

#### CASE STUDY: GUILD'S LAKE INDUSTRIAL SANCTUARY

#### Introduction

The Portland Harbor runs along 12 miles of the Willamette River and two miles of the Columbia River. The Portland area features both Union Pacific and BNSF rail lines, as well as four rail yards and several short line railroads.

The 2006 Portland Freight Master Plan (Freight Master Plan) estimated that there are 12,500 acres of industrial land in and around the Portland Harbor and Portland International Airport. The Freight Master Plan states that the percentage of the Portland region population engaged in freight employment is much higher than average and, furthermore, the rate of growth in industrial-oriented jobs was found to be higher than the national average, with a 37 percent increase in industrial employment since 1980. The Freight Master Plan projects an average growth in freight tonnage for Portland of 2.1 percent per year through 2030. The highest rate of growth is expected to be for air cargo, with lower growth rates for deepwater marine and barge traffic.

To help Portland residents and outside observers better understand the role that industrial land plays in the Portland economy, the City developed an Industrial Atlas in 2004 that subdivided the

City into industrial districts. The Guild's Lake Industrial Sanctuary is a key component of one of these districts, the Northwest Industrial District.

On December 14, 2001, the Portland City Council voted unanimously to adopt the Guild's Lake Industrial Sanctuary Plan (GLIS). Ordinance 177920, which adopted GLIS, formally amended Portland's comprehensive plan and integrated action plan items to ensure the continued development and support of GLIS. Portland has had an

Comprehensive Plan
Section 5 Economic Development
Policy 5.1 (C) Urban
Redevelopment and Revitalization:
Retain industrial sanctuary zones
and maximize use of infrastructure
and intermodal transportation
linkages with and within these areas.

*Industrial Sanctuary Policy* in its comprehensive plan since 1980. This policy has helped to maintain approximately 14,000 acres of land in the City zoned for heavy industrial uses (Zoning Code: IG).

#### GLIS and Portland's Northwest Industrial District

GLIS is located between Forest Park in the West Hills and the Willamette River (See Figure 1). GLIS contains the majority of industrially-zoned land in Northwest Portland.<sup>2</sup> The Northwest Industrial District, which is estimated at 1,700 acres, is largely coterminous with the Guild's Lake Industrial Sanctuary. It also includes the smaller Linnton industrial area. In total, the Northwest Industrial District constitutes 11 percent of total industrial land within the Portland

<sup>1</sup> City of Portland Office of Transportation, *Freight Master Plan*, February 2006. Accessed at http://www.portlandonline.com/transportation/index.cfm?&a=112552&c=38846.

<sup>&</sup>lt;sup>2</sup> City of Portland Bureau of Planning, *Guild's Lake Industrial Sanctuary Plan*, December 21, 2001. Accessed at http://www.portlandonline.com/bps/index.cfm?&a=59602.



area. Within the district, 41 percent of the land area has harbor access and 67 percent has rail access.<sup>3</sup> This gives the Northwest Industrial District the highest percentage of land with rail access of any industrial district within the city. It should be noted, however, that access to a freight mode does not always mean that an occupant utilizes this mode.

GUILD'S LAKE INDUSTRIAL SANCTUARY4 LINNTON LEGEND ORTHWEST INDUSTRIA orthwest Industria City Boundary FOREST PARK NORTHWEST

FIGURE 1
GUIL D'S LAKE INDUSTRIAL SANCTHARY

<sup>&</sup>lt;sup>3</sup> City of Portland Bureau of Planning, *Industrial Districts Atlas*. Accessed at http://www.portlandonline.com/bps/index.cfm?c=47561&a=71533.

<sup>&</sup>lt;sup>4</sup> City of Portland Bureau of Planning, Guild's Lake Industrial Sanctuary Plan, December 2001, p. 2.



The Northwest Industrial District is also responsible for 15 percent of the total industrial jobs in the City. At the time the Industrial Atlas was published in 2004, 15,594 jobs were attributed to the Northwest Industrial District, of which, 44 percent were manufacturing and 28 percent were distribution.<sup>5</sup>

GLIS is intended to preserve and enhance industrial land in the area bounded by Vaughn Street on the south, the St. Johns Bridge on the north, Highway 30 on the west, and the Willamette River on the east. GLIS is 1,625 acres in size. Of this total, 220 acres are devoted to rights-of-way. Over 89 percent of the area (excluding rights-of-way) is devoted to industrial uses (see Table 1). Twelve percent of the area is devoted to rail yards. Commercial uses (offices and retail) constitute just over two percent of the area, and one-tenth of one percent is devoted to residential uses (which are primarily in the southern portion of the district).

