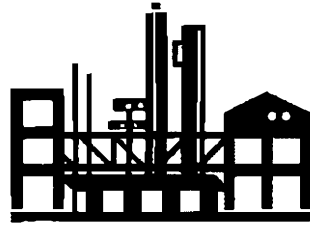


Adopted Report



Commercial Restrictions in Industrial and Employment Areas



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Citywide Code Changes Team
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Table of Contents

Project Summary and City Council Actions	1
Background	3
Project Development and Review Process.....	4
Impacts of Non-Industrial Uses in Industrial and Employment Areas	5
The City of Portland <i>Comprehensive Plan</i> —Preservation of Industrial Sanctuaries	6
Creating opportunity for Industrial/Office Uses	6
Urban Growth Management Functional Plan Requirements	7
Summary of Previous Regulations and Adopted Changes	11
Table 1: Summary of previous City regulations in employment and industrial zones....	12
Table 2: Summary of adopted changes to Zoning Code regulations	13
Adopted Changes to the Zoning Code	15
How to read this section.....	17
Chapter 33.140 Employment and Industrial Zones	19
Chapter 33.510 Central City Plan District	29
Chapter 33.515 Columbia South Shore Plan District	35
Chapter 33.815 Conditional Uses	37
Appendices	
Appendix A: Urban Growth Management Functional Plan Title 4: Retail in Employment and Industrial Areas.....	45
Appendix B: Functional Plan Title 4 Map.....	47
Appendix C: Sample trip generation data for industrial, retail, and office uses	49
Appendix D: Current Listings—Industrial and Commercial Land.....	51
Appendix E: Descriptive statistics of non-central city tax lots by zone— Assessed land value per square foot.....	52
Appendix F: Area of adopted rezoning from EG2 to CG.....	53

Project Summary and City Council Actions

Commercial Restrictions in Industrial and Employment Areas: Adopted Report

Project Summary

This project adopts changes to the limitations on retail and office uses in industrial and employment areas, designated in the City of Portland by zones IG1, IG2, IH, EG1, and EG2. The adopted changes are summarized in Table 2 on page 13 of this section and explained in detail in the section entitled “Adopted Changes to the Zoning Code.”

The adopted changes were prompted by several factors:

- The City has adopted policy that supports preservation of industrial sanctuaries. Ongoing contact with the City’s industrial neighborhood and business associations has raised awareness in the City that the existing *Comprehensive Plan* policy and Zoning Code regulations may not provide sufficient protection for the industrial and employment areas.
- Evidence shows that retail and traditional office uses can be detrimental to industrial and employment areas by increasing traffic and raising land values, among other things. However, there may be some types of businesses that combine industrial and office components that could co-exist in a compatible manner with traditional industrial businesses.
- The region’s adopted Urban Growth Management Functional Plan (UGMFP) requires cities and counties to restrict the amount of retail uses that are allowed by right in industrial and employment areas. (See Appendix A: Urban Growth Management Functional Plan Title 4: Retail in Employment and Industrial Areas.)

The regulations adopted here respond to the interests of the City and its industrial, business and neighborhood associations. Achieving compliance with the UGMFP provided the City an opportunity to undertake the work required in evaluating and proposing changes to the retail and office use regulations in employment and industrial zones. In addition, this project provided an opportunity to review progress in implementation of the City’s industrial sanctuary policies.

There are two parts to this report: the adopted changes to the Zoning Code, summarized in Table 2 on Page 13, and description of a legislative rezone of a selected portion of Hayden Meadows (Appendix F) that was adopted as part of this project.

City Council Actions

On April 14, 1999 the Portland City Council took the following actions:

- Adopted this report and its appendices and;
- Amended the Zoning Code, Comprehensive Plan Map, and Zoning Map as consistent with this report.

Background

Project Development and Review Process

In its evaluation of the Urban Growth Management Functional Plan (UGMFP) Title 4 requirements in the summer of 1998, the Bureau of Planning reviewed the City's history of policy and actions regarding employment areas and industrial sanctuaries. As part of their research, staff met with industrial and business groups to get input on their needs for continued economic viability in these special areas. While other issues surfaced that may need to be addressed at a later date, there was general agreement that the directive of Title 4 was a valuable addition to Portland's existing regulations. The Title 4 directive was seen as a safeguard against possible future reductions of family-wage jobs and loss of land for continuation and expansion of manufacturing and industrial uses in the City's industrial and employment areas.

With this input, and based on five identified issues regarding Title 4 compliance, staff developed the first draft of proposed changes titled "Commercial Restrictions in Industrial and Employment Areas" (October 8, 1998). This was published on October 10, 1998.

The Portland Planning Commission held a hearing to review the October 8th draft on November 10, 1998. After hearing some conflicting testimony, and expressing a desire for additional information on the Citywide effects of the proposal, the Planning Commission recommended that the Council adopt the minimum changes necessary to comply with Title 4. Following that hearing, a second report titled the "Planning Commission Recommended Draft: Retail Restrictions in Industrial and Employment Zones" was published by the Bureau of Planning on December 14, 1998.

On January 18, 1999, the Portland City Council held a public hearing on the Planning Commission's recommendations in the December 14th Draft. The Council heard testimony that was supportive of staff's October 8th draft report from associations such as the Northwest Industrial Neighborhood Association (NINA) and the Central Eastside Industrial Council (CEIC). The testimony indicated that the staff's original approach was helpful to the concerns raised by several associations. The Council voted to accept in principle the October 8th draft of proposed changes.

In addition, Council directed staff to propose a Comprehensive Plan map amendment and rezone for a portion of the existing EG2 zoning in the Hayden Meadows area. Council desired this change to recognize that the area is almost fully developed as large-scale retail uses and is not likely to redevelop as employment uses.

On April 7, 1999 Bureau of Planning staff presented the Council with a revised version of the report, entitled "Commercial Restrictions in Industrial and Employment Areas: City Council Revised Report and Recommendations." The report contained the tiered approach to regulating commercial uses in the industrial and employment zones that had been presented to the Planning Commission in October, 1998. In addition, the report contained a recommendation for a Comprehensive Plan map amendment and zone change for a large portion of the Hayden Meadows retail development.

Commercial Restrictions in Industrial and Employment Areas: Adopted Report

Council heard testimony on April 7 from a variety of interest groups. While there was opposition to the recommendations from large retail interests, the majority of the testimony was supportive of the revised recommendations. Council voted unanimously to adopt the recommendations as submitted, and to adopt the commentary and attachments to the revised report as findings of legislative intent. On April 14, 1999 the vote was read a second time, for final adoption.

The following pages include background summaries of information that led to the adopted amendments.

Impacts of Non-Industrial Uses in Industrial and Employment Areas

The City of Portland has historically supported limitations on retail and office uses in the industrial and employment zones. In industrial areas, these limitations stem from the fact that existing and new industrial businesses are highly dependent on their location because of the proximity to major transportation facilities, i.e. marine terminals, rail terminals, and freeways. In industrial and employment areas, non-industrial uses, such as retail and traditional office uses, bring impacts, which may include the following:

- a) Decreased supply of industrial land.
- b) An increase in people that may result in less tolerance toward industrial business.
- c) Increased auto traffic-- Evidence shows that many types of retail uses generate substantially more auto trips than industrial uses. In addition, traditional office uses generally produce more trips per acre of land than industrial uses. (See Appendix C: Sample trip generation data for industrial, retail, and office uses.)
- a) Higher cost of land-- A census of commercial real estate listings in the City of Portland taken in May 1998 showed that properties with industrial zoning designations listed for less than half the price per square foot of properties with commercial zoning designations. (See Appendix D: Current Listings-- Industrial and Commercial Land.) Also, a recent analysis of Multnomah County tax records concluded that assessed land values per square foot for the commercial office zones (CO1 and CO2) are higher than average values in either general employment (EG1 and EG2) and general industrial (IG1, IG2, and IH) zones. (See appendix E: Descriptive statistics of non-central city tax lots by zone— Assessed land value per square foot.)

Based on these potential negative impacts, the *Zoning Code* contains regulations that limit the amount of retail and office uses allowed by right in the industrial and employment zones. (See Table 1: Summary of previous City regulations in employment and industrial zones, page 12.)

The regulations adopted in this report are intended to assure that the possible effects from non-industrial businesses in the City's industrial and employment areas are minimized by strengthening the existing limitations on retail and traditional office uses in the industrial zones, and on retail in the employment zones.

