--|
| Morrison Bridge                | various approach ramps                | MMA projects, CC2035 Plan, Project #20117              |
| Hawthorne Bridge               | Approach ramps and bridge             | MMA projects, CC2035 Plan                              |
| NE Couch                       | NE Sandy to 11 <sup>th</sup>          | Streetcar Project                                      |
| NE Martin Luther King Jr. Blvd | Hancock to Freemont                   | Streetcar Project                                      |
| NE Sandy Blvd.                 | 47 <sup>th</sup> to 50 <sup>th</sup>  | Projects #40068, 40069                                 |
| NE Killingsworth               | Kerby to Vancouver                    | Project #30028   |
| NE Halsey                      | 86 <sup>th</sup> to 102 <sup>nd</sup> | Project #40086.2                                       |
| NE Glisan                      | 60 <sup>th</sup> to 99 <sup>th</sup>  | NE Glisan Study, Projects #70059, 70079                |
| NE 33 <sup>rd</sup> Ave.       | Broadway to Freemont                  | Monitor  |
| W. Burnside                    | at Barnes Road                        | Project #60006   |
| E. Burnside                    | 60 <sup>th</sup> to Thornburn         | Project #70010   |
| SE Foster Rd.                  | 51 <sup>st</sup> to 82 <sup>nd</sup>  | Project #70021, 70047                                  |
| SE Foster Rd.                  | 122nd to City boundary                | Pleasant Valley Area Study                             |
| SE Tacoma                      | Sellwood Bridge to McLoughlin         | Project #70055, 70057                                  |
| NE Airport Way                 | At I-205 interchange                  | Agreement with Trimet on improved frequent service bus |

Solutions identified in the TSP project list adopted with periodic review Task IV emphasize system management, TDM, transit, bicycle, and pedestrian improvements. This was described in the Goal 12 findings above. Land use strategies have also been used to create a more walkable, bike-able, and transit-friendly urban form. In particular, the land use plan's emphasis on focusing growth in identified centers helps ensure more destinations are within walking distance of every household (Exhibit D).

The TSP includes performance targets consistent with those in the RTP/RTFP. Transportation policies and TSP objectives include reference to Metro's Interim Regional Mobility Policy, and the City is adopting modal targets. Title 2 identifies several performance measures that must be incorporated into the TSP, including those that address mode splits, mobility and congestion, safety, vehicle miles traveled per capita, and freight reliability.

The recently adopted *2035 Comprehensive Plan* includes policies to meet or exceed Metro's modal and VMT targets (Policy 9.5). Portland has previously adopted through resolution a

citywide goal that 70 percent of commute trips occur through walking, biking, transit, carpooling, or telecommute.<sup>21</sup> In addition, the specific modal targets are being integrated into the TSP as an objective (Exhibit F, Section 10). As described above in findings under Goal 12 and the TPR, single occupancy vehicle mode share declines with the recently adopted 2035 *Comprehensive Plan* and with the implementation measures adopted with this ordinance, while bicycle, walking, and transit mode shares increase.

The recently adopted 2035 *Comprehensive Plan* includes Goal 9A, which sets a target of zero traffic-related fatalities and serious injuries. This ordinance also incorporates regional interim mobility standards into the TSP (Exhibit F, Section 10).

With this ordinance the City is adopting specific objectives to supplement Policy 9.5, to establish modal targets for transit (25 percent), cycling (25 percent), walking (7.5 percent), and carpooling (10 percent). The City may also choose to adopt targets for working at home/telecommuting in the future.

Title 2 also requires consideration of the needs of environmental justice populations. During periodic review Task IV, the City took several steps to examine equity and potential impacts on environmental justice populations. As an element of the *Growth Scenarios Report* (Exhibit K of Ordinance 187831), the City developed a study and a set of maps to assess gentrification and displacement risk.<sup>22</sup> This study incorporated a number of different demographic datasets, as well as rates of demographic change and real estate conditions. Demographic risk factors included presence of communities of color, renters, people with lower educational attainment, and households with lower incomes. The mapping used in this study was updated a number of different times during the project. It was used as a tool to understand which land use decisions and projects would be most likely to impact vulnerable populations (either positively or negatively). During development of the TSP project list (adopted with periodic review Task IV), this data was used as an element of project ranking.<sup>23</sup> Projects that improve safety, access (opportunity and neighborhood), and/or health for underserved populations (low-income, people of color, seniors, and youth) received additional points in the ranking and were therefore more likely to become projects listed on the financially-constrained project list. The emphasis on safety, access, and opportunity in this evaluation was intended to emphasize that the project must benefit a community, rather than receiving points for simply passing through a community. For example, sidewalk improvements to improve access to schools and transit in a community was identified as a benefit because the facility would serve the local population directly. A rail project or arterial road project that simply passed through a community was not awarded these points. Negative points were given to projects that may have a negative local health impact on such communities.

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<sup>21</sup> *Climate Action Plan and Portland Plan*

<sup>22</sup> *Gentrification and Displacement Study: implementing an equitable inclusive development strategy in the context of gentrification*. Commissioned by City of Portland Bureau of Planning and Sustainability. Authored by Lisa K. Bates, PhD., Updated: 05/18/13.

<sup>23</sup> *TSP Major Projects Performance Report*, March 2015.

In conclusion, this ordinance meets RTFP Title 2 because:

- System needs have been identified as described in earlier Goal 12 and TPR findings, based on an analysis of gaps and deficiencies;
- Analysis has been based on growth assumptions which are aligned with Metro as directed in the City's periodic review work order;
- Through modeling the City has identified locations within the regional network that may fail to meet regional mobility standards in 2035, and the TSP includes projects, studies and refinement plans to consider appropriate remedies or other system management responses;
- Solutions identified in the adopted TSP project list emphasize system management, TDM, transit, bicycle, and pedestrian improvements, and land use strategies;
- The project selection and ranking criteria included consideration of environmental justice populations (documented in the record associated with periodic review Task IV);
- Regional mobility corridors have been considered in the City's analysis and evaluation; and
- The TSP amendments adopted with this ordinance include updated performance targets and related policies consistent with those in the RTP/RTFP (Exhibit F, Section 10).

### **Regional Transportation Functional Plan Title 3, Projects**

Title 3 requires the City to identify the location and general description/parameters of planned facilities. This requirement was fulfilled with the adoption of periodic review Task IV because the project list was mapped, and includes project descriptions/parameters, estimated costs, and timeframes.

### **Regional Transportation Functional Plan Title 4, Parking Management**

Title 4 requires cities to establish parking ratios within a specified range (minimums and maximums) in their development codes. This Title also requires that cities establish minimum bicycle parking requirements, and requires certain design standards for large parking areas. The title also requires parking management plans and policies in centers and station communities.

The City has previously adopted regulations into its development codes that comply with this title, including parking minimums and maximums within the required ranges, bicycle parking requirements, and design regulations for large parking-oriented developments.

As an element of this ordinance the City is updating a variety of development regulations, including commercial mixed use zoning codes and parking regulations. These were discussed in more detail in findings in response to Goal 12 (OAR 660-012-0045).

- Changes to off-street parking requirements, removing those requirements for residential buildings close to frequent transit (Exhibit E, 33.266.110).
- New maximum parking ratios are also applied to residential development.
- Parking code changes are also included to allow greater use of shared parking and commercial paid parking (Exhibit E, 33.266.100 and 33.130.100.B.9).

This ordinance also directs City agencies to proceed with further development of new parking management programs and a toolkit for fast-growing mixed use centers and station areas.

#### **Regional Transportation Functional Plan Title 5, Comprehensive Plans**

This Title includes requirements for amendments to comprehensive plans. It requires cities to consider certain strategies, including, transportation system management, transportation demand management, transit improvements, bike improvements, pedestrian improvements, traffic calming, land use, connectivity, and capacity. These strategies were considered, and are incorporated into the City's plans as part of periodic review Task IV (Ordinance 187832).

#### **Regional Transportation Functional Plan Title 6, Compliance**

Title 6 describes RTFP compliance procedures. The RTFP was adopted in 2010, and last amended in 2012. The City's current periodic review order was initiated in 2007, the same year that the City's existing TSP was last amended. Since then, the City has worked with Metro to coordinate periodic review compliance with updates to the RTP. The City participated in the 2014 RTP update (which occurred mid-process in relation to the City's periodic review project), and is participating in the 2018 RTP update (which will presumably be adopted after the City's periodic review acknowledgement). Metro has been notified of hearings and various milestones of project development.