TABLE 1

LAND USE WITHIN GLIS<sup>6</sup>

Land Use	Tax Lots	Square Feet	% of Lots	% of Area	Average Lot Size
Industrial	418	54,652,608	71.3	89.3	130,748
Vacant	41	2,756,599	7.0	4.5	67,234
Other (Rail Lines, Utility Corridors, etc.)	57	2,041,177	9.7	3.3	35,810
Commercial	34	1,259,797	5.8	2.1	37,053
Institutional	12	395,212	2.0	0.6	32,934
Residential	24	69,395	4.1	0.1	2,891
Total	586	61,174,789	100	100	104,394

Because of environmental factors, not all acreage classified as available industrial land is actually usable. The City of Portland estimates that 29 percent of industrial land is affected by environmental constraints.

Portland implemented an urban growth boundary (UGB)<sup>7</sup> in 1980. The success of the Portland area in maintaining its industrial land following the establishment of the UGB runs counter to the theory that a city deprived of the ability to spread out will cannibalize industrial land in order to create more space for residential growth. The UGB was developed as part of the state-wide land use planning program created by the Oregon State Legislature in 1973. The goals and guidelines of this program require every city and county in Oregon to have a long-range plan addressing future growth that meets both local and statewide goals. These goals require the setting of UGBs, using urban land wisely, and protecting natural resources.<sup>8</sup>

<sup>6</sup> City of Portland Bureau of Planning, Guild's Lake Industrial Sanctuary Plan, December 2001, p. 16.

<sup>&</sup>lt;sup>5</sup> Portland Online Webportal at http://www.portlandonline.com/bps/index.cfm?c=47561&a=71533.

<sup>&</sup>lt;sup>7</sup> An urban growth boundary is a regionally set boundary that is put in place to control growth, and often to control suburban sprawl. The urban growth boundary will be an officially adopted and mapped line that separates out and delineates the urbanized area rural or greenbelt open lands that often includes farms, parks and watersheds. The local government utilizes this to guide zoning and land use decisions. The boundary controls urban expansion onto farm and forest lands.

<sup>&</sup>lt;sup>8</sup> Portland Metro Region, *Urban Growth Boundary Website*. Accessed at http://www.metro-region.org/index.cfm/go/by.web/id=277.



The State of Oregon has also been actively reviewing how it would continue to effectively ensure that a steady supply of industrial land was made available for industrial development and redevelopment. In 2003, the Oregon State Legislature passed HB 2001 (Ch.800 OR Laws 2003), which mandated that the Department of Land Conservation and Development (LCDC) undertake a study of the state's industrial land supply. The governor convened the study committee in February 2003, calling it the Industrial Lands Task Force. It was tasked with:

addressing the perception that many of the fastest growing areas critical to Oregon's economy have not maintained an adequate supply of industrial lands to meet the needs of a growing and prosperous state.

The committee found that conversion of industrial land to non-industrial uses occurs because of: zoning changes; the pattern of uses in multiple-use zones changes; and development of adjacent lands in a way that makes industrial use incompatible or unsustainable. The committee report found that the state has an interest in discouraging conversions of prime industrial lands and in reinvesting in viable industrial districts, including those with brownfield sites.<sup>9</sup>

#### **History of Guild's Lake**

The area around Guild's Lake has a long and storied history. At the turn of the twentieth century, it was a swampy, flood-prone area that occupied 220 acres between the Willamette River and the northwestern foothills. The 1905 Lewis and Clark Centennial and American Pacific Exposition and Oriental Fair served as a catalyst in the development of Guild's Lake as an industrial area. After the exposition, the site became the target of land speculators. Interspersed with a few false starts and developer bankruptcies, the area was half-filled by 1913. By 1920, residents were living in Guild's Lake.