The City of Portland *Comprehensive Plan*--Preservation of Industrial Sanctuaries

Prior to the adoption of the UGMFP, the City's *Comprehensive Plan* recognized the industrial sanctuaries as areas that have historically provided a high concentration of family-wage jobs. The industrial and employment areas are considered an important component of the City's economic base, and as such, are protected by the *Comprehensive Plan* under policy 2.14: (*"Provide industrial sanctuaries. Encourage the growth of industrial activities in the City by preserving industrial land primarily for manufacturing purposes."*)

Ongoing contact and work with industrial business and neighborhood associations such as the Northwest Industrial Neighborhood Association (NINA), the Central Eastside Industrial Council (CEIC), and the Columbia Corridor Association, among others, raised awareness that the City's existing policies and regulations may not be sufficient to protect industrial and employment areas from the impacts of non-industrial uses (discussed in the previous section).

The adopted changes in this report respond to the concerns voiced by these industrial business associations, and the City Council. To strengthen the regulations that implement the industrial sanctuary policy, the regulations adopted in this report are a tiered approach that assures the greatest protection to the industrial zones and lesser protection to employment zones.

Creating Opportunity for Industrial/Office Uses

Staff research has shown that traditional office uses may impact the industrial and employment areas in the same manner that retail impacts these areas. However, there may be some circumstances in which office uses are appropriate in industrial and employment areas. For example, the Zoning Code currently allows headquarters offices that are in conjunction with or adjacent to an allowed industrial or employment use. In addition, there are some types of businesses that have both industrial and office characteristics that may be more compatible with industrial uses than traditional office uses. They are classified by the Zoning Code as office uses but they may contain manufacturing or production components. Hence, they have different spatial and economic needs than traditional office uses. Examples of these types of industries include "creative service" businesses such as internet sales, software design/production, web page design and production, advertising, video production, and others. The City would like to foster the opportunity for such businesses in areas near the Central City.

The IG1 zone within the Central City Plan District is close to the downtown core, with an existing street grid and traditional 200 foot by 200 foot block pattern in most cases. These areas contain many existing buildings that may no longer be appropriate for traditional industrial uses, but offer flexible interior space configurations that could accommodate businesses which mix industrial and office components. In addition, existing street patterns and lot configurations reduce the possibility that large-scale new office development would occur in these areas.

This report includes adopted changes which allow office uses between 3,000 square feet and 60,000 square feet in the IG1 zoned areas in the Central City Plan District through a conditional use process. Special conditional use criteria have been adopted which include a requirement that office uses in these areas contain a manufacturing or production component.

Urban Growth Management Functional Plan Requirements

The UGMFP is a document that was adopted in November of 1996 by the Metro Council after significant input from all of the jurisdictions in the Metro region. It contains requirements that local cities and counties have agreed to adopt as the first steps toward implementing the region's strategy for dealing with growth, which is known as the Region 2040 Growth Concept.

Title 4 of the UGMFP is entitled, "Retail in Employment and Industrial Areas." It contains a requirement for cities and counties to limit the amount of retail uses allowed in areas designated for industrial or employment uses. Title 4 contains a map depicting the industrial and employment areas in the region to which these limitations apply. (See Appendix B: Functional Plan Title 4 Map.) For the City of Portland this map closely reflects areas where the City's industrial and employment zones are mapped.

The intent of Title 4 is to allow retail uses that serve the needs of people and businesses in employment or industrial areas, but to discourage large retail uses that would draw a customer base from outside these areas. To these ends, Title 4 requires that cities and counties amend their comprehensive plans and implementing ordinances to do the following:

- In the industrial areas, prohibit retail over 60,000 square feet of gross leasable area per building or business.
- In the employment areas, limit the amount of retail that can be allowed without a land use review to 60,000 square feet of gross leasable area per building or business.

The requirement to comply with the UGMFP provides the opportunity for the City to examine the current use regulations regarding non-industrial uses in the employment and industrial zones. The following is a summary of the issues that were raised during analysis of Title 4 requirements, and the resulting adopted regulations contained in this document:

- 1. Increasing protection of the City's industrial sanctuaries by choosing a more restrictive approach.**

Issue:

It may be appropriate to apply more restrictive size limitations for retail uses in industrial zones than Title 4 requires.

Discussion:

- The City is already more restrictive than Title 4 in practice. Through the conditional use (CU) process, the City rarely, if ever, allows retail uses over 60,000 sq. ft. in industrial zones. Large retail developments have historically applied for Zoning Map and Comprehensive Plan Map Amendments because they can't meet the CU approval criteria.
- Through the fairly recent amendments to the Columbia South Shore Plan District, Bureau of Planning staff researched the sizes of different types of retail. The conclusion was that, in general, retail over 25,000 sq. ft. draws customers from beyond the industrial area.
- Employment zones serve as transitional areas, and therefore, larger retail is appropriately more common than in industrial zones.

Recommendation:

For the employment zones, do the minimum to comply with Title 4: establish a CU process and criteria for retail over 60,000 sq. ft.

For the industrial zones, adopt a three-tiered approach that involves a substantial restriction on retail in the IH zone, and lesser restrictions in the IG1 and IG2 zones. (See Table 2: "Summary of adopted changes to Zoning Code regulations" on page 13 for the specific changes that were recommended and subsequently adopted.)

2. Office uses.

Issue:

Title 4 does not limit office in the employment and industrial areas.

Discussion:

- While Title 4 only addresses retail in the industrial and employment areas, the City of Portland considers both retail and office uses to have detrimental impacts in these areas, especially in the industrial zones.
- There are some circumstances in which offices are appropriate in the industrial and employment areas. The exception for headquarters offices, when in conjunction with an allowed industrial or employment use, is the most notable example.
- The employment zones were created to accommodate a variety of employment uses, and office uses are increasingly an important component of the City's economic base.
- Some office uses contain manufacturing or production components that need more flexible space than traditional offices. Providing opportunities for this type of business to locate in the industrial areas close to the Central City is appropriate.

Recommendation:

Apply the same limits to offices as those recommended for retail in the industrial zones, and leave the existing limits on offices in the employment zones. Create an exception to provide the opportunity for businesses that mix both office and industrial components to

locate in the IGI zone contained within the Central City Plan District up to 60,000 square feet through special conditional use criteria.

3. The Title 4 definition of retail is narrower than the Zoning Code's definition.

Issue:

Title 4 does not include hotels, motels, restaurants, and personal services in the definition of retail uses. Hence, a literal reading of the Title 4 requirements would indicate that these uses do not need to be limited in the industrial and employment areas. The Zoning Code, however, includes hotels, motels, restaurants, and personal services within the definition of Retail Sales And Service uses.

Discussion:

- For reasons previously discussed, the uses that Title 4 excludes can still have a significant negative impact on industrial and employment areas.
- From a practical point of view, restaurants and personal services typically have less than 12,000 sq. ft. of floor area, (the most restrictive limit proposed in these amendments) so creating an exception for those uses may not be necessary.
- Hotels and motels stand out as anomalies. Their impact on traffic is different than other retail uses; however, they still decrease the supply of industrial land, cause land values to rise, and bring in more people which results in less tolerance toward industrial business.
- Columbia South Shore excludes hotels and motels from its retail limitations in EG2 zones because of its proximity to the Portland International Airport and to several major freeways.

Recommendation:

Apply retail limitations to hotels, motels, restaurants, and personal service uses except in Columbia South Shore where hotels and motels would continue to be excluded from the limits.

4. Differences between the measurement of retail space in Title 4 and in the Zoning Code.

Issue:

Title 4 measures retail uses based on the "square footage of gross leasable area per building or business"; Portland's Zoning Code measures all floor area on the site.

Discussion:

- Typically, floor area is greater than gross leasable area by approximately 10-15%. Hence, the Zoning Code's standard of measurement is more restrictive than Title 4 requires.
- The Title 4 measurement is based on the square footage *per building or business*. If the *Zoning Code* adopted this standard of measurement, one *site* could far exceed 60,000 sq. ft. of retail by having several large retail buildings. The Hayden Meadows

- development in North Portland is a good example of a situation in which a single site (defined by numerous parcels under a single ownership) has multiple large retail uses.
- Measuring gross leasable area is more complex than measuring floor area and is more difficult to enforce over time; the Zoning Code doesn't distinguish between leasable floor area and non-leasable floor area in the building permit plan check process.
 - Adding another way of measuring would make the Zoning Code more complex.

Recommendation:

Measure retail by square footage of floor area per site, as it's currently done in the Zoning Code. The unit of measurement used in the Zoning Code results in greater restriction of retail space in industrial areas than the unit of measurement used in Title 4. Therefore, the existing unit of measurement in the Zoning Code exceeds the requirements of Title 4.

5. Mapping discrepancies between the Title 4 map of industrial and employment areas and the City's industrial and employment zones.