The following checklist has been developed in coordination with Metro as a tool to document compliance with the RTFP.

Figure RTP - 2. Metro Checklist

| Regional<br>Transportation<br>Functional Plan<br>Requirement        | Local TSP Reference   |
|---|---|
| <b>Title 1: Transportation System Design</b>                        |   |
| Title 1, Street System Design Sec 3.08.110A(1) – Complete Streets   | <p>TSP Stage 1 (PR Task IV):<br/>Comp Plan Policy 9.1, 9.2, 9.6, 9.13 to 9.15</p> <p>TSP Stage 2 (this ordinance, PR Task V – Exhibit F, Section 2):<br/>Objective 8.1.D</p>  |
| Title 1, Street System Design Sec 3.08.110A(2) – Green Streets      | <p>TSP Stage 1 (PR Task IV): Comp Plan Policy 9.1, 9.15</p> <p>TSP Stage 2 (this ordinance, PR Task V – Exhibit F, Section 2):<br/>Objectives 8.1.D, M, O, and P</p> <p>Existing City Code<br/>17.38, Stormwater Management</p> <p>33.654, Rights of Way</p> <p>BDS Admin Rule for Private Rights-of-Way - Streets, Alleys, Shared Courts, Common Greens and Pedestrian Connections Ys</p>  |
| Title 1, Street System Design Sec 3.08.110A(3) – Transit Supportive | <p>TSP Stage 1 (PR Task IV):<br/>Policy 9.1, 9.6, 9.24 to 9.28</p> <p>TSP Stage 2 (this ordinance, PR Task V – Exhibit F, Section 2):<br/>Objectives 8.1.E, G, and J</p>  |
| Title 1, Street System Design Sec 3.08.110B - Regulations           | <p>TSP Stage 1 (PR Task IV):<br/><i>Comprehensive Plan</i> Policy 9.6, 9.12, 9.16 to 9.18, 9.44 to 9.46</p> <p>TSP Stage 2 (this ordinance, PR Task V – Exhibit F, Section 2):<br/>Objectives 9.6.A-E / 9.10.B / 8.10.I/ 9.25.A-E</p> <p>Objectives 9.21.C/8.1.E</p> <p>Existing City Code<br/>33.654, Rights of Way</p> <p>17.82, Land Divisions</p> <p>Design Guide for Public Street Improvements</p> <p>BDS Admin Rule for Private Rights-of-Way - Streets, Alleys, Shared Courts, Common Greens and Pedestrian Connections</p> |

| Regional<br>Transportation<br>Functional Plan<br>Requirement                                   | Local TSP Reference  |
|--|--|
| Title 1, Street<br>System Design Sec<br>3.08.110C -<br>Connectivity                            | TSP Stage 1 (PR Task IV):<br><i>Comprehensive Plan</i> Policy 9.2, 9.14, 9.46,<br><br>TSP Stage 2 (this ordinance, PR Task V – Exhibit F):<br>Section 6: Street Design Classification Descriptions<br><br>Section 9: Master Street Plans Descriptions and Maps   |
| Title 1, Street<br>System Design Sec<br>3.08.110D – New<br>Streets                             | TSP Stage 2 (this ordinance, PR Task V – Exhibit F):<br>Section 9, Master Street Plans Descriptions and Maps   |
| Title 1, Street<br>System Design Sec<br>3.08.110E, F – New<br>Development and<br>Redevelopment | TSP Stage 1 (PR Task IV):<br><i>Comprehensive Plan</i> Policy 9.15, 9.46<br><br>TSP Stage 2 (this ordinance, PR Task V – Exhibit F, Section 2):<br>Objectives 9.24.A-D, Objectives 9.25.A-E<br><br>Mixed Use Zoning Update (this ordinance, PR Task V – Exhibit E)<br><br>33.130.215.E (Alternative maximum setback for large retailers)<br><br>33.130.240 (Pedestrian standards)<br><br>33.130.292 (Street and pedestrian connections)<br><br>Existing City Code<br>33.654, Rights of Way<br><br>17.88.040, Through Streets |
| Title 1, Street<br>System Design Sec<br>3.08.110G – Hwy<br>Access<br>Management                | TSP Stage 1 (PR Task IV): Comp Plan Policy 9.28, 9.44 to 9.49<br><br>TSP Stage 2 (this ordinance, PR Task V – Exhibit F, Section 2):<br>Objectives 9.24.A-D, 9.22.A-C<br><br>Existing City Code<br>17.28.110, Driveways  |
| Title 1, Transit<br>System Design Sec<br>3.08.120A –<br>Bike/Ped<br>Connections                | TSP Stage 1 (PR Task IV):<br><i>Comprehensive Plan</i> Policy 9.16, 9.21, 9.22<br><br>TSP Major Projects + Citywide Programs Recommendation List   |

| Regional<br>Transportation<br>Functional Plan<br>Requirement                         | Local TSP Reference   |
|--|---|
|  | <p>Mixed Use Zoning Update (this ordinance, PR Task V – Exhibit E)</p> <p>33.130.215.E (Alternative maximum setback for large retailers)</p> <p>33.130.240 (Pedestrian standards)</p> <p>33.130.242 (Transit Street main entrance)</p> <p>Existing City Code</p> <p>33.120.220, Building Setbacks on a Transit Street, in Pedestrian District</p> <p>33.120.255, Pedestrian Standards</p> |
| Title 1, Transit System Design Sec 3.08.120B(1) – Transit Plan                       | TSP Stage 3: District Policies and Maps, for transit  |
| Title 1, Transit System Design Sec 3.08.120B(2) – Access to Transit Design Standards | <p>TSP Stage 1 (PR Task IV):</p> <p><i>Comprehensive Plan</i> Goal 3.C (Focused growth)</p> <p><i>Comprehensive Plan</i> Policy 3.2, 3.19, 3.44, 3.49, 3.54-3.60, 4.6, 4.23, 9.12, 9.22-26</p> <p>TSP Stage 2 (this ordinance, PR Task V – Exhibit F, Section 2): Objectives 9.13.A-D</p>   |
| Title 1, Pedestrian System Design Sec 3.08.130A - Pedestrian Plan                    | <p>TSP Stage 1 (PR Task IV):</p> <p><i>Comprehensive Plan</i> Policy 9.2, 9.6, 9.16-9.18</p> <p>TSP Major Projects + Citywide Programs Recommendation List</p> <p>TSP Stage 3 (Pending): District Policies and Maps, for pedestrians</p> <p>Existing Plans</p> <p>Portland Pedestrian Master Plan</p>   |
| Title 1, Pedestrian System Design Sec 3.08.130B - Pedestrian Districts               | <p>TSP Stage 1 (PR Task IV):</p> <p><i>Comprehensive Plan</i> Policy 9.2, 9.12, 9.46</p> <p>TSP Stage 2 (this ordinance, PR Task V 0 Exhibit F):</p> <p>Section 2: Objectives 9.6.A, 9.24.A-D, 9.25.A-E</p> <p>Section 4: Objective 9.11.G,I</p> <p>TSP Stage 3 (Pending): District-specific policies and maps</p>  |

