



Oregon

John A. Kitzhaber, M.D., Governor

Department of Land Conservation and Development

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September 13, 2011

Susan Anderson, Director
City of Portland Bureau of Planning and Sustainability
1900 SW 4th Avenue, Suite 7100
Portland, Oregon 97201

RE: Extension Request to Complete Periodic Review Work Program
(Approval Order 001773, dated September 30, 2009); Extension Order No. 001809

Dear Susan:

I am pleased to inform you that the Department of Land Conservation and Development (DLCD) received and approved the City of Portland's request, dated July 7, 2011, for a twelve month extension to complete Portland's periodic review work program under the provisions of Oregon Administrative Rule 660-025-0130(6). These provisions allow a local government to request an extension of time for submitting a work task, and the department to grant a one-time extension of up to twelve months upon a showing of good cause by the local government.

As approved, the revised work program extends each of the five remaining work tasks and the final completion of the work program for twelve months and adjusts the remaining subtasks accordingly. The approved revised Periodic Review Work Program Summary is attached.

We appreciate the efforts of Portland officials and staff to help prepare the City of Portland and Oregon for the future and we look forward to working with you on the remainder of the work program. Please contact DLCD regional representative Anne Debbaut, at 971.673.0965 or anne.debbaut@state.or.us if you have any questions or need further assistance.

Sincerely,

Jim Rue
Acting Director

Encl: Revised Work Program Approval Summary, dated September 13, 2011

cc: Eric Engstrom, Project Manager, City of Portland Bureau of Planning and Sustainability (*email*)
Al Burns, Senior Planner, City of Portland Bureau of Planning and Sustainability (*email*)
John Williams, Acting Planning & Development Director, Metro (*email*)
Karen Schilling, Community Services Director, Multnomah County (*email*)
Mike McCallister, Planning Manager, Clackamas County (*email*)
Brent Curtis, Planning Manager, Washington County (*email*)
Periodic Review Assistance Team, DLCD (*email*)
DLCD files

City of Portland
MODIFIED APPROVED
PERIODIC REVIEW WORK PROGRAM
Revised 09/13/2011

| | | |
|--------------------------------------|---|---|
| DLCD Periodic Review Team Leader: | Darren Nichols | Phone: 503.373.0050 x255 Fax: 971.378.5518 Email: darren.nichols@state.or.us |
| DLCD Metro / Portland Representative | Anne Debbaut | Phone: 503.725.2182 Email: anne.debbaut@state.or.us |
| City Planning Director: | Susan Anderson | Phone: 503.823.6800 Fax: 503.823.7800 Email: sanderson@ci.portland.or.us |
| City Project Manager | Eric Engstrom | Phone: 503.823.3329 Email: eric.engstrom@ci.portland.or.us |
| Metro Regional Planning Director: | Robin McArthur | Phone: 503.797.1714 Email: robin.mcarthur@oregonmetro.gov |
| Multnomah County Planning Director: | Karen Schilling | Phone: 503.988.3389 x29635 Email: karen.c.schilling@co.multnomah.or.us |
| Clackamas County Planning Director: | Mike McCallister | Phone: 503.742.4522 Email: mikem@co.clackamas.or.us |
| Washington County Planning Manager: | Brent Curtis | Phone: 503.846.3519 Email: brent_curtis@co.washington.or.us |
| Date Work Program Approved by DLCDC: | September 30, 2009 | Order 001773 |
| Date Revision Approved by DLCDC: | January 5, 2010 September 13, 2011 | Order 001798 Order 001809 |
| Final Work Program Completion Date: | October 01, 2012 October 01, 2013 | Order 001773 Order 001809 |

Work Program Task Completion Summarized:

T1.A, approved, 08/05/2010, Order 001792, Establish Community Involvement Committee
T1.B, approved, 01/05/2011, Order 001798, Citizen Involvement