Issue:

The City identifies employment and industrial areas with the zones EG1, EG2, IG1, IG2, and IH. The areas where these zones are mapped in the City of Portland are not an exact match with the industrial and employment areas shown on the Title 4 map.

Discussion:

- The areas of difference between the Title 4 industrial and employment areas and the City of Portland industrial and employment zones are not significant.
- Most of the differences can be attributed to areas where the City Zoning Map designation is not the same as the City Comprehensive Plan Map designation. For example, there are some small areas where residentially zoned land has an industrial or employment *Comprehensive Plan* designation.
- In addition, a portion of already-developed property zoned EG2 has been changed to CG through this legislative action.

Recommendation:

Request that Metro change the boundaries of the Title 4 industrial and employment areas to conform to the City of Portland's industrial and employment areas provided in an updated Title 4 map.

Summary of Previous Regulations and Adopted Changes

Table 1: Summary of previous City regulations in employment and industrial zones

Zone	Regulation
EG1&2	Retail and office uses are limited to a floor area ratio (FAR) of 1:1 except for historical landmarks where the ratio is 2:1.
IG1	Only one retail or office use of 3,000 sq. ft. or less in floor area is allowed per site; more than one retail or office use or development exceeding the square footage may be approved through a conditional use process (CU). Retail and office uses in excess of an FAR of 1:1 are prohibited except for historical landmarks where the ratio is 2:1.
IG2 and IH	Up to four retail or office uses that are each 3,000 sq. ft. or less in floor area are allowed per site; more than four uses or individual uses over 3,000 sq. ft. may be approved through a CU. Retail and office uses in excess of an FAR of 1:1 are prohibited except for historical landmarks where the ratio is 2:1.
Columbia South Shore EG2	Retail, excluding hotels and motels, that is 25,000 sq. ft. or less per site is allowed. Developments exceeding 25,000 sq. ft. may be approved through a CU. Also, there are special approval criteria for CUs for retail in Columbia South Shore. Office uses are limited to an FAR of 1:1 except for historical landmarks where the ratio is 2:1.
Columbia South Shore IG2	Up to four retail uses that are each 3,000 sq. ft. or less are allowed. Within the Business Opportunity Subdistrict, 12,000 sq. ft. of one retail use is allowed in lieu of the four separate uses. Developments in excess of these requirements may be approved through a CU. Also, there are special approval criteria for CUs for retail in Columbia South Shore. Up to four office uses that are each 3,000 sq. ft. or less in floor area are allowed per site; more than four uses or individual uses over 3,000 sq. ft. may be approved through a CU. Office uses are limited to an FAR of 1:1 except for historical landmarks where the ratio is 2:1.

Note: in the use categories (33.920) headquarters offices in conjunction with or adjacent to an allowed industrial or employment use are allowed.

Table 2: Summary of adopted changes to Zoning Code regulations

Zone	Adopted changes to existing regulations
EG1&2	All regulations remain the same except: <ul style="list-style-type: none"> • A CU process and criteria is required for retail uses over 60,000 sq. ft.
IG1	All regulations remain the same except: <ul style="list-style-type: none"> • Retail and office uses between 3,000 and 25,000 sq. ft. may be allowed through a CU process. Retail and office uses over 25,000 sq. ft. are prohibited except in historic landmarks, where retail and office uses over 60,000 sq. ft. are prohibited. • In the Central City Plan District, office uses between 3,000 and 60,000 sq. ft. are allowed through a CU process with special criteria to promote businesses with both an industrial and an office component. Office uses over 60,000 sq. ft. are prohibited.
IG2	All regulations remain the same except: <ul style="list-style-type: none"> • Retail and office uses over 25,000 sq. ft. per site. are prohibited except in historic landmarks, where retail and offices uses over 60,000 sq. ft. are prohibited.
IH	All regulations remain the same except: <ul style="list-style-type: none"> • Retail and office uses over 12,000 sq. ft. per site. are prohibited except in historic landmarks, where retail and office uses over 25,000 sq. ft. are prohibited.
Columbia South Shore EG2	All regulations remain the same.
Columbia South Shore IG2	All regulations remain the same except: <ul style="list-style-type: none"> • Retail uses over 60,000 sq. ft. are prohibited.

Note: the exception for headquarters offices does not change.

Adopted Changes to the Zoning Code

Commercial Restrictions in Industrial and Employment Areas: Adopted Report

How to read this section

This section contains adopted changes to portions of the Zoning Code. Odd-numbered pages show Zoning Code language with adopted changes. Language added to the Zoning Code is underlined (example). Language deleted is shown in strikethrough. (~~example~~)

Even-numbered pages contain staff commentary on the adopted changes.

33.140, Employment and Industrial Zones

B. Limited uses.

2. EG commercial limitation.

Requiring a CU process for Retail Sales And Service uses over 60,000 square feet is the minimum action required by Title 4 of the UGMFP.

Chapter 33.140, Employment and Industrial Zones

33.140.100 Primary Uses

A. **Allowed uses.** [No change]

B. **Limited uses.** uses allowed that are subject to limitations are listed in Table 140-1 with an "L". These uses are allowed if they comply with the limitations listed below and the development standards and other regulations of this Title. In addition, a use or development listed in the 200s series of chapters is also subject to the regulations of those chapters. The paragraphs listed below contain the limitations and correspond with the footnote numbers from Table 140-1.

1. Group Living. [No change]

2. EG commercial limitation. This regulation applies to all parts of Table 140-1 that have a [2]. ~~uses in the Retail Sales And Service and Office categories are limited to a floor area ratio of 1 to 1 except for historical landmarks which are allowed a floor area ratio of 2 to 1.~~

a. Limited uses.

(1) Office uses are allowed if the FAR for each use is not more than 1:1, except in historic landmarks. In historic landmarks, the FAR may be up to 2:1.

(2) Retail Sales And Service uses are allowed if the floor area plus the exterior display and storage area of each use is not more than 60,000 square feet, and the FAR for each use is not more than 1:1, except in historic landmarks. In historic landmarks, Retail Sales And Service uses are allowed if the floor area plus the exterior display and storage area of each use is not more than 60,000 square feet, and the FAR for each use is not more than 2:1.

b. Conditional uses.

(1) Retail Sales And Service uses where the floor area plus the exterior display and storage area of each use is more than 60,000 square feet, or the FAR is more than 1:1, are a conditional use, except in historic landmarks. In historic landmarks, Retail Sales And Service uses where the floor area plus the exterior display and storage area of each use is more than 60,000 square feet, or the FAR is more than 2:1, are a conditional use.

3. IG1 commercial limitation.

Recent Bureau of Planning research has shown that Retail Sales And Service and Office uses over 25,000 sq. ft. draw customers from beyond the industrial area, bringing the possibility of greater traffic impacts and higher land costs into the industrial sanctuaries. The new Code language prohibits these uses over 25,000 sq. ft. or an amount greater than an FAR of 1 to 1, whichever is less per site. This change will limit undesirable effects of new retail or office in the IG1 zone. The adopted change supports efforts of the Northwest Industrial Neighborhood Association (NINA) to limit retail in the northwest industrial areas.

An exception is made for historical landmarks, which are already allowed a greater FAR of retail and office in order to encourage adaptive reuse of these structures. The adopted changes will keep the existing 2 to 1 FAR allowance for Retail Sales And Service or Office uses, up to 60,000 square feet, which is the greatest amount of retail allowed by the Title 4 requirements.

In addition, the Zoning Code currently limits the floor area of uses, but does not address exterior display and storage. Retail businesses such as auto sales could meet the Zoning Code requirements with a small structure on the site, and still devote most of the site area to exterior display and storage of vehicles for sale. By including the exterior display and storage area in the square footage limitation on the use, retail businesses with large amounts of exterior display and storage cannot locate in the industrial zones.

3. ~~IG1 commercial limitation. This regulation applies to all parts of Table 140-1 that have a [3]. A conditional use review is not required for one Retail Sales And Service or Office use per site, if the use is 3,000 square feet or less in floor area. A conditional use review is required for uses over 3,000 square feet or if there is more than one use on the site. Approval of these Retail Sales And Service or Office uses, plus any exterior display associated with the uses, in an amount greater than a FAR of 1 to 1 is prohibited except for uses in historical landmarks. In historical landmarks, an FAR of 2 to 1, may be approved as part of the conditional use review. Additional FAR may be approved as an adjustment.~~
- a. Limited uses. One Retail Sales And Service or Office use is allowed per site. The square footage of the floor area plus the exterior display and storage area may be up to 3,000 square feet.
- b. Conditional uses.
- (1) More than one Retail Sales And Service or Office use on a site is a conditional use.
- (2) Any Retail Sales And Service or Office use where the floor area plus the exterior display and storage area is more than 3,000 square feet is a conditional use. Retail Sales And Service or Office uses where the floor area plus the exterior display and storage area is more than 25,000 square feet, or the FAR is more than 1:1, are prohibited, except in historic landmarks. In historic landmarks, Retail Sales And Service or Office uses where the floor area plus the exterior display and storage area is more than 60,000 square feet or the FAR is more than 2:1 are prohibited.