| Regional<br>Transportation<br>Functional Plan<br>Requirement               | Local TSP Reference  |
|--|--|
| Title 1, Pedestrian System Design Sec 3.08.130C - Direct Pedestrian Access | <p>Mixed Use Zoning Update (this ordinance, PR Task V – Exhibit E)</p> <p>33.130.240 (Pedestrian standards)</p> <p>Existing City Code</p> <p>33.120.220, Building Setbacks on a Transit Street, in Pedestrian District</p> <p>33.120.255, Pedestrian Standards</p> <p>33.654, Rights of Way</p> <p>17.88.040, Through Streets</p>  |
| Title 1, Bicycle System Design Sec 3.08.140- – Bicycle Plan                | <p>TSP Stage 1 (PR Task IV):</p> <p><i>Comprehensive Plan</i> Policy 9.2, 9.6, 9.19-9.21</p> <p>TSP Major Projects + Citywide Programs Recommendation List</p> <p>TSP Stage 2 (this ordinance, PR Task V – Exhibit F, Section 2):</p> <p>Objectives 9.32 H-G; 9.20 A-L; 9.11 A, E, and F; 9.31 D and E; 8.1.F, Q-S; 8.3 F</p> <p>Section 5: Bicycle Classification Maps</p> <p>TSP Stage 3 (Pending): District Policies and Maps, for bicyclists</p> |
| Title 1, Freight System Design Sec 3.08.150 – Freight Plan                 | <p>TSP Stage 1 (PR Task IV):</p> <p><i>Comprehensive Plan</i> Policy 9.2, 9.7, 9.29-9.35, 9.40</p> <p>TSP Major Projects + Citywide Programs Recommendation List</p> <p>TSP Stage 3 (Pending): District Policies and Maps, for freight</p> <p>Existing Plans</p> <p>Portland Freight Master Plan</p>   |
| Title 1, Transportation System Management and Operations Sec 3.08.160      | <p>TSP Stage 1 (PR Task IV):</p> <p><i>Comprehensive Plan</i> Policy 9.38, 9.44-9.54</p> <p>TSP Major Projects + Citywide Programs Recommendation List</p> <p>TSP Stage 2 (this ordinance, PR Task V – Exhibit E):</p> <p>Section 14: Transportation Demand Management (TDM) and Code (Title 17)</p>   |



| Regional<br>Transportation<br>Functional Plan<br>Requirement          | Local TSP Reference  |
|---|--|
| <b>Title 2: Development and Update of Transportation System Plans</b> |  |
| Title 2,<br>Transportation<br>Needs Sec 3.08.210                      | <p>TSP Stage 1 (PR Task IV):<br/>Goal 12 and Oregon Highway Plan findings submitted with new <i>Comprehensive Plan</i> reference and describe modeling results.</p> <p>TSP Major Project and Citywide Program List</p> <p>TSP Major Projects Performance Report:<br/><a href="https://www.portlandoregon.gov/transportation/article/522651">https://www.portlandoregon.gov/transportation/article/522651</a></p> <p>Multimodal System Completeness, A strategy for Measuring and Building Portland's Transportation System (2015)</p> <p>Alternative Mobility Standards and Performance Measures (2012)</p> <p>Citywide Systems Plan (2015)</p> <p>TSP Stage 2 (this ordinance, PR Task V 0 Exhibit F):<br/>Section 12: p.77: Refinement Plans and Studies, p57 Citywide All Modes Needs Analysis</p> <p>Existing Plans, Studies</p> <p>Columbia Multimodal Corridor Study (2012)</p> <p>Portland Bicycle Plan for 2030 (2010)</p> <p>Infrastructure Condition and Capacity Report (2009)</p> <p>Central Portland Transportation Plan Assessment (2009)</p> <p>Portland Streetcar System Concept Plan (2009)</p> <p>Portland Freight Master Plan (2006)</p> <p>Portland Pedestrian Master Plan (1998)</p> <p>Portland Traffic Safety Report (2016)</p> <p>High Crash Corridor Map, 2008 to 2012</p> <p>Regional Trails and Greenway Map (2014)</p> |

| Regional<br>Transportation<br>Functional Plan<br>Requirement                      | Local TSP Reference   |
|---|---|
| Title 2, Sec<br>3.08.220<br>Transportation<br>Solutions                           | <p>TSP Stage 1 (Task IV):<br/><i>Comprehensive Plan</i> Policy 3.33 and 3.37 (Land Use Strategy per 3.08.220.A.4)</p> <p>The TSP Major Projects and Citywide Programs includes significantly expanded TSM and TDM citywide programs, including Freight Priority, Transit Priority, and proposed expansion of TDM to new multifamily and office development. Pedestrian, bicycle, and transit gaps and deficiencies in centers and corridors, and in areas with disadvantaged communities, received higher project evaluation scores.</p> <p>ODOT, Metro, TriMet, the Port, and public and private sector stakeholders were involved in establishing project evaluation criteria and establishing the project and program constrained and unconstrained lists.</p> |
| Title 2, Performance<br>Targets and<br>Standards Sec<br>3.08.230                  | <p>TSP Stage 1 (PR Task IV):<br/><i>Comprehensive Plan</i> Policy 9.5, 9.48</p> <p>Goal 12 and Oregon Highway Plan findings submitted with new <i>Comprehensive Plan</i> reference and describe modeling results.</p> <p>Growth Scenario Report adopted with Task III of periodic review describes anticipated performance on a variety of metrics, including mode split, VMT, emissions.</p> <p>TSP Stage 2 (this ordinance, PR Task V – Exhibit F):<br/>Section 10: TSP Performance Measures</p>  |
| <b>Title 3: Transportation Project Development</b>                                |   |
| Title 3, Defining<br>Projects in<br>Transportation<br>System Plan Sec<br>3.08.310 | <p>TSP Stage 1 (PR Task IV): TSP Projects and Programs</p> <p>TSP Stage 2 (this ordinance, PR Task V – Exhibit F):<br/>Section 9: Master Street Plans</p> <p>Sections 5, 6, 7: Classification Maps</p> <p>Existing City Code<br/>Design Guide for Public Street Improvements</p>  |

| Regional<br>Transportation<br>Functional Plan<br>Requirement   | Local TSP Reference   |
|--|---|
| <b>Title 4: Regional Parking Management</b>  |   |
| Title 4, Parking Management Sec 3.08.410   | <p>TSP Stage 1 (PR Task IV):<br/> <i>Comprehensive Plan</i> Policy 9.54-9.60</p> <p>TSP Stage 2 (this ordinance, PR Task V – Exhibit F, Section 2):<br/>           Objective 9.29.A-C, 9.30.A-D, 9.31A-C.</p> <p>Objective 9.15.E On-street Truck Loading</p> <p>Mixed Use Zoning Update (this ordinance, PR Task V – Exhibit E)<br/>           33.266.</p> <p>Pending <i>Centers and Corridors Parking Management Toolkit</i> – technical reference document, and related new codes (to be adopted in Spring 2017.</p> <p>Existing Zoning Code<br/>           33: 33.266.110.D – areas near transit exempted from minimums<br/>           33.266.130.F.5 – Large parking lots<br/>           33.266.200 – bicycle parking<br/>           Table 266-1 &amp; 266-2 minimum and maximum parking tables<br/>           33.510.261-267 – Central City no parking minimums</p> |
| <b>Title 5: Amendment of Comprehensive Plans</b>   |   |
| Title 5, Amendments of City and County Comprehensive and Transportation System Plans Sec 3.08.510A,B | <p>TSP Stage 1 (PR Task IV):<br/>           Comp Plan Policy 9.53: TDM – new development</p> <p>TSP Stage 2 (this ordinance, PR Task V – Exhibit F, Section 10):<br/>           Performance measures page 5 Interim Regional Mobility Policy</p>  |
| Title 5, Amendments of City and County Comprehensive and Transportation System Plans Sec 3.08.510C   | TSP Stage 1 (PR Task IV): TSP Major Projects + Citywide Programs Recommendation List  |

## **Portland Comprehensive Plan Findings**

### **Introduction**

This scope of this ordinance is not to make every possible implementation of the recently adopted plan, but to take steps that are sufficient to complete Task V of Portland's periodic review work program. Task V requires the City to adopt "sufficiently robust implementation measures" to conform the *Zone Map* and the *Zoning Code* to the policy decisions made in Task V, namely the *2035 Comprehensive Plan* including the *Comprehensive Plan Map* adopted by Ordinance 187832.

The name of the planning project leading up to this ordinance was called "Early Implementation of the Comprehensive Plan" to emphasize that this is only the first of many projects to carry out the new plan. Because this first project is mandated by periodic review, it necessarily emphasizes the land use components that must be addressed during periodic review.