In 1919, the Portland City Council appointed a group of local businessmen to formulate a plan for development of the City's waterways, terminals, and industrial sites. The committee determined that the City needed "provision for ample and convenient site for industrial development." They proposed that the City acquire "all of the low land in the so-called Guild's Lake District, lying between St. Helens Road and the Willamette River opposite Swan Island." Voters declined to undertake this project, but the Port of Portland Commission purchased Swan Island in 1921.

<sup>&</sup>lt;sup>9</sup> Promoting Prosperity: Protecting Prime Industrial Land for Job Growth. A Report to Governor Kulongoski, Industrial Conversion Study Committee and Department of Land Conservation and Development, November 19, 2004. Accessed at http://www.oregon.gov/LCD/docs/economicdevelopment/indconvrep.pdf?ga=t.

<sup>&</sup>lt;sup>10</sup> Plans for Waterways, Terminals, and Water Sites, Vol. 1. 10/18/21, Auditor's Office, City of Portland, Stanley Parr Archives and Records Center, Portland Oregon. Cited in Karin Dibling, Julie Kay Martin, Meghan Stone Olson, and Gayle Webb, *Guild's Lake Industrial District: The Process of Change over Time*, 2006 Oregon Historical Society, Vol. 107. No. 1.

<sup>&</sup>lt;sup>11</sup> Plans for Waterways, Terminals, and Water Sites, Vol. 1. 10/18/21, Auditor's Office, City of Portland, Stanley Parr Archives and Records Center, Portland Oregon. Cited in Karin Dibling, Julie Kay Martin, Meghan Stone Olson, and Gayle Webb, *Guild's Lake Industrial District: The Process of Change over Time*, 2006 Oregon Historical Society, Vol. 107. No. 1.



In the interceding years, the land that would become GLIS was enhanced through deposits of dredge materials that filled in former low-lying areas and made the area more suitable for large-scale industrial development. The main shipping channel in the Willamette River was moved from the east to the west side of Swan Island. Manufacturing, distribution, and other industrial activity grew within the Guild's Lake area. Marine, rail, and highway investments were made by both public and private companies. The District is largely centered around BNSF's Lake Yard, which occupies approximately 140 acres. Gunderson Marine, now a subsidiary of Greenbriar Companies, is one of the District's oldest users, having been established in 1919 principally as a rail car manufacturer.

Because of GLIS's proximity to residential and mixed-use neighborhoods and the central city, it has always been extremely vulnerable to pressures for redevelopment for non-industrial uses. During the 1970s, urban renewal had come to Portland, and clashes emerged between residents and industry in the GLIS area. A freeway expansion plan in 1974 was eventually abandoned after neighborhood opposition. Development continued after this time and multi-family residential units were built (condominiums and apartments). In 1987, the City reviewed its vacant land and the report found that over 60 percent of the vacant industrial parcels were located in the Columbia Corridor and in the Central and South Columbia sub-areas. Only two vacant parcels that were not within the flood zone were in the Northwest Industrial District. This highlights not only how important this area was to the City, but also how important it was to preserve as an industrial hub with excellent, marine, highway, and rail access. The impacts of industrial preservation in the Portland region are felt not only within the Portland area but also by a series of smaller ports along the Columbia and Snake rivers that are wholly dependent on Portland as their international trade gateway.

During 1989 and 1994, two proposals were received by the City to redevelop industrial sites within the Northwest Industrial Sanctuary Area (NWIS) as "big-box" retail centers. These were denied by the City upon appeal. Both proposals planned large-scale commercial development that would significantly increase traffic. Discussions in City meetings focused upon the issue of the border areas between uses, and how encroachment of non-industrial uses into an industrial area would further encourage spot zoning.<sup>13</sup> Commentary was received by the City that also argued that allowing such a zoning change would also establish legal precedence, which would affect the City Council's ability to judge future quasi-judicial cases regarding industrial sanctuary properties across the City.