4. IG2 commercial limitation.

The adopted changes limit Retail Sales And Service uses and Office uses, including their exterior display and storage areas, to 25,000 sq. ft. or an FAR of 1 to 1 per site, whichever is less. The reasons are the same as those in the IG1 zone.

An exception is made for historical landmarks, which are already allowed a greater FAR of retail and office in order to encourage adaptive reuse of these structures. The adopted changes will keep the existing 2 to 1 FAR allowance up to 60,000 square feet, which is the greatest amount of retail allowed by the Title 4 requirements.

4. ~~IG2 and IH commercial limitation. This regulation applies to all parts of Table 140-1 that have a [4]. A conditional use review is not required for up to four Retail Sales And Service or Office uses per site as long as each is 3,000 square feet or less in floor area. A conditional use review is required for projects with more than four uses, or individual uses over 3,000 square feet. Approval of these uses plus in an amount greater than an FAR of 1 to 1 is prohibited except for uses in historical landmarks. In historical landmarks an FAR of 2 to 1, may be approved as part of the conditional use review. Additional FAR may be approved as an adjustment.~~
- a. Limited uses. Up to four Retail Sales And Service or Office uses are allowed per site. The square footage of the floor area plus the exterior display and storage area may be up to 3,000 square feet per use.
- b. Conditional uses.
- (1) More than four Retail Sales And Service or Office uses on a site is a conditional use.
- (2) Any Retail Sales And Service or Office use where the floor area plus the exterior display and storage area is more than 3,000 square feet is a conditional use. Retail Sales And Service or Office uses where the floor area plus the exterior display and storage area is more than 25,000 square feet or the FAR is more than 1:1 are prohibited except in historic landmarks. In historic landmarks, Retail Sales And Service or Office uses where the floor area plus the exterior display and storage area is more than 60,000 square feet or the FAR is more than 2:1 are prohibited.

5. IH commercial limitation. (New Section)

The prohibition on Retail Sales And Service or Office uses larger than 12,000 sq. ft. was determined by the following factors:

- The existing regulations in the Zoning Code indicated that 12,000 sq. ft. was a reasonable limit (i.e. four uses of 3,000 sq. ft. are currently allowed by right).
- The IH zone is most adversely impacted by non-industrial business because it was specifically created to provide a place for industrial businesses with the greatest potential for offsite impacts.
- A proposal by NINA to limit retail in the IH zone to 10,000 square feet.

An exception is made for historical landmarks, which are already allowed a greater FAR of retail and office in order to encourage adaptive reuse of these structures. The adopted changes will keep the existing 2 to 1 FAR allowance up to 25,000 square feet.

5. IH commercial limitation. This regulation applies to all parts of Table 140-1 that have a [5].
- a. Limited uses. Up to four Retail Sales And Service and Office uses are allowed per site. The square footage of the floor area plus the exterior display and storage area may be up to 3,000 square feet per use.
- b. Conditional uses.
- (1) More than four Retail Sales And Service or Office use on a site is a conditional use.
- (2) Any Retail Sales And Service or Office use where the floor area plus the exterior display and storage area is more than 3,000 square feet is a conditional use. Retail Sales And Service or Office uses where the floor area plus the exterior display and storage area is more than 12,000 square feet or the FAR is more than 1:1 are prohibited except in historic landmarks. In historic landmarks, Retail Sales And Service or Office uses where the exterior display and storage is more than 25,000 square feet or the FAR is more than 2:1 are prohibited.

Renumber 5. through 13. as 6. through 14.

Table 140-1: Employment and Industrial Zone Primary Uses

Use Categories	EG1	EG2	EX	IG1	IG2	IH
Residential Categories						
Household Living	CU	CU	Y	CU	CU	CU
Group Living	CU	CU	L/CU [1]	N	N	N
Commercial Categories						
Retail Sales And Service	L/CU [2]	L/CU [2]	Y	L/CU [3]	L/CU [4]	L/CU [5]
Office	L[2]	L[2]	Y	L/CU [3]	L/CU [4]	L/CU [5]
Quick Vehicle Servicing	Y	Y	Y	Y	Y	Y
Vehicle Repair	Y	Y	Y	Y	Y	Y
Commercial Parking	L [+314]	L [+314]	CU [+314]	CU [+314]	CU [+314]	CU [+314]
Self-Service Storage	Y	Y	L [56]	Y	Y	Y
Commercial Outdoor Recreation	Y	Y	Y	CU	CU	CU
Major Event Entertainment	CU	CU	CU	CU	CU	CU
Industrial Categories						
Manufacturing And Production	Y	Y	Y	Y	Y	Y
Warehouse/Freight Movement	Y	Y	Y	Y	Y	Y
Wholesale Sales	Y	Y	Y	Y	Y	Y
Industrial Service	Y	Y	Y	Y	Y	Y
Railroad Yards	N	N	N	Y	Y	Y
Waste-Related	N	N	N	L/CU [67]	L/CU [67]	L/CU [67]
Institutional Categories						
Basic Utilities	Y/CU [+011]	Y/CU [+011]	Y/CU [+011]	Y/CU [+12]	Y/CU [+12]	Y/CU [+12]
Community Service	L [78]	L [78]	L [89]	L/CU [910]	L/CU [910]	L/CU [910]
Parks And Open Areas	Y	Y	Y	Y	Y	Y
Schools	Y	Y	Y	N	N	N
Colleges	Y	Y	Y	N	N	N
Medical Centers	Y	Y	Y	N	N	N
Religious Institutions	Y	Y	Y	N	N	N
Daycare	Y	Y	Y	L/CU [910]	L/CU [910]	L/CU [910]
Other Categories						
Agriculture	Y	Y	Y	Y	Y	Y
Aviation/ Sfc. Passenger terminals	CU	CU	CU	CU	CU	CU
Detention Facilities	CU	CU	CU	CU	CU	CU
Mining	N	N	N	CU	CU	CU
Radio Frequency Transmission Facilities	L/CU [+213]	L/CU [+213]	CU	L/CU [+213]	L/CU [+213]	L/CU [+213]
Rail Lines And Utility Corridors	Y	Y	Y	Y	Y	Y

Y = Yes, Allowed

L = Allowed, But Special Limitations

CU = Conditional Use Review Required

N = No, Prohibited

Notes:

- The use categories are described in Chapter 33.920.
- Regulations that correspond to the bracketed numbers [] are stated in 33 140 100.B.
- Specific uses and developments may also be subject to regulations in the 200s series of chapters.

Commentary

33.510, Central City Plan District

Amend table of contents as noted.

Chapter 33.510, Central City Plan District

**CHAPTER 33.510
CENTRAL CITY PLAN DISTRICT**

Sections:

General

- 33.510.010 Purpose
- 33.510.020 Where the Regulations Apply

Use Regulations

- 33.510.100 Vehicle Repair Uses
- 33.510.105 Vehicle Sales or Leasing
- 33.510.110 Mixed use Waterfront Development
- 33.510.112 Commercial Parking
- 33.510.113 Retail Sales And Service and Office Uses in the IG1 Zone

Development Standards

- 33.510.200 Floor Area Ratios
- 33.510.205 Height
- 33.510.210 Floor Area and Height Bonus Options
- 33.510.215 Required Building Lines
- 33.510.220 Ground Floor Windows
- 33.510.223 Exterior Display and Storage
- 33.510.225 Active Building Use Areas
- 33.510.230 Required Residential Development Areas
- 33.510.240 Drive-Through Facilities
- 33.510.242 Demolitions
- 33.510.245 Northwest Triangle Open Area Requirement
- 33.510.250 Northwest Triangle Waterfront Development
- 33.510.253 North Macadam Interim Transportation Review
- 33.510.255 Central City Master Plans

Parking and Access

- 33.510.261 Parking
- 33.510.263 Parking in the Core Area
- 33.510.264 Parking in Lloyd District
- 33.510.265 Parking in the Goose Hollow Subdistrict and Central Eastside Sectors 2 and 3
- 33.510.267 Parking in the Lower Albina Subdistrict; the North Macadam Subdistrict; Central Eastside Sectors 1, 4, 5, and 6; and River District Sectors 1 and 2.