### **General Application of Policy**

Some testimony asserted that some *Zoning Map* or *Zoning Code* amendments are inconsistent with the adopted 2035 Comprehensive Plan because one specific policy is not met. As a general principle, the policies of the *Comprehensive Plan* are not applied individually, or in isolation from each other, particularly if there are competing considerations. When policies conflict, it is the duty of the decision maker to consider the competing objectives and strike a proper balance between them. How these sometimes competing objectives are balanced and resolved are also described in the findings below. The Plan specifically addresses this on page GP 1-2:

*In cases where there are competing directions embodied by different policies, City Council may choose the direction it believes best embodies the Plan as a whole. This approach recognizes that there are trade-offs and compromises and allows flexibility while still guiding land use and capital decisions. The Plan's Guiding Principles provide an anchor or reference point to consider when making trade-offs and compromises.*

Policy 1.10 provides further guidance by using the phrase "on balance" to describe what *Comprehensive Plan* compliance means. In this case Council has made several specific choices, balancing competing policies, in response to the testimony described below.

### **Zoning Map Conformance**

A comparison of Exhibits B and D-1 of this ordinance to Figure 10-1 of the *2035 Comprehensive Plan*, while complex, indicates that all base zones amended by this ordinance conform to the *Comprehensive Plan Map*. When this ordinance is submitted to the LCDC for approval, the City will also provide ArcGIS Map Packages, which are electronic files in the record that will allow others to confirm that the *Zoning Map* conforms to the *Comprehensive Plan Map*.

### **Guiding Principles**

The first goal of the *2035 Comprehensive Plan* calls for "integrated approaches, actions, and outcomes that meet multiple goals."

*Goal 1.A: Multiple goals. Portland's Comprehensive Plan provides a framework to guide land use, development, and public facility investments. It is based on a set of Guiding Principles that call for integrated approaches, actions, and outcomes that meet multiple goals to ensure Portland is prosperous, healthy, equitable, and resilient.*

Policy 1.10 requires legislative amendments to the *Comprehensive Plan's* elements and implementation tools to comply with the Guiding Principles. The guiding principles of the 2035 *Comprehensive Plan* are:

*Economic Prosperity*

*Support a low-carbon economy and foster employment growth, competitiveness and equitably distributed household prosperity.*

*Human Health*

*Avoid or minimize negative health impacts and improve opportunities for Portlanders to lead healthy, active lives.*

*Environmental Health*

*Weave nature into the city and foster a healthy environment that sustains people, neighborhoods, and fish and wildlife. Recognize the intrinsic value of nature and sustain the ecosystem services of Portland's air, water and land.*

*Equity*

*Promote equity and environmental justice by reducing disparities, minimizing burdens, extending community benefits, increasing the amount of affordable housing, affirmatively furthering fair housing, proactively fighting displacement, and improving socio-economic opportunities for under-served and under-represented populations. Intentionally engage under-served and underrepresented populations in decisions that affect them. Specifically recognize, address and prevent repetition of the injustices suffered by communities of color throughout Portland's history.*

*Resilience*

*Reduce risk and improve the ability of individuals, communities, economic systems, and the natural and built environments to withstand, recover from, and adapt to changes from natural hazards, human-made disasters, climate change, and economic shifts.*

Each of these principles is addressed below, with further discussion of the most relevant policies. Additional more policy-specific analysis is also found in project reports (Exhibits J through N).

**Economic Prosperity**

The implementation measures adopted with this ordinance address economic prosperity by:

- Providing an adequate employment land supply in industrial districts;

- Expanding opportunities for growth in the Central Eastside Industrial District;
- Significantly expanding opportunity for expansion of colleges and medical centers; and
- Providing ample opportunity for continued retail and growth in mixed use centers and corridors.

#### Employment Land Supply

Employment zoning changes adopted with this ordinance implement plan map and policy changes needed to ensure an adequate land supply in the Portland Harbor, Columbia Corridor, Dispersed Employment areas, and Central City Industrial areas; implementing Policy 6.13 and Statewide Planning Goal 9, *Economic Development*. The project proposes a Prime Industrial overlay zone implementing Policy 6.38.

*Policy 6.13 Land supply. Provide supplies of employment land that are sufficient to meet the long-term and short-term employment growth forecasts, adequate in terms of amounts and types of sites, available and practical for development and intended uses. Types of sites are distinguished primarily by employment geographies identified in the Economic Opportunities Analysis, although capacity needs for building types with similar site characteristics can be met in other employment geographies.*

*Policy 6.38 Prime industrial land retention. Protect the multimodal freight-hub industrial districts at the Portland Harbor, Columbia Corridor, and Brooklyn Yard as prime industrial land that is prioritized for long-term retention. See Figure 6-1 – Industrial and Employment Districts.*

As Oregon's largest industrial center and freight infrastructure hub, Portland has distinct economic development and job growth opportunities for the traded-sector (i.e., businesses that compete in markets outside the region). Industrial land uses near freight access support regional prosperity by bringing income into the region and lowering transport costs for Pacific Northwest producers and consumers. Updated employment zoning implements land use policies to meet forecast job growth.

Employment zoning changes support economic competitiveness by fostering the retention and growth of traded-sector businesses that compete in markets outside of the region, implementing policy 6.36.

*Policy 6.36 Industrial land. Provide industrial land that encourages industrial business retention, growth, and traded sector competitiveness as a West Coast trade and freight hub, a regional center of diverse manufacturing, and a widely accessible base of family-wage jobs, particularly for under-served and underrepresented people.*

#### Central Eastside

Zoning changes expand the area allowing Industrial Office uses in the Central Eastside

Subdistrict, providing for 20-year land supply needs in Central City Industrial areas addressed by Policy 6.34.

*Policy 6.34 Central City industrial districts. Protect and facilitate the long-term success of Central City industrial sanctuary districts, while supporting their evolution into places with a broad mix of businesses with high employment densities.*

#### Colleges and Medical Centers

The new Campus Institutional zoning category promotes economic prosperity by accommodating the projected job growth in healthcare and higher education employment sectors. The adopted *Employment Opportunities Analysis* (EOA) projects that these dispersed institutional campuses will gain some 22,700 healthcare and higher education jobs over the next 20 years. Jobs in healthcare and higher education are important to the local economy because they occur across a broad range of income levels and include traded sector jobs, which draw money into the local economy from outside the region in the form of tuition, research and specialized healthcare services.

In particular, this implements policy 6.57.

*Policy 6.57 Campus land use. Provide for major campus institutions as a type of employment land, allowing uses typically associated with health care and higher education institutions. Coordinate with institutions in changing campus zoning to provide land supply that is practical for development and intended uses.*

#### Mixed Use Zoning

The new commercial/mixed use zones advance this principle by accommodating projected job growth in retail and service sectors and providing locations for neighborhood business opportunities.

As an element of the commercial/mixed use zoning update, a considerable number of properties were rezoned from residential to commercial/mixed use in order to reduce the number of nonconforming uses. This action promotes neighborhood prosperity and local access to services by removing regulatory barriers to small business operations at these neighborhood-serving locations. This addresses policy 6.69.

*Policy 6.69 Non-conforming neighborhood business uses. Limit non-conforming uses to reduce adverse impacts on nearby residential uses while avoiding displacement of existing neighborhood businesses.*

## Human Health

The implementation measures adopted with this ordinance address human health by:

- Adopting zoning codes and maps that encourage walkable complete mixed use communities;
- Incorporating bicycle system plans into the TSP (implementing active transportation and vision zero goals);
- Updating Major Public Trail maps (access to nature); and
- Maintain land zoned for the manufacturing and industrial economy, which is an important source of upward mobility in Portland.

### Walkable Mixed Use Villages

Updated commercial/mixed use zoning furthers the human health principle by creating zones that are intended to increase walkable access to commercial services for residents throughout Portland.

A new Main Street Overlay Zone is being adopted with this ordinance, which promotes walkable mixed use districts within a 10-minute distance of most residential areas. This overlay requires active ground floor commercial uses and restricts auto-oriented land uses. The overlay has been mapped on the primary commercial streets within each of the Neighborhood Centers and Town Centers identified on Figure 3-3 of the *Comprehensive Plan*. By adopting a zoning pattern that allows for small commercial/mixed use “villages” throughout Portland, this ordinance is advancing the “complete communities” policies adopted with the *Comprehensive Plan*. This promotes human health by expanding options for people to have more active lifestyles where many daily needs can be met with short trips on foot. Having more locations close by or within a short distance increases the attractiveness of walking, bicycling or using transit to access goods or services. People who use “active” transportation modes are healthier. In 2010, 47 percent of Portland households were within a quarter mile walk of frequent transit service. By 2035, modeling completed for growth scenario analysis suggests that 62 percent will have walkable access to frequent transit, including new light rail, bus rapid transit and frequent bus lines. This is important because obesity is a significant public health issue.