**Work Tasks Subject to Public Notice and DLCDD Review
(See OAR 660-25-130 - submission of completed work task)**

| Task # | Work Program Reference | Task and Product Descriptions | Submittal Date (s) |
|--------|------------------------|--|---|
| 1 | COMMUNITY INVOLVEMENT | <p><i>Ensure meaningful, timely, and sufficient community participation in all phases of plan update</i></p> <p><u>Subtask A – Appointment</u> The Community Involvement Committee will consist of no more than three members of the City Planning and Sustainability Commission and at least nine others members nominated by the Mayor and confirmed by the Portland City Council.</p> <p><u>Product:</u> <i>Adoption of a “Report of Council” containing a list of confirmed appointments to Community Involvement Committee.</i></p> | <p>05/01/10</p> <p>Approved 08/05/2010 Order 001792</p> |
| | | <p><u>Subtask B – Standards and Practices</u> The Community Involvement Committee will review the Community Involvement Program to ensure it contains sufficient and appropriate standards and practices. Needed improvements will be identified by the Community Involvement Committee and recommended to City Council by the Planning and Sustainability Commission</p> <p><u>Products:</u> <i>Amended Community Involvement Program adopted by city ordinance</i></p> <p><u>Any Additional Improvements:</u></p> | <p>09/30/10</p> <p>Within 30-days of Council adoption by ordinance</p> <p>Approved 01/05/2011 Order 001798</p> |
| | | <p><u>Subtask C – Monitoring and Evaluation</u> The Community Involvement Committee will meet at least quarterly and advise the Bureau of Planning and Sustainability and the Planning and Sustainability Commission on the proper application of standards and practices. Needed improvements will be identified by the Community Involvement Committee and recommended to City Council by the Planning and Sustainability Commission.</p> <p><u>Products:</u> An evaluation of community involvement leading up the adoption of each Task 2, 3, 4, and 5 product.</p> <p><u>Task 2 Evaluation</u> <u>Task 3 Evaluation</u> <u>Task 4 Evaluation</u> <u>Task 5 Evaluation</u></p> | <p>12/31/10 12/31/2011 06/30/11 06/30/2012 06/30/12 06/30/2013 09/30/12 09/30/2013</p> |

| Task # | Work Program Reference | Task and Product Descriptions | Submittal Date (s) |
|--------|-----------------------------------|--|---|
| 1 | COMMUNITY INVOLVEMENT (continued) | <p><i>Subtask D – Plan and Code Recommendations</i> The Community Involvement committee should review Goal 9 (Citizen Involvement) and Goal 10 (Administration) of the Portland Comprehensive Plan, and the “Legislative Procedures” Chapter of the City Zoning Code (Title 33) and provide recommendations to the Planning and Sustainability Commission for beneficial changes.</p> <p><i>Products: City Council Ordinances adjusting the community involvement provisions in the City Code and Comprehensive Plan</i></p> <p><u>Comprehensive Plan policy amendments:</u></p> <p><u>Planning and Zoning Code amendments:</u></p> | <p>06/30/12 <u>06/30/2013</u></p> <p>09/30/12 <u>09/30/2013</u></p> |

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|--------|------------------------|---|--------------------|
| 2 | INVENTORY AND ANALYSIS | <p><u>Research and analysis necessary to provide a solid factual base for plan update.</u></p> <p><u>Subtask A – Characterization of Existing Land Supply</u> An inventory will be constructed in three parts: constrained, highly constrained, and unconstrained.</p> <p><i>1. Constrained Lands</i> Development is allowed on constrained lands, but with added scrutiny. The Constrained Lands inventory will be constructed from the best available, parcel specific information on the following:</p> <ul style="list-style-type: none"> • Infrastructure Limitations – Areas where an existing transportation, water, sewer, or drainage feature may be insufficient to support current plan designations • Airport Conflicts – Areas where building use and height must be limited near Portland International Airport because of aircraft approaches or departures, aircraft noise, or safety concerns. • Heliport Conflicts – Areas where building height must be limited near the Portland Heliport. • Significant Natural Resources – Streams, lakes, riparian areas, forests, fish and wildlife habitats, scenic views, sites and corridors, groundwater recharge areas, designated open space, and three delineated wellhead protection areas - Columbia South Shore, Vivian, and Gilbert. • Significant Cultural Resources – Historic districts, buildings, and sites; archeological sites; and areas subject to consultation with Native American tribal governments • Landslide Hazards – Areas of historic failures; areas of unstable, old and recent landslides; and all slopes over 25%. Hazards will be identified from the best available topographic maps, and the following information from the Oregon Department of Geology and Mineral Industries, should this information become available at a parcel-specific scale: Statewide Digital Landslide Database (SLIDO), and Rapidly Moving Landslide Hazard Zones (IMS-22). | |