Map 510-1 Central City Plan District and Subdistricts

Map 510-2 Maximum Floor Area

Map 510-3 Maximum Heights

Map 510-4 Bonus Options Target Areas

Map 510-5 Required Residential Development Areas

Table of Contents, continued

- Map 510-6 Required Building Lines
- Map 510-7 Required Retail Opportunity Areas
- Map 510-8 Core and Parking Sectors
- Map 510-9 Parking Access Restricted Streets

33.510.113 Retail Sales And Service and Office uses in the IG1 Zone (new section)

The City would like to provide opportunities for offices that contain manufacturing and production components, such as software design/production, advertising, web page design and production, video production, and others to locate near the Central City. These "industries of the future" (as Mayor Vera Katz calls them) are usually classified as Office uses by the Zoning Code, even though they may contain manufacturing or production components. As Office uses, they are limited in the industrial areas. However, the nature of these businesses usually require lower land costs and more flexible workspace than traditional office space provides, yet their locational preference is usually close to the City center.

The IG1 zone within the Central City Plan District was chosen for the adopted changes because these areas usually have a street grid and lot pattern that may limit large amounts of new office structures. The areas mapped with the IG1 zone within the Central City Plan District also contain many older manufacturing structures that may no longer be appropriate for new industrial uses. The City would like to promote creative reuse of these buildings.

The Bureau of Planning recognizes that the adopted conditional use criteria cannot ensure that only "creative service" businesses will take advantage of the opportunity to locate in the targeted areas. Other types of businesses may contain both office and manufacturing components, and hence may meet the adopted criteria. However, until modifications are made to the current use category definitions in the Zoning Code, these changes provide opportunity in some industrial areas for a subset of Office uses that otherwise would not be able to locate in the IG1 zone.

33.510.113 Retail Sales And Service and Office Uses in the IG1 Zone

A. Allowed uses. One Retail Sales And Service or Office use is allowed per site. The square footage of the floor area plus the exterior display and storage area may be up to 3,000 square feet.

B. Conditional uses.

1. More than one Retail Sale And Service or Office use on a site is a conditional use.
2. Retail Sales And Service uses where the floor area plus the exterior display and storage area is more than 3,000 square feet are a conditional use. Retail Sales And Service uses where the floor area plus the exterior display and storage area is more than 25,000 square feet, or the FAR is more than 1:1, are prohibited, except in historic landmarks. In historic landmarks, Retail Sales And Service uses where the floor area plus the exterior display and storage area is more than 25,000 square feet or the FAR is more than 2:1 are prohibited.
3. Office uses where the floor area plus the exterior display and storage area is more than 3,000 square feet is a conditional use. Office uses where the floor area is more than 60,000 square feet or the FAR is more than 1:1 are prohibited, except in historic landmarks. In historic landmarks, Office uses where the floor area is more than 60,000 square feet or the FAR is more than 2:1 are prohibited.

33.515, Columbia South Shore Plan District

The adopted changes apply the minimum regulation necessary to comply with Title 4 (60,000 sq. ft. limit in industrial areas, and a land use review required for retail over 60,000 sq. ft. in employment areas) in the Columbia South Shore Plan District. When the Columbia South Shore Plan District was created in 1987 it liberalized retail limitations in the IG2 and EG2 zones within the plan district. (See Table 1: Summary of previous City regulations in employment and industrial zones, on page 12.) In reaction to the encroachment of large-scale retail, the plan district was amended in 1996 through a process involving extensive public and private input, to more closely restrict retail in EG2. Therefore, the Bureau of Planning's position is that current regulations for EG2 in Columbia South Shore are appropriate since they were recently and specifically created to address retail encroachment within the plan district.

33.515.120 Commercial Uses

- A. Retail Sales And Service uses within the EG2 zone. [No change to this subsection.]
- B. IG2 zone regulations. The adopted change is the minimum regulation required by Title 4 (prohibit retail over 60,000 sq. ft. in industrial areas.)
Note: office uses are regulated through the base zone requirements, which are discussed under "IG2 commercial limitation" (see page 23).

Chapter 33.515, Columbia South Shore Plan District

33.515.120 Commercial Uses

- A. Retail Sales And Service uses within the EG2 zone are limited to 25,000 square feet or less per site. The 25,000 square foot limitation does not apply to hotels or motels. [No change.]
- B. The IG2 zone regulations allow four Retail Sales And Service uses of up to 3,000 square feet each per site without a conditional use review. Within the Industrial Business Opportunity subdistrict, sites zoned IG2 are allowed a single Retail Sales And Service use of up to 12,000 square feet without a conditional use review, in lieu of the four separate uses. Retail Sales And Service uses that exceed 60,000 square feet are prohibited.

Commentary

Chapter 33.815, Conditional Uses

Amend table of contents as noted.

Chapter 33.815, Conditional Uses

**CHAPTER 33.815
CONDITIONAL USES**

Sections:

General

- 33.815.010 Purpose
- 33.815.020 How to Use This Chapter
- 33.815.030 Automatic Conditional Use Status
- 33.815.040 Review Procedures
- 33.815.050 Loss of Conditional Use Status
- 33.815.060 Development Standards for Conditional Uses
- 33.815.070 Sites With Split Zoning
- 33.815.080 Approval Criteria in General
- 33.815.100 Uses in the Open Space Zone
- 33.815.105 Institutional and Other Uses in R Zones
- 33.815.107 Short Term Housing in R Zones
- 33.815.110 Office and Retail Sales And Service Uses in the RX Zone
- 33.815.115 Specified Uses in Commercial Zones
- 33.815.120 Commercial Parking Facilities in the RX, CX, and EX Zones, Outside the Central City Plan District
- 33.815.125 Specified Uses in Industrial Zones
- 33.815.126 Office Uses in the IG1 Zone in the Central City Plan District
- 33.815.128 Retail Sales And Service Uses in the EG Zones
- 33.815.130 Residential Uses in the EG1, EG2, IG1, IG2, and IH Zones
- 33.815.140 Specified Group Living Uses in the C and EX Zones
- 33.815.200 Aviation And Surface Passenger Terminals
- 33.815.205 Detention Facilities
- 33.815.210 Helicopter Landing Facilities
- 33.815.215 Major Event Entertainment
- 33.815.220 Mining and Waste-Related
- 33.815.223 Public Safety Facilities
- 33.815.225 Radio Frequency Transmission Facilities
- 33.815.230 Rail Lines and Utility Corridors
- 33.815.300 Commercial Parking Facilities in the Columbia South Shore Plan District
- 33.815.301 Industrial Businesses in the Columbia South Shore Plan District
- 33.815.302 Professional / Technical Facilities in the Columbia South Shore Plan District
- 33.815.303 Retail Sales And Service Uses in the Columbia South Shore Plan District
- 33.815.305 Replacement Parking Facilities in the Central City Plan District
- 33.815.310 Industrial Uses in the IR Zone

33.815.125 Specified Uses in Industrial Zones

A clause has been added to the existing conditional use criteria for specified uses in the industrial zones. This change acknowledges that there is a second set of criteria that can be used for Office uses in the IG1 zone in the Central City Plan District if the applicant has an Office use that has manufacturing characteristics.

33.815.125 Specified Uses in Industrial Zones

These approval criteria apply for uses in the following categories in the industrial zones: Retail Sales And Service, Office, Commercial Outdoor Recreation, Commercial Parking Facilities, Community Service, and Daycare uses. Office uses in the IG1 zone in the Central City Plan District may use approval criteria 33.815.126: Office Uses in the IG1 Zone in the Central City Plan District, if they contain characteristics of manufacturing businesses. These approval criteria promote preservation of land for industry while allowing other uses when they are supportive of the industrial area or not detrimental to the character of the industrial area. The approval criteria are:

- A. The proposed use will not have significant adverse effects on nearby industrial firms;
- B. The transportation system is capable of safely supporting the proposed use in addition to the existing uses in the area. Evaluation factors include street capacity and level of service, access to arterials, transit availability, on-street parking impacts, lot access requirements, neighborhood impacts, and pedestrian safety;
- C. The proposed use will not significantly alter the overall industrial character of the area, based on the existing proportion of industrial and non-industrial uses and the effects of incremental changes;
- D. The proposed use needs to be located in an industrial area or building because industrial firms or their employees constitute the primary market of the proposed use; and
- E. City-designated scenic resources are preserved.

Commentary

33.815.126 Office Uses in the IG1 Zone in the Central City Plan District (new section)

This section was added to reflect the intent to provide opportunity for Office uses which contain manufacturing or production components in the IG1 zoned areas in the Central City Plan District, up to 60,000 square feet. (Discussed in detail in the section entitled "Chapter 33.510 Central City Plan District," which begins on page 29.)