*Policy 3.1      Urban Design Framework. Use the Urban Design Framework (UDF) as a guide to create inclusive and enduring places, while providing flexibility for implementation at the local scale to meet the needs of local communities. See Figure 3.1 — Urban Design Framework.*

*Policy 3.13    Role of centers. Enhance centers as anchors of complete neighborhoods that include concentrations of commercial and public services, housing, employment, gathering places, and green spaces.*

*Policy 3.15    Housing in centers. Provide housing capacity for enough population to support a*



*broad range of commercial services, focusing higher-density housing within a half-mile of the center core.*

*Policy 3.19 Accessibility. Design centers to be compact, safe, attractive, and accessible places, where the street environment makes access by transit, walking, biking, and mobility devices such as wheelchairs, safe and attractive for people of all ages and abilities.*

Amendments to Street Design Classification descriptions in the TSP are also intended to implement this concept by ensuring that street designs in each center are considered in relation to expected land uses.

*Policy 9.1 Street design classifications. Maintain and implement street design classifications consistent with land use plans, environmental context, urban design pattern areas, and the Neighborhood Corridor and Civic Corridor Urban Design Framework designations.*

An additional component of the new commercial/mixed use zoning is a requirement that open space be provided with residential development. This requirement exists in residential zones, but has not been applied previously to residential development in commercial zones. This new requirement will make mixed use housing more livable, ensuring that each unit will have direct access to a small amount of outdoor space, or access to a shared open area or indoor amenity room (such as a recreation room). This implements policy 5.51.

*Policy 5.51 Healthy and active living. Encourage housing that provides features supportive of healthy eating and active living such as useable open areas, recreation areas, community gardens, crime-preventive design, and community kitchens in multifamily housing.*

#### Bicycle Plan Integration

This ordinance adopts bicycle classification description changes, remapped classifications, and a new district classification to integrate the adopted Bicycle Plan for 2030 into the TSP. These changes provide a framework for significant expansion and improvement of the bicycle transportation network over the next 20 years. These changes will expand active transportation options and make those options safer. This is consistent with the “vision zero” goal in Chapter 9 of the *Comprehensive Plan*. In particular, the new bicycle classifications implement policies 9.2.c, 9.4, 9.20, and 9.21.

*Policy 9.2 Street policy classifications. Maintain and implement street policy classifications for pedestrian, bicycle, transit, freight, emergency vehicle, and automotive movement, while considering access for all modes, connectivity, adjacent planned land uses, and state and regional requirements.*

*9.2.c. Designate district classifications that give priority to bicycle access and mobility in areas where high levels of bicycle activity exist or are planned, including Downtown, the River District, Lloyd District, Gateway Regional*

*Center, town centers, neighborhood centers, and transit station areas.*

*Policy 9.4 Use of classifications. Plan, develop, implement, and manage the transportation system in accordance with street design and policy classifications outlined in the Transportation System Plan.*

*Policy 9.20 Bicycle transportation. Create conditions that make bicycling more attractive than driving for most trips of approximately three miles or less.*

*Policy 9.21 Accessible bicycle system. Create a bicycle transportation system that is safe, comfortable, and accessible to people of all ages and abilities.*

### Major Public Trails

New Major Public Trail alignments have been identified in the 2035 *Comprehensive Plan* (see figure 8-2, page 65), necessitating the need to amend the *Zoning Map* designation that corresponds to these trail alignments. Changes to *Zoning Map* trail designations promote human health by creating additional recreational opportunities, improving access to nature, and promoting active transportation. These zoning changes directly implement policy 8.53.

*Policy 8.53 Public trails. Establish, improve, and maintain a citywide system of local and regional public trails that provide transportation and/or recreation options and are a component of larger network of facilities for bicyclists, pedestrians, and recreational users.*

### Industrial and Manufacturing Economy

Income level is a primary socioeconomic determinant of positive health outcomes. The project supports positive health outcomes by expanding self-sufficient wage opportunities for low and middle-income households and stimulating region-wide prosperity through traded-sector business retention and growth. Zoning changes to expand and protect employment districts supports equitably-distributed household prosperity by creating more opportunity for middle-wage jobs. Industrial and mixed employment areas are a primary source of middle-wage jobs for the majority of the workforce that does not have a four-year college degree.

Public health risks within industrial districts are managed by safety and environmental quality regulations, prohibition of household living in industrial zones, perimeter buffering, and technological improvements (such as emissions reduction). New zoning changes also prohibit household living in General Employment zones, which will further limit the number of households living in close proximity to industrial areas.

### **Environmental Health**

The implementation measures adopted with this ordinance address environmental health by:

- Incorporating required green elements and open space into mixed use zoning regulations;

- Incorporating aggressive transportation performance measures into transportation plans, to address the risks posed by climate change (mode shift and VMT goals); and
- Adopting transportation and parking demand management measures consistent with the Transportation Planning Rule and regional plans.

#### Mixed Use Green Elements

New commercial/mixed use zoning adopted with this ordinance furthers the environmental health principle by creating new provisions for landscaped areas or other green/vegetated elements. These requirements are being added to zones that had not previously been subject to landscaping standards. The new standards allow options that can be met in higher density more urban locations where 100 percent building coverage is possible. The new standards, based loosely on Seattle's Green Factor system, allow a menu of green options, including standard landscaping on the ground, green roofs, or raised landscaped podiums. The standards also include a "large tree" option, intended to advance the City's urban canopy goals. These new standards implement several plan policies.

*Policy 4.4      Natural features and green infrastructure. Integrate natural and green infrastructure such as trees, green spaces, ecoroofs, gardens, green walls, and vegetated stormwater management systems, into the urban environment. Encourage stormwater facilities that are designed to be a functional and attractive element of public spaces, especially in centers and corridors.*

*Policy 7.11     Urban forest. Improve, or support efforts to improve the quantity, quality, and equitable distribution of Portland's urban forest through plans and investments.*

#### Transportation Performance Measures

The performance measures adopted with the TSP (Exhibit F, Section 10) advance this principle by including measures to support local and regional plans to address climate change. These include updated goals to shift a larger share of trips from single-occupancy vehicles to walking, bicycles, and transit. The performance measures chapter also includes standards to measure reductions in vehicle miles traveled (VMT), which are also necessary to achieve environmental objectives. These performance measures directly address several *Comprehensive Plan* policies:

*Policy 6.6      Low-carbon and renewable energy economy. Align plans and investments with efforts to improve energy efficiency and reduce lifecycle carbon emissions from business operations. Promote employment opportunities associated with the production of renewable energy, energy efficiency projects, waste reduction, production of more durable goods, and recycling.*

*Policy 7.4      Climate change. Update and implement strategies to reduce carbon emissions and impacts, and increase resilience through plans and investments and public education.*

*Policy 9.5      Mode share goals and Vehicle Miles Travelled (VMT) reduction. Increase the share of trips made using active and low-carbon transportation modes. Reduce*

*VMT to achieve targets set in the most current Climate Action Plan and Transportation System Plan, and meet or exceed Metro's mode share and VMT targets.*

*Policy 9.49 Performance measures. Establish multimodal performance measures and measures of system completeness to evaluate and monitor the adequacy of transportation services based on performance measures in goals 9.A. through 9.I. Use these measures to evaluate overall system performance, inform corridor and area-specific plans and investments, identify project and program needs, evaluate and prioritize investments, and regulate development, institutional campus growth, zone changes, Comprehensive Plan Map amendments, and conditional uses.*

These measures are also consistent with regional standards.

#### Transportation and Parking Demand Management

This ordinance adopts new demand management measures to further discourage single-occupancy vehicle travel, consistent with the state Transportation Planning Rule and regional plans. These measures are intended, among other things, to achieve mode share objectives, promote compact and walkable urban form, and encourage lower rates of car ownership. These objectives are rooted in protecting environmental health, improving air quality, reducing congestion, and addressing the threat of climate change.