In 1997, another developer request to rezone what was known as the Lutz Tire Property within the NWIS from heavy industrial to mixed use was accepted. This proposal raised the issue of spot zoning for many of the Northwest industrial users. The developer request included the siting of the Northwest Academy, an arts school, which many in the industrial community felt

<sup>&</sup>lt;sup>12</sup> City of Portland Bureau of Planning, 1987 Vacant Land Report, February 1989. Accessed at https://scholarsbank.uoregon.edu/xmlui/bitstream/handle/1794/7968/Portland\_Vacant\_Land\_Report.pdf?sequence=

<sup>&</sup>lt;sup>13</sup> Spot zoning occurs where a small tract of land is zoned differently from the surrounding area. Spot zoning has been found illegal on the ground that it is incompatible with the existing land-use plan or in the overall zoning scheme in some states.



was an inappropriate use in a heavily-industrialized area. The Lutz Tire rezoning application highlighted the discord between the industrial community (and its members in the Northwest Industrial Working Group), who were against the rezoning application, and the redevelopment community, who were in favor of the rezoning. After heated community and City Council hearings, the Lutz Tire site was removed from the industrial sanctuary and the redevelopment took place.

The continued requests for zoning changes within the NWIS (including Guild's Lake) created a climate of uncertainty among industrial businesses in the area. However, the requests also set the stage for reinvigoration of industrial sanctuary status. This reinvigoration was reinforced by a 1999 regional industrial land study, a 2003 Portland Development Corporation Industrial Land Inventory, and a 2004 land inventory. The 2004 land inventory found Portland was nearing capacity in the industrial areas, and surplus land was expected to be utilized within the next 20 years. Figure 2 is from a 2003 Citywide industrial land use inventory and market study. The study highlights how important the preservation of industrial lands was to the City, in the light of the UGB. Figure 3 shows the NWIS (which, in essence, is GLIS) plus an area north of GLIS that includes petrochemical facilities in the City of Linnton.

<sup>&</sup>lt;sup>14</sup> City of Portland Planning Department, *Guild's Lake Industrial Plan Report*, December 21, 2001. Accessed at http://www.portlandonline.com/bps/index.cfm?&a=59602.

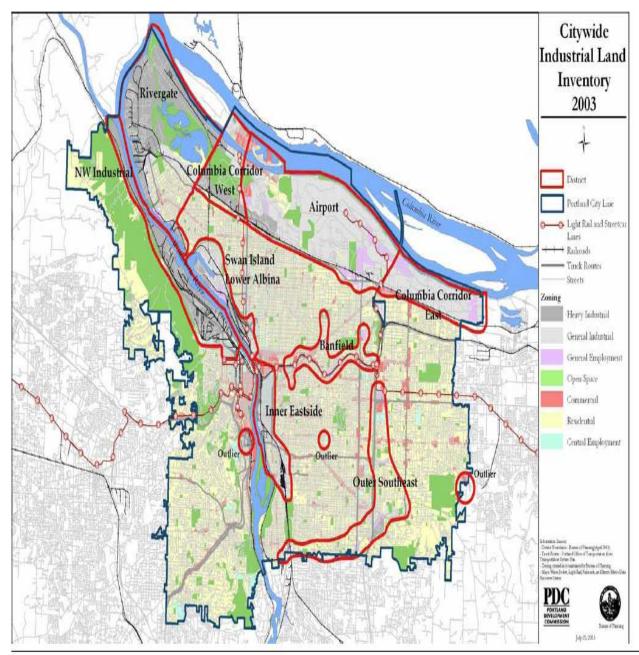
<sup>&</sup>lt;sup>15</sup> Portland Development Commission, *Citywide Industrial Land Inventory and Assessment. Inventory Report. Final Draft*, July 2003. Prepared by the City of Portland Bureau of Planning and Portland Development Commission Accessed at: http://www.pdc.us/pdf/bus\_serv/CILI-report-final\_7-31-03.pdf.

<sup>&</sup>lt;sup>16</sup> Promoting Prosperity: Protecting Prime Industrial Land for Job Growth. A Report to Governor Kulongoski, Industrial Conversion Study Committee and Department of Land Conservation and Development, November 19, 2004. Accessed at http://www.oregon.gov/LCD/docs/economicdevelopment/indconvrep.pdf?ga=t. See also, Port of Portland and Metro Regional Industrial Lands Study for the Portland-Vancouver Metropolitan Area, Prepared by Otak Inc., December 1, 1999. Accessed at

 $http://library.oregonmetro.gov/files/regional industrial landstudy.pdf \ and \ http://www.pdx.edu/ims/regional-industrial lands.$ 



FIGURE 2
2003 CITYWIDE INDUSTRIAL LAND INVENTORY<sup>17</sup>



Citywide Industrial Land Inventory & Assessment Inventory Report: Final Draft, July 2003

<sup>17</sup> Portland Development Commission, *Citywide Industrial Land Inventory and Assessment. Inventory Report. Final Draft*, July 2003. Prepared by the City of Portland Bureau of Planning and Portland Development Commission, p. 7. Accessed at: http://www.pdc.us/pdf/bus\_serv/CILI-report-final\_7-31-03.pdf.