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| 2 | INVENTORY AND ANALYSIS (continued) | <ul style="list-style-type: none"> • Earthquake Hazards – Fault lines, areas subject to liquefaction, and areas subject to moderate or severe damage from earthquakes should Department of Geology and Mineral Industries databases IMS-1 and IMS-16 information become available at a parcel-specific scale. • Floodplains and other Areas Subject to Flooding – Areas identified from Federal Emergency Management Agency 100-year flood maps, 1996 actual flooding, areas with impervious soils or other drainage problems, and areas with shallow ground water. • Contaminated Areas – Areas identified by the Oregon Department of Environmental Quality from the following sources: Environmental Cleanup Sites I (ECSI), Confirmed Release Sites (CRL) and Underground Storage Tank Cleanup Sites (UST), should this information become available on a parcel-specific basis. | |
| | | <p><i>2. Highly Constrained Lands</i> Urban level development is rarely allowed on highly constrained lands, but provisions are often made to transfer development opportunity to less constrained sites. The highly constrained lands inventory will be composed of the following.</p> <ul style="list-style-type: none"> • Publicly Owned Land – Those publicly owned or controlled lands that do not provide for employment or residential uses. Examples include parks, rights-of-way, and the beds and banks of navigable waterways. • Floodways – Areas mapped as floodways by the Federal Emergency Management Agency. • Conserved Land – designated environmental protection areas; and land benefiting from farm, forest, or open space tax deferral programs. • Rural lands – Lands that are both not within the regional urban growth boundary and not designated as urban reserves by Metro. | |

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|--------|------------------------------------|--|--------------------|
| 2 | INVENTORY AND ANALYSIS (continued) | <p><i>3. Unconstrained Lands</i></p> <p>These are lands not falling within the previous two categories. This is the “Buildable Lands” inventory within the meaning of Statewide Planning Goal 9 (Economy) and Goal 10. The City will not employ this term because it engenders too much confusion, particularly the assumption that land not so inventoried is not buildable; thus the synonym “Unconstrained Lands” inventory.</p> | |
| 2 | INVENTORY AND ANALYSIS (continued) | <p><u><i>Subtask B – Estimate of Remaining Development Potential</i></u></p> <p>Remaining development potentials for housing and employment will be calculated from the existing Comprehensive Plan Map. This will involve the establishment of a standard set of justifiable assumptions for different categories of urban land, particularly for areas where infill development or redevelopment is likely. The spatial distribution of existing and potential development will inform a “base case” for an alternatives analysis.</p> <p><u><i>Subtask C – Coordination of Population and Employment Forecast</i></u></p> <p>Portland will begin periodic review without a current regional population forecast, or identified 20-year housing and employment needs. The beginning assumption is that Portland needs to accommodate at least its 2002 Metro allocation of jobs and housing, plus an added increment. Portland will work with Metro during periodic review and will recognize the new regional forecasts and allocations when they become available. An important part of this effort will be working with Metro to refine modeling assumptions to better estimate Portland’s remaining development potential.</p> | |

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| 2 | INVENTORY AND ANALYSIS (continued) | <p><i>Subtask D – Identification of Employment Needs</i> Future needs and opportunities will be examined and compared to existing conditions.</p> <ul style="list-style-type: none"> • A new Economic Opportunities Analysis will be prepared. This analysis will describe international, national, state and local economic trends related to the types of business likely to locate or expand in Portland. • The City will also reexamine the adequacy of its existing industrial land base, identify “prime” industrial land, and characterize long-term and short-term supplies of industrial land suitable for different employment types in the City’s various employment districts. • Portland will also assess the adequacy of its land base for non-industrial employment. Land supply and demand analyses will consider urban centers, main streets and corridors, commercially underserved neighborhoods, and institutional land needs (e.g., schools, hospitals and universities). • The amounts of employment land of the constrained and unconstrained inventories will be identified. | |
| 2 | INVENTORY AND ANALYSIS (continued) | <p><i>Subtask E – Identification of Housing Needs</i> Existing and expected housing stock will be characterized by type and affordability.</p> <ol style="list-style-type: none"> 1. Portland will recognize Metro’s new population forecast, housing urban growth report, and allocation of regional housing potential. 2. Portland will perform a “needed housing” examination, profiling existing and expected residents and the amount of housing affordable for different brackets of household income. Expected surpluses and deficiencies in different housing types and affordability ranges will be identified. The residentially zoned part of the unconstrained inventory will be checked to determine whether it contains the potential of 10-units per acre, and whether half the remaining potential is for multi-dwelling and attached single dwelling structures. | |