Transportation and Parking Demand Management (TDM) encompasses a variety of strategies to encourage more efficient use of the existing transportation system and reduce reliance on the personal automobile. This is achieved by encouraging people through education, outreach, incentives, and pricing to choose other modes, share rides, travel outside peak times, and telecommute, among other methods. Effective transportation demand management also incorporates management of parking supply and demand. In addition to reducing and preventing traffic and parking problems, TDM that is clear, consistent, and performance-based may be one of the quickest, cheapest, and most effective strategies to help achieve economic vitality, household prosperity, health, equity, climate, and access goals.

Specifically, new commercial/mixed use zoning includes a requirement that a transit subsidy be provided for the first year of a new mixed use residential building (or an equivalent subsidy to car share or bike share systems). This subsidy is intended to make it more attractive for new residents to make travel choices that are beneficial to environmental health. Providing a subsidy upon initial building occupancy is intended to establish beneficial travel patterns during the move-in period, when new patterns are already being established.

In tandem, code changes have also been made to further modify off-street parking regulations for locations close to frequent transit. These zoning changes establish a maximum number of off-street parking spaces for residential development, provide additional exceptions to minimum parking ratios, and flexibility for commercial and shared parking arrangements. These changes, taken together, are intended to encourage a more walkable pedestrian-oriented urban form, with fewer surface parking lots and more continuous un-interrupted pedestrian zones between

buildings and the sidewalk. Such a shift in urban form is not intended to remove cars from the urban environment. Instead, over time, these standards create an environment where it is convenient and easy for a larger share of households to live without car ownership, or have fewer vehicles. Off-street parking requirements are retained in locations farther from frequent transit, where options to driving are not as readily available.

These new requirements directly address several *Comprehensive Plan* policies.

*Policy 9.53 New development. Create and maintain TDM regulations and services that prevent and reduce traffic and parking impacts from new development and redevelopment. Encourage coordinated area-wide delivery of TDM programs. Monitor and improve the performance of private-sector TDM programs.*

*Policy 9.58 Off-street parking. Limit the development of new parking spaces to achieve land use, transportation, and environmental goals, especially in locations with frequent transit service. Regulate off-street parking to achieve mode share objectives, promote compact and walkable urban form, encourage lower rates of car ownership, and promote the vitality of commercial and employment areas. Use transportation demand management and pricing of parking in areas with high parking demand. Strive to provide adequate but not excessive off-street parking where needed, consistent with the preceding practices.*

## **Equity**

The implementation measures adopted with this ordinance address equity by:

- Adopting new affordable housing bonuses in mixed use zones;
- Changing zoning to increase capacity for residential development in high opportunity areas;
- Maintain land zoned for the sectors of the economy that can be a source of upward mobility in Portland;
- Temporarily reducing development pressures in the David Douglas School District; and
- Adopting a new Community Involvement Program.

## New Affordable Housing FAR Bonuses

Commercial/mixed use zoning adopted with this ordinance furthers this principle by including incentives for provision of affordable housing and commercial spaces. Specifically, the new zones will include voluntary incentives to develop units affordable to those earning 80 percent of the median household income or below (new zoning section 33.130.212). The program will be administered by the Housing Bureau. The incentives take the form of additional allowed floor area ratio (FAR) and height. Similarly, additional FAR and height may also be earned by providing affordable commercial space, in a program administered by the Portland Development

Commission.

These new requirements directly address several *Comprehensive Plan* policies.

*Policy 3.3 Equitable development. Guide development, growth, and public facility investment to reduce disparities; encourage equitable access to opportunities, mitigate the impacts of development on income disparity, displacement and housing affordability; and produce positive outcomes for all Portlanders.*

*3.3.d. Incorporate requirements into the Zoning Code to provide public and community benefits as a condition for development projects to receive increased development allowances.*

*Policy 5.26 Regulated affordable housing target. Strive to produce and fund at least 10,000 new regulated affordable housing units citywide by 2035 that will be affordable to households in the 0-80 percent MFI bracket.*

*Policy 5.32 Affordable housing in centers. Encourage income diversity in and around centers by allowing a mix of housing types and tenures.*

*Policy 5.35 Inclusionary housing. Use inclusionary zoning and other regulatory tools to effectively link the production of affordable housing to the production of market-rate housing. Work to remove regulatory barriers that prevent the use of such tools.*

#### Housing Opportunity Areas

Residential and mixed use *Zoning Map* changes adopted with this ordinance increase housing options in opportunity-rich locations close to the Central City. Examples of such changes include, for example, adoption of:

- Additional R2.5 zoning in inner-SE Portland (replacing R5);
- More urban commercial/mixed use zoning along portions of inner Powell Blvd;
- Higher density R1 and R2 zoning around the 60<sup>th</sup> Avenue MAX station;
- More consistently applied mixed use designations along inner Sandy;
- Additional mixed use designations on segments of NE MLK Blvd; and
- Additional mixed use zoning along portions of SE Cesar Chavez Blvd.

These new zoning designations directly address *Comprehensive Plan* policies 5.21 through 5.23.

*Policy 5.6 Middle housing. Enable and encourage development of middle housing. This includes multi-unit or clustered residential buildings that provide relatively*

*smaller, less expensive units; more units; and a scale transition between the core of the mixed use center and surrounding single family areas. Where appropriate, apply zoning that would allow this within a quarter mile of designated centers, corridors with frequent service transit, high capacity transit stations, and within the Inner Ring around the Central City.*

*Policy 5.21 Access to opportunities. Improve equitable access to active transportation, jobs, open spaces, high-quality schools, and supportive services and amenities in areas with high concentrations of under-served and under-represented populations and an existing supply of affordable housing.*

*Policy 5.22 New development in opportunity areas. Locate new affordable housing in areas that have high/medium levels of opportunity in terms of access to active transportation, jobs, open spaces, high-quality schools, and supportive services and amenities. See Figure 5-1 — Housing Opportunity Map.*

*Policy 5.23 Higher-density housing. Locate higher-density housing, including units that are affordable and accessible, in and around centers to take advantage of the access to active transportation, jobs, open spaces, schools, and various services and amenities.*

#### Upward Mobility Ladders

This ordinance also addresses equity by maintaining and expanding land zoned for the sectors of the economy that can be a source of upward mobility in Portland.

The new campus institutional zoning category advances equity principles by expanding employment opportunities across all wage and training categories, and by expanding educational opportunities that provide a pathway for advancement. In particular, Portland Community College (PCC) campuses are receiving this new zoning, which facilitates their ability to expand to better serve the region. Development review procedures and design standards are recommended that will encourage institutions to build up rather than out while transportation impact mitigation requirements will limit encroachment on adjoining neighborhoods. By allowing more flexibility for campus alterations, PCC and other institutions will be able to respond to emerging industry training needs more rapidly and expand to serve a larger more diverse student body.

Zoning changes to expand and protect employment districts support equitably-distributed household prosperity by creating more opportunity for middle-wage jobs. Industrial and mixed employment areas are a primary source of middle-wage jobs for the majority of the workforce that does not have a four-year college degree. Job growth in Industrial and Mixed Employment areas supports *Portland Plan* and *Comprehensive Plan* objectives for social and economic diversity and reduction of racial and neighborhood income disparities.

#### New Community Involvement Program

The proposed Community Involvement Program (Exhibit H) is intended to begin to implement

the goals in *Chapter 2* of the new *Comprehensive Plan*, and all of the corresponding policies. The new Community Involvement Program amounts to a significant refresh of the City's public involvement approach, adding more emphasis on engaging communities who have been historically under-served and under-represented, such as communities of color, immigrants and refugees, and tenants. This refreshed program builds on Portland's nationally-recognized Neighborhood Association system and strong legacy of public involvement.

The new program directly addresses several *Comprehensive Plan* policies.