FIGURE 3 2003 GLIS AND NW INDUSTRIAL DISTRICT<sup>18</sup>



<sup>&</sup>lt;sup>18</sup> Portland Development Commission, Citywide Industrial Land Inventory and Assessment. Inventory Report. Final Draft, July 2003. Prepared by the City of Portland Bureau of Planning and Portland Development Commission, p. 59. Accessed at: http://www.pdc.us/pdf/bus\_serv/CILI-report-final\_7-31-03.pdf.



## **Timeline of GLIS Development**

GLIS development ran over approximately a 10-year period and involved three key groups: the City of Portland, the Northwest Industrial Neighborhood Association (NINA), <sup>19</sup> and the Northwest Industrial Sanctuary Task Force and its Sanctuary Working Group (SWG). GLIS is built on the foundation of NINA's neighborhood plan and the Northwest District Plan, adopted in 1999.

In 1999, SWG reached a consensus on criteria and boundaries of the industrially-zoned areas, including buffer areas between industrial, and residential and mixed uses. Joint recommendations were:

- Create a NW Industrial Plan District—boundaries would be NW Vaughn on the south to NW 19<sup>th</sup> on the East. Northern boundary would be the St. Johns Bridge. Western boundary would be the centerline of St. Helens Road and the eastern boundary would be the Willamette River. Upon formation of the Northwest Industrial Sanctuary Plan District, all current comprehensive plan industrial sanctuary zoning will be removed from all areas of the Pearl District Neighborhood Association.
- 2. State in writing that industrial sanctuary protections would no longer apply to areas zoned IG that are outside the boundary of the plan district.
- 3. Buffer zones will be determined by the respective four neighborhoods. Wherever appropriate and possible, the two-block buffer zone should exclude new residential zoning. Highway 30 will act as the only buffer between the NWIS and the Linnton Neighborhood Association in the Willbridge area beginning at NW Kittridge Road, and extending north to the St. Johns Bridge.

The policy plan and implementing regulations for the NWIS, and the transition of industrially-zoned lands south of NW Vaughn to non-industrial uses, was agreed upon by the four participating Northwest neighborhood associations.

The purpose of the GLIS is to provide a policy framework that preserves industrial land and protects its long-term economic viability as an industrial district. The GLIS vision statement, policies, and objectives were adopted as part of Portland's comprehensive plan (Section 5.12). The GLIS action plan also lays out specific projects, programs, and regulations to implement the vision and its policies and objectives over a 20-year period. One of the most important elements within the GLIS is an inherent understanding—and zoning options—for transition areas between land uses.

Figure 4 shows the major milestones in development of the GLIS. Figures 5 and 6 show the existing land uses in GLIS as of 2001.

<sup>19</sup> The Northwest Industrial Neighborhood Association (NINA) was created with a mission to protect and enhance the industrial business climate of the northwest industrial district in the Portland, Oregon area.