33.815.126 Office Uses in the IG1 Zone in the Central City Plan District

These approval criteria promote preservation of land for industry while providing opportunity for businesses that contain both an office and a manufacturing or production component. Office uses that do not meet the criteria below may apply for conditional use status through the criteria listed in 33.815.125: Specified Uses in the Industrial Zones. The following approval criteria A-E below apply to Office uses in the IG1 Zone in the Central City Plan District.

- A. The proposed use will not have significant adverse effects on nearby industrial uses;
- B. The transportation system is capable of safely supporting the proposed use in addition to the existing uses in the area. Evaluation factors include street capacity and level of service, access to arterials, transit availability, on-street parking impacts, access requirements, neighborhood impacts, and pedestrian safety;
- C. City-designated scenic resources are preserved;
- D. At least 33 percent of the floor area of the proposed use is dedicated for the development, testing, manufacturing, processing, fabrication, packaging, or assembly of goods. “Goods” include products made from man-made, raw, secondary, or partially completed materials. “Goods” does not include the products or services offered by traditional Office uses described in 33.920.240, but may include electronic or digital products such as internet home pages, computer software, advertising materials, and others; and
- E. The nature of the business does not require customers to visit the site in order to purchase manufactured goods.

Commentary

33.815.128 Retail Sales And Service Uses in the EG Zone (new section)

The adopted approval criteria for Retail Sales And Service uses are a minimum measure needed to comply with the requirements of the UGMPF (require a land use process for retail over 60,000 sq. ft. for those zones in employment areas that already allow retail over 60,000 sq. ft).

33.815.128 Retail Sales And Service Uses in the EG Zone

These approval criteria apply to Retail Sales And Service uses in order to allow commercial development that serves the immediate employment area while ensuring that the development will not have a detrimental impact on the character of the employment zone. The approval criteria are:

- A. The recommended use will not have significant adverse effects on neighboring employment uses;
- B. The transportation system is capable of supporting the recommended use in addition to the existing uses in the area. Evaluation factors include street capacity and level of service, access to arterials, transit availability, on-street parking impacts, access requirements, neighborhood impacts, and pedestrian safety;
- C. The proposed use will not significantly alter the overall desired character of the area, based on the existing mixture of uses and the effects of incremental change; and
- D. City-designated scenic resources are preserved.

Appendix A: Urban Growth Management Functional Plan

TITLE 4: RETAIL IN EMPLOYMENT AND INDUSTRIAL AREAS

3.07.410 Intent

It is the intent of the Metro 2040 Growth Concept that Employment and Industrial Areas contain supportive retail development. Employment and Industrial areas would be expected to include some limited retail commercial uses primarily to serve the needs of people working or living in the immediate Employment or Industrial Areas; not larger market areas outside the Employment or Industrial Areas.

3.07.420 *Comprehensive Plan and Implementing Ordinance Changes Required*

- A. Cities and counties are hereby required to amend their comprehensive plans and implementing regulations, if necessary, to prohibit retail uses larger than 60,000 square feet of gross leasable area per building or business in the Industrial Areas designated on the attached Employment and Industrial Areas Map.
- B. This subsection applies to city and county comprehensive plan designations and zoning ordinances acknowledged by the effective date of this Functional Plan, which allow retail uses larger than 60,000 square feet of gross leasable area per building or business in Employment Areas designated on the attached Employment and Industrial Areas Map. These cities and counties may continue to allow the extent and location of retail uses allowed in Employment Areas on the effective date of this Functional Plan for the specific zones in acknowledged land use regulations listed in Exhibit A of this Title. For all other zones in Employment Areas, these cities and counties are hereby required to amend their comprehensive plans and implementing regulations, if necessary, to require a process resulting in a land use decision for any retail uses larger than 60,000 square feet of gross leasable area per building or business on those lands where such uses are currently allowed by any process. The standards for the land use decision to allow any such retail uses shall require (1) a demonstration in the record that transportation facilities adequate to serve the retail use, consistent with Metro's functional plans for transportation, will be in place at the time the retail use begins operation; and (2)†a demonstration that transportation facilities adequate to meet the transportation need for the other planned uses in the Employment Areas are included in the applicable comprehensive plan provisions. If the City and county comprehensive plan designations and zoning ordinances which allow retail uses larger than 60,000 square feet of gross leasable area per building or business in Employment Areas have not been acknowledged by the effective date of this Functional Plan, subsection 2.C. of this Title shall apply.

- C. City or county comprehensive plan designations and zoning ordinances acknowledged by the effective date of this Functional Plan which do not allow retail uses larger than 60,000 square feet of gross leasable area per building or business in Employment Areas designated on the attached Employment and Industrial Areas Map shall continue to prohibit them unless an exception is established under Section 3 of this Title pursuant to the compliance procedures of Title 8.

3.07.430 Exceptions

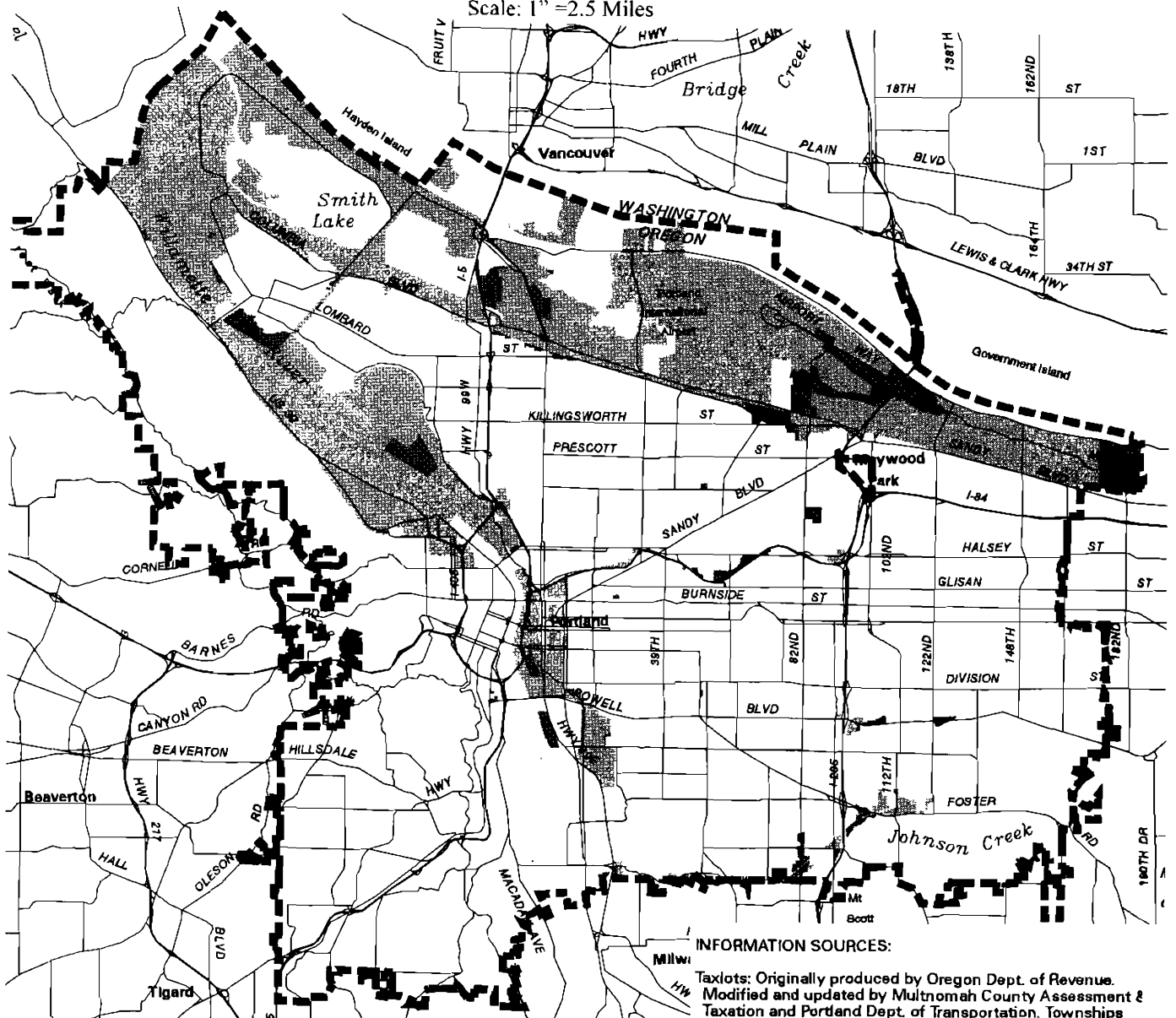
Exceptions to this standard for Employment Areas may be included in local compliance plans for:

- A. Low traffic generating, land-consumptive commercial uses with low parking demand which have a community or region wide market, or
- B. Specific Employment Areas which have substantially developed retail areas or which are recommended to be or have been locally designated, but not acknowledged by the effective date of this Functional Plan, as retail areas, may allow new or redeveloped retail uses where adequate transportation facilities capacity is demonstrated in local compliance plans as provided in Title 8.