*Policy 1.17 Community Involvement Committee. Establish a Community Involvement Committee to oversee the Community Involvement Program for land use decisions as recognized by Oregon Statewide Planning Goal 1 – Community Involvement and policies 2.15-2.18 of this Comprehensive Plan.*

*Policy 2.16 Community Involvement Program. Maintain a Community Involvement Program that supports community involvement as an integral and meaningful part of the planning and investment decision-making process.*

*Policy 2.17 Community engagement manual. Create, maintain, and actively implement a community engagement manual that details how to conduct community involvement for planning and investment projects and decisions.*

*Policy 2.19 Community Involvement Committee. The Community Involvement Committee (CIC), an independent advisory body, will evaluate and provide feedback to City staff on community involvement processes for individual planning and associated investment projects, before, during, and at the conclusion of these processes.*

*Policy 2.21 Program evaluation. Periodically evaluate the effectiveness of the Community Involvement Program and recommend and advocate for program and policy improvements. The Community Involvement Committee (CIC) will advise City staff regarding this evaluation.*

## **Resilience**

The implementation measures adopted with this ordinance address resilience by:

- Creating a centers and corridors-based land use pattern, and reducing reliance on fossil fuels (more walkable development pattern, less auto-oriented zoning); and
- Reduction of residential density in selected areas with hazardous conditions (landslide prone areas, floodplains, areas with poor emergency access).

## Centers and Corridors Land Use Pattern

The residential and commercial/mixed use zoning pattern adopted with this ordinance expands opportunities for more households to have access to "complete neighborhoods" — neighborhoods with a wide range of housing types and prices, where residents have safe and



convenient walkable access to the goods and services needed in daily life. This is a strategy to achieve a more resilient urban form.

This promotes resiliency by expanding options for people to meet daily needs with short trips on foot. Having more locations close by or within a short distance increases the attractiveness of walking, bicycling or using transit to access goods or services. This makes the city less reliant on fossil fuels, and more resilient if fuel supplies are disrupted by natural or human-caused disasters. As noted earlier in these findings, this supports policy 3.13.

The new commercial/mixed use zoning also furthers this principle by providing options and incentives for “green” features that reduce energy consumption in buildings, manage stormwater, create on-site green space, and help to address urban heat island effects and other climate challenges (for example, the Planned Development bonus option in 33.130.212.E). As noted earlier in these findings, this supports policies 4.4 and 7.11.

#### Reduction of Density in Hazardous Locations

The *Zoning Map* changes adopted with this ordinance includes down-zoning of approximately 1,898 acres of vacant and underutilized land, in selected areas, to address identified land hazards, including steep slopes susceptible to landslides, parcels with poor drainage or in floodplains, and areas where urban infrastructure (such as standard streets) would be very expensive to provide. Many of these areas have longer emergency response times as a result. More detailed evaluation of these factors was provided in memos presented to the Planning and Sustainability Commission on March 10 and March 24, 2015, as part of periodic review Task IV. Although intended to address public safety, these changes also have secondary environmental benefits because they help preserve tree canopy and reduce development pressure on environmentally sensitive landscapes identified in the City’s Inventory of Natural Resources. These *Zoning Map* changes implement changes made to the *Comprehensive Plan Map*, and address several *Comprehensive Plan* policies:

- Policy 1.14*     *Public facility adequacy. Consider impacts on the existing and future availability and capacity of urban public facilities and services when amending Comprehensive Plan elements and implementation tools. Urban public facilities and services include those provided by the City, neighboring jurisdictions, and partners within Portland’s urban services boundaries, as established by Policies 8.2 and 8.6.*
- Policy 7.14*     *Natural hazards. Prevent development-related degradation of natural systems and associated increases in landslide, wildfire, flooding, and earthquake risks.*
- Policy 8.24*     *Risk management. Maintain and improve Portland’s public facilities to minimize or eliminate economic, social, public health and safety, and environmental risks.*

#### **Response to Specific Policy-Related Testimony**

Council received testimony from several individuals and organizations asserting that elements of this implementation package are inconsistent with the *Comprehensive Plan*.

Retail Task Force

Testimony from the Retail Task Force asserted, among other things, that the commercial/mixed use regulations do not adequately accommodate auto-oriented land uses, and in particular large format grocery stores. Policies 6.67 (Retail development) and 6.67.b (Centers) were cited.

*Policy 6.67     Retail development. Provide for a competitive supply of retail sites that support the wide range of consumer needs for convenience, affordability, accessibility, and diversity of goods and services, especially in under-served areas of Portland.*

*Policy 6.73.b   Encourage the retention and further development of grocery stores and local markets as essential elements of centers.*

As described in greater detail in the Goal 9 findings above, the Council rejected this argument. The Council agreed that grocery store access supports the equity and human health principles in the Plan. In addition, the Council found that other principles and policies are also relevant. In particular, the Plan includes many policies that support a transition to a more walkable and less auto-oriented urban form over time. The standards adopted with the mixed use zone include maximum building setbacks, requirements to orient main entrances to the street, requirements for street-facing windows, and limits on new drive-throughs. While these standards may impact the design of new grocery stores, they do not disadvantage one particular use over any other use. As discussed in the Goal 9 findings, the impact of these regulations is not to disallow grocery stores, but simply to govern design of all commercial development. In fact, requiring transit-friendly design may increase accessibility to essential services for transit dependent populations. Weighing these factors, Council considered the following policies.

*Policy 3.13     Role of centers. Enhance centers as anchors of complete neighborhoods that include concentrations of commercial and public services, housing, employment, gathering places, and green spaces.*

*Policy 3.19     Accessibility. Design centers to be compact, safe, attractive, and accessible places, where the street environment makes access by transit, walking, biking, and mobility devices such as wheelchairs, safe and attractive for people of all ages and abilities.*

*Policy 4.5       Pedestrian-oriented design. Enhance the pedestrian experience throughout Portland through public and private development that creates accessible, safe, and attractive places for all those who walk and/or use wheelchairs or other mobility devices.*

*Policy 4.34     Auto-oriented facilities, uses, and exterior displays. Minimize the adverse impacts of highways, auto-oriented uses, vehicle areas, drive-through areas, signage, and exterior display and storage areas on adjacent residential uses.*

*Policy 6.6       Low-carbon and renewable energy economy. Align plans and investments with efforts to improve energy efficiency and reduce lifecycle carbon emissions from*

*business operations. Promote employment opportunities associated with the production of renewable energy, energy efficiency projects, waste reduction, production of more durable goods, and recycling.*

*Policy 7.4 Climate change. Update and implement strategies to reduce carbon emissions and impacts, and increase resilience through plans and investments and public education.*

*Policy 9.5 Mode share goals and Vehicle Miles Traveled (VMT) reduction. Increase the share of trips made using active and low-carbon transportation modes. Reduce VMT to achieve targets set in the most current Climate Action Plan and Transportation System Plan, and meet or exceed Metro's mode share and VMT targets.*

The Retail Task Force also cited policy 4.24 in testimony about drive-through regulations in the commercial/mixed use zones.

*Policy 4.24 Drive-through facilities. Prohibit drive through facilities in the Central City, and limit new development of new ones in the Inner Ring Districts and centers in order to support a pedestrian-oriented environment.*

The Retail Task Force suggested this policy should preclude prohibitions or limitations on drive-through facilities in other geographies. Despite this testimony, the Council chose to adopt zoning regulations that prohibit new drive-through facilities in wider areas of the City, while also adopting a more liberal allowance to rebuild existing drive-through facilities outside of the Central City and the new Centers Main Street Overlay. This implementation decision was rooted in the other policies cited above, which together emphasize the intent that the City evolve toward a more walkable and less auto-oriented urban form over time. These policies relate to the human health, environmental health, and resiliency principles of the plan. The Council found, on balance, that this larger collection of urban form and transportation policies were as relevant to this decision as the single drive-through policy. Council acknowledged the continued role of drive-through facilities by expanding options to rebuild such facilities on sites that already have them.

### Parking

Testimony from Rose City Park and several individuals raised concerns about off-street parking requirements, and suggested that Policy 9.5 requires the city to maintain or increase off-street parking requirements. The testimony emphasized the use of the word “adequate” in the final sentence of the policy.