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|--------|------------------------------------|---|--|
| 2 | INVENTORY AND ANALYSIS (continued) | <p>3. The City will also examine its total housing potential lost or gained since the last periodic review, particularly the supply of more affordable housing. Amounts of housing land on the constrained and unconstrained inventories will be identified.</p> <p>4. The City will identify any provisions in its zoning and other codes that might serve as barriers to the provision of identified forms of needed housing. An example of one such form might be courtyard housing designed for families with young and school-aged children.</p> <p><i>Products: Ordinance of City Council adopting at least the following as Comprehensive Plan background documents:</i> 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</p> | 12/31/10 <u>12/31/2011</u> |

| Task # | Work Program Reference | Task and Product Descriptions | Submittal Date (s) |
|--------|-------------------------------|--|---------------------|
| 3 | CONSIDERATION OF ALTERNATIVES | <p><u>The City will identify the consequences of alternative patterns of development. Development patterns will be depicted by use, intensity, and form.</u></p> <p><u>Subtask A – Develop Evaluation Criteria</u> Evaluation criteria will include the state requirements for the examination of the economic, social, environmental, and energy consequences of different choices. Examples of measured consequences would include trip generation potential by mode and potential changes in housing costs. Additional evaluation criteria will be derived from community values identified through the visionPDX project.</p> <p><u>Subtask B – Thematic Alternatives</u> Simplified consequence analysis will be applied to different patterns of urban development. Alternatives will be designed to emphasize particular community values. There will be several of these.</p> <p><u>Subtask C- Detailed Alternatives</u> Detailed consequence analysis will be applied to a base case derived from a probable build-out of the existing comprehensive plan, and at least three other alternatives - each trying to achieve an optimum mix of community values.</p> <p><u>Products</u> Ordinance of City Council adopting an analysis of the social, economic, energy and environmental consequences of at least three alternative spatial deployments of the housing and employment needs as a Comprehensive Plan background document</p> | 06/30/11 06/30/2012 |

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| 4 | POLICY CHOICES | <p><u>Policy choices are decisions informed by the alternatives analyses. They must be recommended by the Planning and Sustainability Commission and adopted by City Council ordinance. This task description is fairly general because it attempts to describe only plausible decisions. The actual decisions must be based on the yet-to-be-completed preliminary work described in Tasks II and III above.</u></p> <p><u>Subtask A – Physical Plan (New Comprehensive Plan Map)</u> A new plan for the physical development of the City will replace the existing Comprehensive Plan map. This plan might be form-based, use-based, or employ a combination of both approaches. All other periodic review policy choices should be derived from or supportive of the future development pattern depicted on the physical plan.</p> <p><u>Subtask B – The Economic Element</u></p> <ol style="list-style-type: none"> 1. The City will adopt long-term policies and shorter-term strategies for economic development. 2. Different types of employment districts may be established. 3. Sufficient vacant, partially developed, and re-developable land will be identified to meet expected employment needs. 4. Coordination with Metro to ensure sufficient capacity for job growth within Portland is recognized by the regional <i>Urban Growth Management Plan</i>. This allocation will be derived from the point forecast of total regional employment needs for the Year 2030. <p><u>Subtask C – The Housing Element</u></p> <ol style="list-style-type: none"> 1. The City will adopt long-term policies and shorter-term strategies for meeting identified housing needs. 2. The City may revisit its “no net loss” housing policy or adopt alternative housing conservation policies, particularly policies aimed at preserving the existing stock of affordable housing. 3. Sufficient vacant, partially developed, and re-developable land will be identified to meet expected employment needs. | |

| Task # | Work Program Reference | Task and Product Descriptions | Submittal Date (s) |
|--------|-----------------------------------|---|--------------------|
| 4 | POLICY CHOICES (continued) | 4. Coordination with Metro to ensure sufficient capacity of housing growth within Portland is recognized by the regional <i>Urban Growth Management Plan</i> . This allocation will be derived from the point forecast of total regional population growth for the Year 2030 divided by forecasted future average household size. | |
| | POLICY CHOICES (continued) | <p><i>Subtask D – The Public Facilities Element</i></p> <ol style="list-style-type: none"> 1. New facilities plans will be developed to meet service requirements of the physical plan. These plans may provide for future updates through post-acknowledgement plan amendment processes to take account of better forecasting and modeling procedures expected to become available within the next five years. 2. Transportation, sewer, drainage, and water projects necessary to support future development will be identified and adopted as part of the plan. 3. The existing Portland International Airport, and any proposed airport expansion areas, will be depicted as public facilities in the plan. 4. A decision will be made to either continue or discontinue operation of the Portland Heliport. If continued the heliport would be depicted in the plan. 5. Should one or more school districts complete facility planning during the course of periodic review, and should the City be requested by a school district, the City could depict the general location of desired future school sites in the plan. | |