# FIGURE 4 TIMELINE OF GLIS DEVELOPMENT

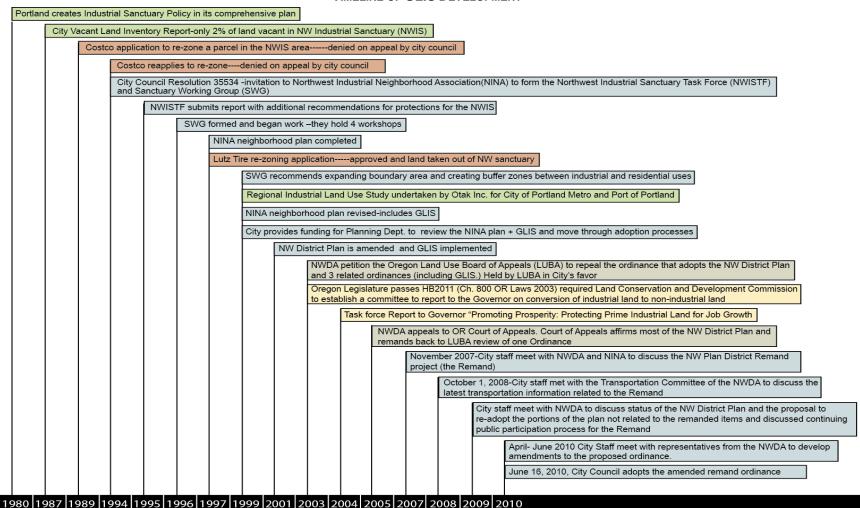
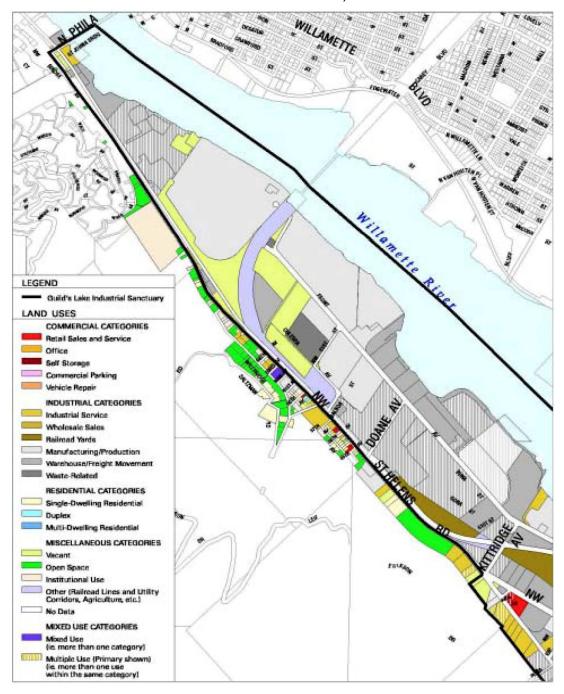




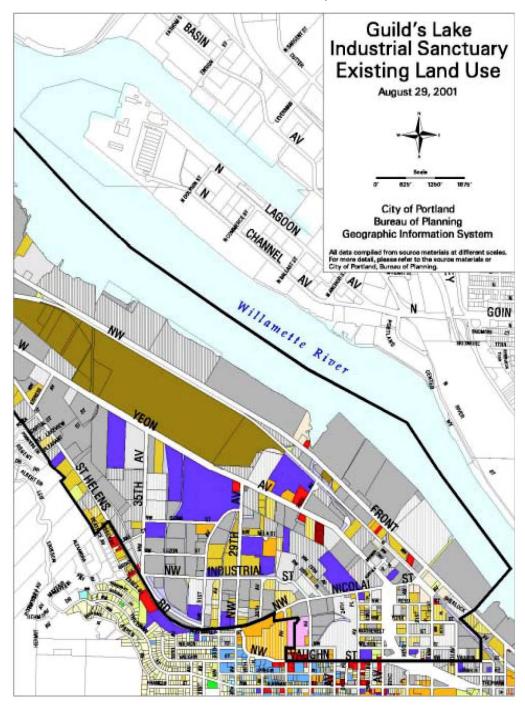
FIGURE 5
EXISTING LAND USES IN GLIS, 2001<sup>20</sup>



<sup>&</sup>lt;sup>20</sup>City of Portland Planning Department, *Guild's Lake Industrial Plan Report*, December 21, 2001, p. 18.



FIGURE 6
EXISTING LAND USES IN GLIS, 2001<sup>21</sup>



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<sup>&</sup>lt;sup>21</sup> City of Portland Planning Department, *Guild's Lake Industrial Plan Report*, December 21, 2001, p. 19.