Appendix B: Functional Plan Title 4 Map

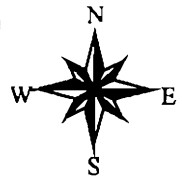
(As included in the November 21, 1999 Urban Growth Management Functional Plan)

Scale: 1" = 2.5 Miles



Title 4: Industrial & Employment Plan Designations

-  Mixed Employment
-  Industrial Sanctuary



City of Portland
Bureau of Planning
Geographic
Information System

INFORMATION SOURCES:

Taxlots: Originally produced by Oregon Dept. of Revenue. Modified and updated by Multnomah County Assessment & Taxation and Portland Dept. of Transportation. Townships 1N1W (sections 25, 26, and 27), 1N1E, 1N2E, 1S1E, and 1S2E Updated through Sept. 1998. All others updated through April 1996. Accuracy - +/- .1 feet.

Comprehensive Plan Designations: Digitized from bureau zoning maps by Roy F. Weston, Inc. for Portland Planning Bureau. Registered to taxlots. Updated through Oct., 1998.

All data compiled from source materials at different scales. For more detail, please refer to the source materials or City of Portland, Bureau of Planning.

The information on the map was derived from digital databases on the City of Portland, Bureau of Planning GIS. Care was taken in the creation of this map but it is provided "as is". The City of Portland cannot accept any responsibility for error, omissions, or positional accuracy, and therefore, there are no warranties which accompany this product. However, notification of any errors will be appreciated.

Appendix C: Sample Trip Generation for Industrial, Retail, and Office uses

Source: Institute of Transportation Engineers Trip Generation Manual

Land Use Categories in Trip Manual	Description	Avg. trip end vs. # of employees	R ¹	Avg. sq.ft. gross floor area	Avg. employee per acre	Trip ends generated per acre*	Trip ends generated per 1,000 sq. ft.
PDX Code - Manufacturing and Production							
Firms involved in manufacturing, processing, fabrication, packaging, and assembly of goods.							
Manufacturing	conversion of raw materials or parts into finished products. size and type vary considerably.	0.40	0.93	338,000	19.68	7.9	0.75
Industrial Park	contain a number of industrial and related facilities. a mixture of manufacturing, service, and warehouse. may be highly diversified.	0.46	0.90	431,000	20.43	9.4	0.86
General Light Industrial	<500 employees with an emphasis other than manufacturing. free standing devoted to single use, e.g. printing plant, power stations.	0.59	0.90	329,000	16.72	9.9	1.08
General Heavy Industrial	high number of employees. similar to manufacturing but limited to large	0.40	***	1,353,000	7.62	3.0	0.68
PDX Code - Warehouse and Freight Movement							
Storage and movement of goods with little on-site sales. May include some offices and parking.							
Warehousing	storage of materials, may include offices and parking.	0.59	0.95	271,000	14.9	8.8	0.87
PDX Code - Wholesale Sales							
Firms involved in the sale, lease, or rent of products intended for industrial, institutional, or commercial businesses. Emphasis is on on-site sales and display areas.							
Wholesale Nursery (one observation)	free standing with yard for planting stock serving suppliers or contractors. most have office, shipping, and storage. seasonal variation in trip generation.	0.67	***	na		0.5	5.00
Wholesale Market (one observation)	large storage and distribution areas - little drive-in service. deliveries and pick-ups 24 hrs.	0.64	***	304,920	15.6	9.9	
PDX Code - Retail Sales and Service							
The sale, lease, or rent of new or used products to the general public. Also, personal service or entertainment activities, product repair or services for consumer and business goods. Includes furniture, garden supplies, hardware, hotels and motels.							
Furniture Store	sale of furniture, and often carpeting, generally large with storage areas	1.27	0.62	76,000	na	**	0.47
Supermarket	free-standing retail selling food and household items.	na	0.85	36,000	na	**	12.39
New Car Sales	display room and large lot	1.43		30,000	na	**	2.44
Nursery (Garden Center)	free standing with yard for planting stock. primarily serves the general public, most have general office, storage, and shipping facilities. exhibits seasonal characteristics in trip generation.	2.59	0.63	na		9.8	4.92
Building Materials and Lumber Store	free-standing, sells hardware, lumber, and building materials	2.86	***	19,000	6.04	17.28	3.97
Discount Store	free-standing with off street parking. few customer services, centralized cashiers and wide range of products.	4.54	0.77	93,000	14.03	63.7	6.66
Hardware/Paint Store	generally free standing with off-street parking	5.42	***	34,000	10.26	55.6	5.42
Motel					.44 employee per room	**	**
Business Hotel	lodging aimed at the business traveler. in suburban locations providing basic services with no meeting space	1.24	0.83	na	.08 employees per room	**	**
		7.60	***	na		**	**

Commercial Restrictions in Industrial and Employment Areas: Adopted Report

Appendix C: Sample Trip Generation for Industrial, Retail, and Office uses

Source: Institute of Transportation Engineers Trip Generation Manual

Land Use Categories in Trip Manual	Description	Avg. trip end vs. # of employees	R ²	Avg. sq.ft. gross floor area	Avg. employee per acre	Trip ends generated per acre*	Trip ends generated per 1,000 sq. ft.
PDX Code - Office							
Activities conducted in an office setting focusing on business, government, professional, medical, or financial services							
Office Park	suburban subdivisions containing general office buildings and support services such as banks, restaurants, service stations, all arranged in a park or campus like setting	0.39	0.96	325,000	65.12	25.4	1.51
Single Tenant Office Bldg.	contains offices, meeting rooms, storage, etc for a single company or business	0.50	0.89	159,000	16.95	8.5	1.73
Medical-Dental Office	out-patient care with one or more private doctors.	0.97	0.90	37,000	81.53	79.1	4.46
General Office Bldg	houses a mixture of multiple tenants - business, industrial, and commercial organizations in a suburban location					**	
10,000 sq. ft.						**	2.46
25,000 sq. ft.						**	1.97
50,000 sq. ft.						**	1.66
100,000 sq. ft.						**	1.40
Corporate Headquarters	single tenant generally containing offices, meeting rooms, storage, restaurants - all in a suburban location.	0.37	0.89	295,000	31.07	11.5	1.40

- * numbers in bold generated by BOP staff
- ** not included due to lack of data
- *** coefficient of determination less than .25

The study areas represented by this data were collected primarily in suburban locations with the automobile as the primary mode of transportation. The suitability of the data is indicated by the coefficient of determination (R²). Any value below .60 should be interpreted with caution. The remaining data does allow for general comparisons of traffic generation between manufacturing and retail uses and manufacturing and office uses. The categories were chosen for their common variables to show a general correlation between the Portland Zoning Code and the Trip Generation Manual's definitions of use categories.

Trip ends generated per acre (second to final column) indicates how many vehicles began or ended a trip at the location during a one hour peak period between 4 and 6 p.m. The numbers indicate that manufacturing and production facilities produce the least amount of traffic compared to retail and office uses. Retail uses, such as Discount stores and Hardware stores, generate nearly five times more traffic per acre than manufacturing uses and two times more than office per acre.

Trip ends generated per 1,000 square feet (final column) reveals similar results. Although this data doesn't compensate for differences in square footage between the different uses – the inferences are still valid. All manufacturing and warehouse uses generate under 1 trip per 1,000 square feet while retail produces between 2.5 for New Car Sales and more than 12 for a supermarket. Office uses fall into a range from Office Park at 1.5 to Medical-Dental Offices at 4.5. Manufacturing and warehousing uses traditionally require more square footage than office and retail uses. Therefore the impact of these higher intensity uses in industrial sanctuaries would be greater than this data suggests.