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| 4 | POLICY CHOICES (continued) | <p><u>Subtask E – The Transportation Element</u></p> <ol style="list-style-type: none"> 1. Conforming amendments to the City Transportation System Plan will be made for updates to the Regional Transportation Plan. 2. If authorized by the Regional Transportation Plan the City might adopt alternatives to the “Level of Service” standard for characterizing the adequacy of existing and proposed transportation facilities. These alternatives might apply citywide or only within designated areas. In the absence of further state guidance the City might also adopt standard methods for examining the transportation effects for proposed intensifications or urban development. 3. The City might also consider a system of modal preferences or desired mode splits as part of its street classification scheme. | |
| 4 | POLICY CHOICES (continued) | <p><u>Products Ordinance of City Council adopting at least the following amendments to the Portland Comprehensive Plan:</u></p> <p>Land Use Map depicting property-specific locations and intensity of needed housing and employment</p> <p>Economic Element, including coordination with Metro</p> <p>Housing Element, including coordination with Metro</p> <p>Transportation Element, conforming to Regional Transportation Plan</p> | <p>06/30/12 <u>06/30/2013</u></p> <p>06/30/12 <u>06/30/2013</u></p> <p>06/30/12 <u>06/30/2013</u></p> <p>06/30/12 <u>06/30/2013</u></p> |

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| 5 | IMPLEMENTATION | <p><u>Whatever policy decisions are made, they must be carried out by sufficiently robust implementation measures. It is important to emphasize that not all these measures are regulatory. Funding an identified public works project is an example of plan implementation, as are programs carried out by government-to-government or public private partnerships. Because policy decisions have yet to be made, the illustrative implementation measures are necessarily vague.</u></p> <p>Possible new implementation measures might include:</p> <ol style="list-style-type: none"> 1. Retention measures for prime industrial land and affordable housing stock, 2. Remediation programs for brownfields, 3. Adjustments to minimum residential density requirements, or application of minimum density requirements to mixed use development or residential development in non-residential zones, 4. Form-based design standards, 5. Construction of additional streetcar lines, 6. Interagency agreements with special districts, 7. Establishment of new urban renewal areas, 8. A standard method for estimating traffic generation potential of proposed plan amendments, 9. New community involvement and outreach programs, 10. Inter-bureau strategies to carry out plan objectives, or 11. Adjustment of height, noise, and use limitations around airport. <p><u>Products Ordinance of City Council adopting regulations, projects, and agreements sufficient to carry out the amended Comprehensive Plan.</u></p> | 09/30/12 <u>09/30/2013</u> |
| | | <u>COMPLETION OF ENTIRE WORK PROGRAM</u> | 10/01/12 <u>10/01/2013</u> |

Additional Comments:

The dates above are established for the city to submit completed work tasks to DLCD. Interested persons or agencies are advised to contact Al Burns, Senior City Planner, (503) 823-7832, if you are uncertain as to how you will be notified and involved at the local level. The city will provide you with notice of public hearings of those work tasks affecting your agency. However, agencies and other interested persons are advised to monitor subtasks related to that work task, particularly the adoption of needed amendments to the city's comprehensive plan and land use regulations. LCDC rules require that an objecting party participate at the local level orally or in writing during the local review process.

STATE PERIODIC REVIEW ASSISTANCE TEAM

| <u>Agency</u> | <u>Contact</u> |
|--|---|
| Business Development Department (BDD) | Paul Grove |
| Department of Agriculture (ODA) | Jim Johnson |
| Department of Aviation (DOA) | Christopher Cummings <u>Mitch Swecker</u> |
| Department of Environmental Quality (DEQ) | Greg Aldrich |
| Department of Fish and Wildlife (ODFW) | Patty Snow |
| Department of Forestry (DOF) | Kevin Birch |
| Department of Geology and Mineral Industries (DOGAMI) | Carol DuVernois <u>Ian Madin</u> |
| Department of Human Services (DHS) | Tom Pattee |
| Department of State Lands (DSL) | Anna Buckley |
| Department of Transportation (ODOT), Region 1 | Lainie Smith <u>Kirsten Pennington</u> |
| Department of Water Resources (WRD) | Bill Fujii |
| Housing and Community Services Department (OHCS) | Rick Crager |
| Parks and Recreation Department (OPRD) | Kathy Schutt |
| State Historic Preservation Office (SHPO) | Stephen Poyser |

NOTE: Enclosed for city's information and use are:

- 1) a copy of the current periodic review rule;
- 2) a sample "completed work task" notice to be sent by the local government to persons (if any) who participated at the local level or who requested notice;
- 3) copies (yellow) of Notice of Periodic Work Task, forms to be sent by local government to DLCD with each completed work task; and
- 4) list of the State Periodic Review Assistance Team Members.

Please contact Larry French at (503) 373-0050, extension 283 if you have questions or need additional forms.