### Litigation

In 2003, the North West District Association (NWDA)<sup>22</sup> brought a complaint to the Land Use Board of Appeals (LUBA) of the State of Oregon regarding the City of Portland ordinance, which adopted the Northwest District Plan (NDP) and three related ordinances (including GLIS).<sup>23</sup> The disputed ordinances were:

- Ordinance 177920, which adopted the NDP, amended the central city plan, and redesignated 16 acres within GLIS north of NW Vaughn from industrial to employment comprehensive map designations.
- Ordinance 178020, which adopts City code amendments governing parking in the Northwest District, and authorized construction of six commercial parking structures on specifically-identified sites zoned residential or split-zoned for residential and commercial uses.
- Ordinance 177921, which amends City code to grant a property tax exemption for construction of new 'transit-supportive' residential and mixed use development.
- Ordinance 177992, which amends City code to include a new chapter that creates a transportation fund for improving transportation facilities in the Northwest District.
- Resolution 36171, which adopted a series of action charts that implemented projects, programs and regulations described in the NDP (and, by inclusion, the action items that the GLIS Ordinance and plan recommended).

#### The NWDA complaint focused on five main areas:

- 1. Disputed the acreage that was rezoned within the four ordinances that were passed, which included some areas that were in the transitional zone between the GLIS and the Northwest District Plan adopted under Ordinance 177920.
- 2. Argued that changes to parking requirements, and construction of six commercial parking structures that were zoned residential or split-zoned residential and commercial in Ordinance 178020, were inconsistent with the protection of historic resources, violated the statewide planning goal regarding historic areas and open spaces, and triggered an automatic assessment under Statewide Planning Goal 5 (Natural Resources, Scenic and Historic Areas and Open Spaces).
- 3. Argued that commercial parking as defined in City's code is not allowed in the underlying base residential zones.
- 4. Argued that the ordinances 177920 and 178020 were inconsistent with state and local housing-related requirements.
- 5. Argued that the ordinance 178020 is inconsistent with Statewide Planning Goal 2 (Land Use Planning), the Transportation Planning Rule, and the city's transportation system plan, and portions of the City's code and plan that relate to parking.

<sup>&</sup>lt;sup>22</sup> The community association of Northwest Portland.

<sup>&</sup>lt;sup>23</sup> NWDA Community Association v. City of Portland. Accessed at http://www.publications.ojd.state.or.us/A126345.htm.



In reviewing the challenged decision, LUBA found in favor of the City on most of the points of error that NWDA and the other intervenors' raised. LUBA affirmed Ordinances 177921, 177992, 178020, and City Council Resolution 36171, but remanded Ordinance 177920.<sup>24</sup>

In December 2004, NWDA appealed to the Court of Appeals for the State of Oregon. The petitioners sought judicial review of the LUBA order on five assignments of error. The Court reviewed two points of error and rejected the remaining assignments of error without discussion. On March 14, 2005, the Court of Appeals released its decision. The Court of Appeals reviewed LUBA's order to determine whether it was lawful, and affirmed in-part and remanded in-part.<sup>25</sup>

Between 2007 and 2009, City planning staff met with the Transportation Committee of the NWDA, and NINA to discuss the remand and develop amendments to redress the issues in question. On June 17, 2010, the City reviewed and adopted two new ordinances that were created to address the remand points from the LUBA decision in 2003, regarding the State's Transportation Planning Rule. Most of the original NWDP was re-adopted on October 21, 2009 in Ordinance 183269. Two new ordinances were put forward to adopt changes to the comprehensive plan map and zoning map for approximately 55 acres. According to the City's Chief Planner, this ordinance was based on analysis that addressed LUBA's concerns regarding the Transportation Planning Rule.

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The Court found that even if as LUBA reasoned, Goal 5 had been triggered, it was apparent that the critical question was whether LUBA was correct in its determination that city's decision was within the scope of the exemption in Oregon's Administrative Rules (OAR).

The Court reasoned that "... as LUBA had left unanswered the question, whether an ordinance that allows a use that could conflict with Goal 5 within the scope of the OAR 660-023-0200 (7) .... it appears to us, that in order for LUBA to resolve the issue, it must, among other things, examine the ordinances that the city adopted in this case, the requirements in Goal 5 and the pertinent rules, and the responsiveness of the city's finding to those requirements."

<sup>&</sup>lt;sup>24</sup> In the remand of Ordinance 179220, LUBA found that the City had not met its evidentiary burden under Statewide Planning Goal 12, Transportation, and Oregon Administrative Rules 660-0012-0060, Transportation Planning, to show that comprehensive map plan re-designations and rezones north of NW Pettygrove, and NW Vaughn would not have significant adverse traffic impacts on NW Vaughn Street, or the NW Vaught and 23<sup>rd</sup> Street intersection.