Appendix D: Current Listings— Industrial and Commercial Land

Source: Portland Development Commission (from Citywide multiple listings for May 29, 1998)

Zone	Property Address	Improvements	Acres	Price per sq. ft. (low end)	Price per sq. ft. (high end)
IG2	N.E. Airport Way, near 181st avenue	None	36.70	\$2.50	\$3.75
IG2	N.E. Airport Way/Marine Dr./185th	None	37.00	\$3.00	\$8.00
IG2	N.E. Airport Way, near 148th Avenue	None	4.20	\$4.00	\$4.00
IG2	N.E. corner of N.E. Sandy Blvd. and 148th	None	5.99	\$3.25	\$3.25
IG2	N.E. Marine Drive, near N.E. 169th Avenue	None	19.60	\$1.46	\$1.46
IG2	7636 N.E. 33rd Avenue near 148th	None	4.80	\$4.33	\$4.33
IG2	156 N.E. Marine Drive	2,700 sq. ft. house with daylight basement	0.97	\$8.21	\$8.21
IH	N. Lombard & N. Marine Drive	None	500.00	\$4.00	\$5.50
IH	12299 N. Burgard Street, near N. Lombard	None	2.30	\$5.99	\$5.99
IH	N. Marine Drive/N. Portland Road	None	1.43	\$3.21	\$3.21
Average				\$4.00	\$4.77
Average of vacant land only				\$3.53	\$4.39
CG	171-174th Street, near S.E. Powell Blvd.	3 improved building pads from 21,000 sq. ft. to 64,000 sq. ft., building sizes from 3,600 sq. ft. to 15,000 sq. ft.	5.00	\$8.00	\$8.00
OC	12672 N.W. Barnes Road	None	0.72	\$6.06	\$6.06
CO2	10020 S.E. Division Street, near 101st Avenue	Two houses, two garages, one outbuilding	1.18	\$7.78	\$7.78
C?	2323 N.E. 181st Avenue, near I-205	None	0.34	\$12.00	\$12.00
CG	N.E. Cully Blvd. and 60th Ave., near N.E. Prescott	None	0.27	\$10.55	\$10.55
CS	87th and S.E. Division	None	0.60	\$7.37	\$7.37
CO2d, R1	John's Landing on Macadam Avenue	None	1.13	\$15.34	\$15.34
Average				\$9.59	\$9.59
Average of vacant land only				\$10.26	\$10.26

Commercial Restrictions in Industrial and Employment Areas: Adopted Report

Appendix E: Descriptive Statistics of Non-Central City Tax Lots by Zone: Assessed Land Value per Square Foot

Source: Bureau of Planning G.I.S analysis using Multnomah County Tax Assessor's records

Date: August, 1998

	Office Commercial		General Employment		General Industrial		
	CO1**	CO2	EG1	EG2	IG1	IG2	IH
Mean (Average)	\$6.59	\$9.30	\$8.46	\$4.46	\$8.33	\$3.12	\$3.72
Median	\$6.25	\$8.41	\$8.43	\$4.14	\$8.56	\$2.95	\$3.06
Standard Deviation	2.91	5.82	3.82	2.53	3.68	2.12	2.54
Range	16.64	32.44	30.04	19.80	23.18	52.73	37.39
Minimum	\$1.26	\$0.32	\$1.04	\$0.10	\$0.29	\$0.12	\$0.11
Maximum	\$17.90	\$32.76	\$31.08	\$19.90	\$23.47	\$52.85	\$37.50
Count	247	363	262	991	695	1784	990

Summary

The above chart provides a statistical analysis of non-central city tax lots. All six zones exhibit the characteristics of a normal distribution allowing for a meaningful statistical analysis. The average value per square foot in both commercial office zones is \$8.21 and the averages for employment and industrial zones are \$5.29 and \$4.33 respectively. The CO zones clearly have significantly higher land values than both employment and industrial zones. The difference in averages within zones is partially due to smaller lot platting in the EG1 and IG1 zones when compared to EG2 and IG2. In addition to having smaller lots, EG1 and IG1 zones exhibit a grid block pattern with sites having high building coverage and little or no setback. This higher land use intensity may help explain the higher assessed average land values in EG1 and IG1 when compared to EG2 and IG2. In conclusion, aggregated commercial office zones exhibit average land prices \$2.92 higher than employment zones and \$3.88 higher than industrial zones – a strong argument for limiting typical CO uses in employment and industrial zones.

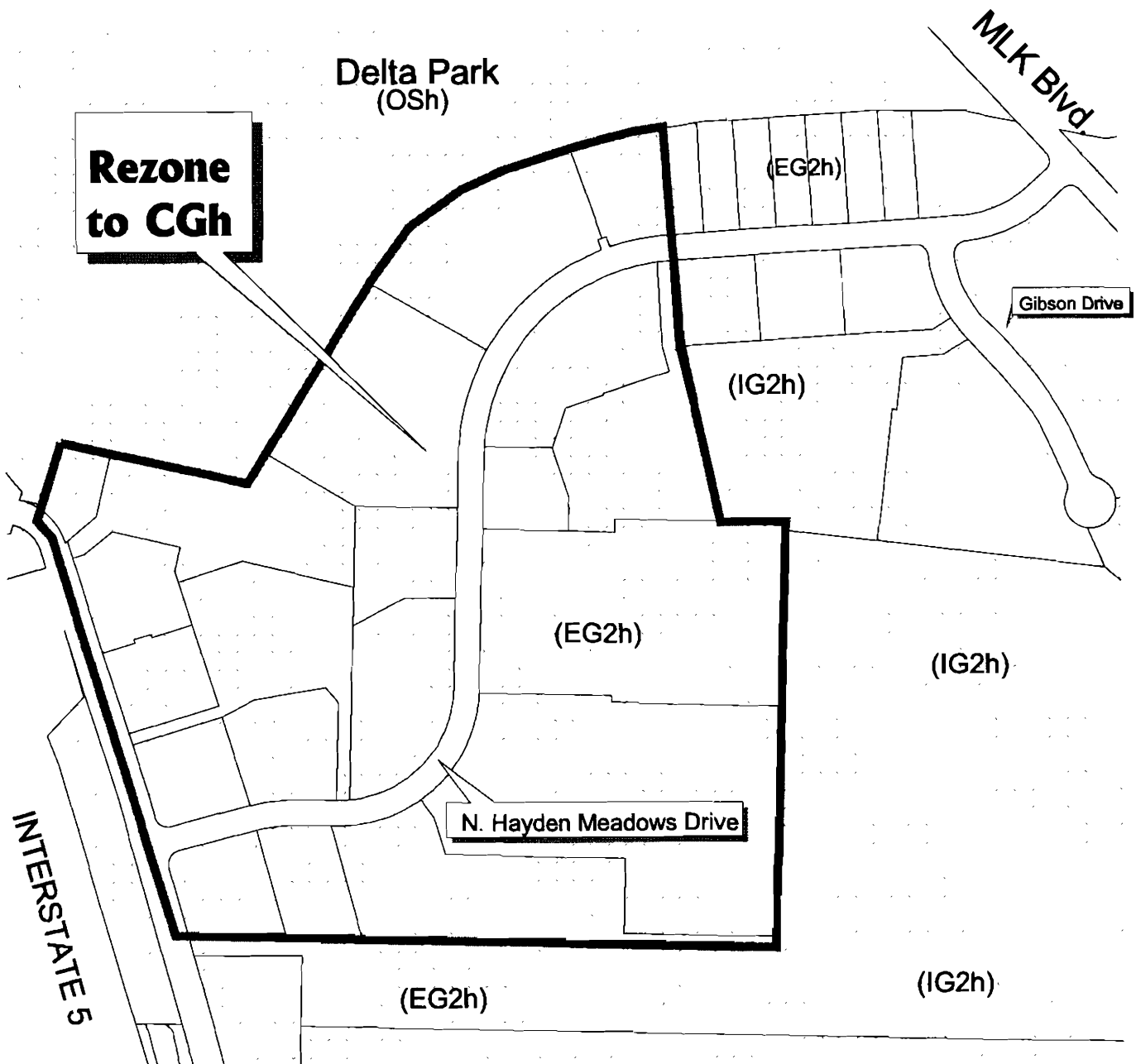
** Previous Bureau of Planning research has shown that the CO1 zone has a residential utilization rate of 70 percent. This means that 70 percent of properties zoned CO1 can be expected to develop with 100 percent residential uses, if past trends continue. Bureau of Planning staff believe that the high percentage of residential uses in CO1 may help explain its low assessed average value compared to CO2.

Appendix F: Area of adopted rezoning from EG2 to CG

The area of rezoning encompasses the existing contiguous portions of the Hayden Meadows site that have already been developed with Retail Sales And Service uses. These uses would have become nonconforming under the limits on retail in the EG2 zone that have been adopted in this report. The adopted change addresses City Council's directive to avoid the creation of nonconforming uses in the Hayden Meadows area.

The recommendation for the remainder of the Hayden Meadows property was to leave the existing zoning designations in place. There are several vacant parcels on the north side of Hayden Meadows drive that are still viable for development as employment uses. In addition, the existing office building at the intersection of Hayden Meadows Drive and Martin Luther King Boulevard will be an allowed use under the limits on Office uses in the EG2 zone that have been adopted in this report.

Appendix F: Area of adopted rezoning from EG2 to CG



 **Adopted Rezoning**
 **Taxlots**



Not to Scale