*Policy 9.58 Off-street parking. Limit the development of new parking spaces to achieve land use, transportation, and environmental goals, especially in locations with frequent transit service. Regulate off-street parking to achieve mode share objectives, promote compact and walkable urban form, encourage lower rates of car ownership, and promote the vitality of commercial and employment areas. Use transportation demand management and pricing of parking in areas with*

*high parking demand. Strive to provide adequate but not excessive off-street parking where needed, consistent with the preceding practices.*

After hearing testimony both against and in favor of off-street parking requirements, Council decided to exempt residential buildings close to frequent transit from minimum off-street parking requirements, when they are providing affordable housing units using certain voluntary affordable housing incentives, or providing affordable units under anticipated mandatory inclusionary housing provisions. Council cited a number of other considerations in this decision, including those related to climate change and housing affordability.

*Policy 3.54 Transit-oriented development. Encourage transit-oriented development and transit-supportive concentrations of housing and jobs, and multimodal connections at and adjacent to high-capacity transit stations.*

*Policy 5.3 Housing potential. Evaluate plans and investments for their impact on housing capacity, particularly the impact on the supply of housing units that can serve low- and moderate-income households, and identify opportunities to meet future demand.*

*Policy 5.35 Inclusionary housing. Use inclusionary zoning and other regulatory tools to effectively link the production of affordable housing to the production of market-rate housing. Work to remove regulatory barriers that prevent the use of such tools.*

*Policy 7.4 Climate change. Update and implement strategies to reduce carbon emissions and impacts, and increase resilience through plans and investments and public education.*

*Policy 9.5 Mode share goals and Vehicle Miles Travelled (VMT) reduction. Increase the share of trips made using active and low-carbon transportation modes. Reduce VMT to achieve targets set in the most current Climate Action Plan and Transportation System Plan, and meet or exceed Metro's mode share and VMT targets.*

In tandem with this decision, the Council also directed further work to strengthen transportation demand management and on-street parking management programs. Both are other tools to address concerns about on-street parking congestion in neighborhoods. Requirements for off-street parking are being retained where they are most needed - in areas farther from frequent transit where alternatives to driving are less available. The term “adequate” in this policy does not compel Council to overlook many other goals that support reducing the amount of parking. In particular, Council made reference to economic studies suggesting that off-street parking requirements would be a regulatory barrier to the full utilization of affordable housing floor area bonuses. Removal of off-street parking requirements is also consistent with regional transportation plans and State TPR policies.

Air Quality, Bikes, and TOD Housing

Testimony from the Rose City Park Neighborhood and several other individuals raised concerns about bike classifications being located on larger high-traffic streets, and concerns about housing being located on major streets or close to freeways. The testimony cited air quality policies, including Policy 7.5.

*Policy 7.5 Air quality. Improve, or support efforts to improve, air quality through plans and investments, including reducing exposure to air toxics, criteria pollutants, and urban heat island effects. Consider the impacts of air quality on the health of all Portlanders. Coordinate with the Oregon Department of Environmental Quality to incorporate up-to-date air quality information and best practices into planning and investment decisions.*

The Council rejected these arguments. While it is true that air quality in high traffic environments can have detrimental health effects, it is also true that walking and biking have significant health benefits. In addition, policies in the *Comprehensive Plan* express the Council's significant intent to increase the share of trips that occur on foot or on bicycles, in order to reduce overall emission of pollutants, and in order to improve health outcomes.

*Policy 4.23 Design for pedestrian and bicycle access. Provide accessible sidewalks, high-quality bicycle access, and frequent street connections and crossings in centers and corridors.*

*Policy 9.5 Mode share goals and Vehicle Miles Traveled (VMT) reduction. Increase the share of trips made using active and low-carbon transportation modes. Reduce VMT to achieve targets set in the most current Climate Action Plan and Transportation System Plan, and meet or exceed Metro's mode share and VMT targets.*

*Policy 9.6 Transportation strategy for people movement. Implement a prioritization of modes for people movement by making transportation system decisions according to the following ordered list: 1. Walking 2. Bicycling 3. Transit 4. Taxi / commercial transit / shared vehicles 5. Zero emission vehicles 6. Other single-occupant vehicles.*

*Policy 9.17 Pedestrian transportation. Encourage walking as the most attractive mode of transportation for most short trips, within neighborhoods and to centers, corridors, and major destinations, and as a means for accessing transit.*

*Policy 9.20 Bicycle transportation. Create conditions that make bicycling more attractive than driving for most trips of approximately three miles or less.*

The 2035 *Comprehensive Plan* and implementation measures are based on a strategy of creating compact walkable communities, oriented to transit. Many of Portland's light rail stations are abutting or near freeways, and many of Portland's transit lines operate on major streets that carry significant traffic (Sandy, 82<sup>nd</sup>, Barbur, etc.).

- Policy 3.2 Growth and stability. Direct the majority of growth and change to centers, corridors, and transit station areas, allowing the continuation of the scale and characteristics of Portland's residential neighborhoods.*
- Policy 3.49 Integrated land use and mobility. Enhance Civic Corridors as distinctive places that are models of ecological urban design, with transit-supportive densities of housing and employment, prominent street trees and other green features, and high-quality transit service and pedestrian and bicycle facilities.*
- Policy 3.54 Transit-oriented development. Encourage transit-oriented development and transit-supportive concentrations of housing and jobs, and multimodal connections at and adjacent to high-capacity transit stations.*
- Policy 4.25 Residential uses on busy streets. Improve the livability of places and streets with high motor vehicle volumes. Encourage landscaped front setbacks, street trees, and other design approaches to buffer residents from street traffic.*

In balancing these policies, the Council considered research in the record that suggests the benefits of exercise outweigh the potential harm from air quality impacts in most urban environments. For individuals who shift from car to bicycle, studies have estimated that beneficial effects of increased physical activity are usually substantially larger than the potential impact of increased inhaled air pollution doses and the increase in traffic accidents. Societal benefits are even larger due to a modest reduction in air pollution and greenhouse gas emissions and traffic accidents that occur by shifting trips to other non-auto modes.

One study (Woodward & Samet, 2016) concluded:

*“In summary, there are very few circumstances in which encouraging people to take the active transport route would do more harm than good. Only the most extreme conditions, with very high levels of air pollution, combined with long periods of unprotected walking and cycling, would shift the balance in the wrong direction. There are important implications of the findings of Tainio and colleagues. Information on the pluses and minuses of different transport choices should emphasize the gains from regular exercise. Similarly, when weighing up the health impacts of transport policies, it is important for planners to understand that the beneficial effects on physical activity will dominate any risks from local emissions. In health terms, we expect electric bikes to be a much better investment than electric cars”.*

Several other studies support this conclusion (Tainio, et al., 2016, Andersen, et al., 2015). PSU alumni Alex Bigazzi, PhD, has also published several articles on uptake of air pollutants while cycling in Portland.

Considering these findings, and the above-cited research, Council adopted a bike classification map that includes a variety of routes, including routes on both high and low-traffic streets. This

ensures a greater level of choice, allowing individuals to make decisions about how they balance trip distance, access to commercial designations on larger streets, and comfort.

Council also concluded that directing future residential growth to light rail stations and along major transit streets will have positive public health benefits, because it will cause more people to live in more complete walkable communities. Development of mixed use urban form in close proximity to transit reduces reliance on automobile travel, which encourages more active forms of transportation. The health benefits of active transportation outweigh the potential health impacts.

### **Portland City Code Findings**

Under Chapter 33.740 of the City code, this ordinance is a legislative project assigned to the PSC for a public hearing and recommendation and to the City Council for a public hearing and decision. These city code requirements have been met as demonstrated by the public meeting notices, agendas, testimony and minutes within the record. While these materials are not attached to this ordinance, they were filed with the Council Clerk and became part of the record before the City Council when this ordinance was adopted. The requirement of the City Code most applicable to this ordinance is that before the City Council considers a recommendation of the PSC, individuals and organizations identified by the code must be mailed notice 14 days in advance of the City Council hearing. The first Council hearing date for this ordinance was October 6, 2016. To test the timely receipt of these notices the City mails a notice to itself, in addition to those on the legislative mailing list. That test notice was received before September 21, 2016. The 14-day code requirement has been met. The City also mailed notices as required by ORS 117.186 (known as Measure 56) to potentially affected property owners (those subject to *Zoning Map* amendments or certain zoning code changes that fall under the scope of this measure). All City Code requirements have been met.

### **Conclusion**

For the reasons stated in the findings above this ordinance fulfills all requirements of City's state-mandated periodic review order for Task V.