<sup>&</sup>lt;sup>25</sup> N.W.D.A. v. City of Portland, 198 Ore.App. 287, 108 P.3d 589, 2005.

<sup>&</sup>lt;sup>26</sup> City staffers met with the Transportation Committee of NWDA on November 7, 2007, and with NINA representatives on November 13, 2007. In October 2008, they met with the Transportation Committee of NWDA, and on July 16, 2008, met with them to discuss the status of the NW district plan and proposal to re-adopt portions of the plan not related to the remand items. In October 2009, staff met with representative from Neighbors West/Northwest and the NWDA to discuss the public participation process for the remand. On April 8, 2010, staff met with the Leadership committee of NWDA to discuss the final amendments proposed in these ordinances. In May 2010, they met with the Transportation Committee of NWDA, and in May 2010 met with the Land Use Committee of NWDA and interested property owners to discuss the amendments proposed by the new ordinances. <sup>27</sup> Memo from Joe Zehnder, Chief Planner, to City Commissioners, City of Portland. May 28, 2010. Accessed at http://www.portlandonline.com/bps/index.cfm?c=50598&a=302741.



#### Draft Ordinance 1:

- North of NW Vaughn—comprehensive plan map was amended from Industrial Sanctuary (IS) to Mixed Employment ME for 16.9 acres
- North of NW Pettygrove—comprehensive plan map was amended from IS to Central Employment (EX) and the zoning map was amended from General Industrial 1 (IG1) to central Employment (EXd) for 36.5 acres north of NW Pettygrove St.
- NE corner of NW 23<sup>rd</sup> Avenue and NW Thurman St—comprehensive plan map was amended from Urban Commercial to EX, and zoning map amendment from Storefront Commercial CS to EXd for a 1.7 acre property on the northwest corner of NW 23<sup>rd</sup> Avenue and NW Thurman.

#### Draft Ordinance 2:

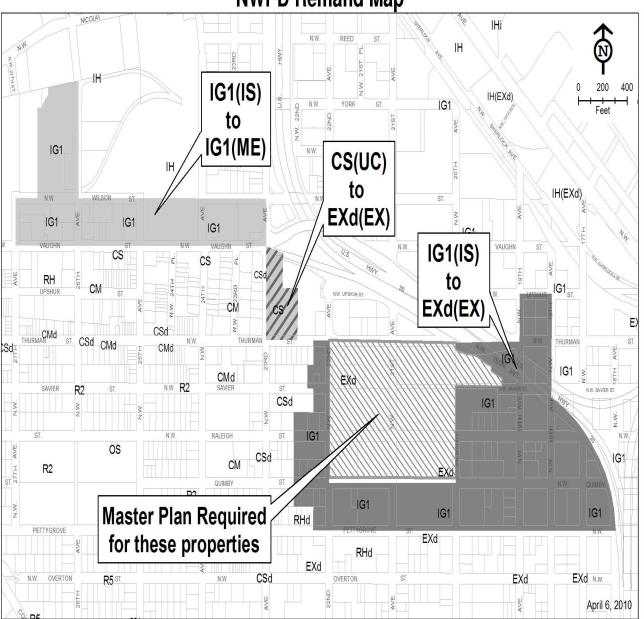
Amend Title 33, Planning and Zoning to amend the Northwest Master Plan regulations. In 2003, the NWDP eliminated the Northwest Master Plan provision. So simply readopting the NWDP would also eliminate the Master Plan provision. Discussion with property owners and neighbors led to the proposal to retain the Master Plan provision with minor changes. This ordinance amended zoning code language in section 33.562.300, Northwest Mater Plan, and limit the area where the Master Plan will be required to the area it originally applied to, instead of to all sites zoned EXd north of NW Pettygrove and west of NW 23<sup>rd</sup> Avenue.

Figure 7 shows the remand map that has been created. Figure 8 shows the proposed zoning changes, and Figure 9 shows the changes that will be made to Portland's comprehensive plan maps.



# FIGURE 7 NWPD REMAND MAP<sup>28</sup>

**NWPD Remand Map** 

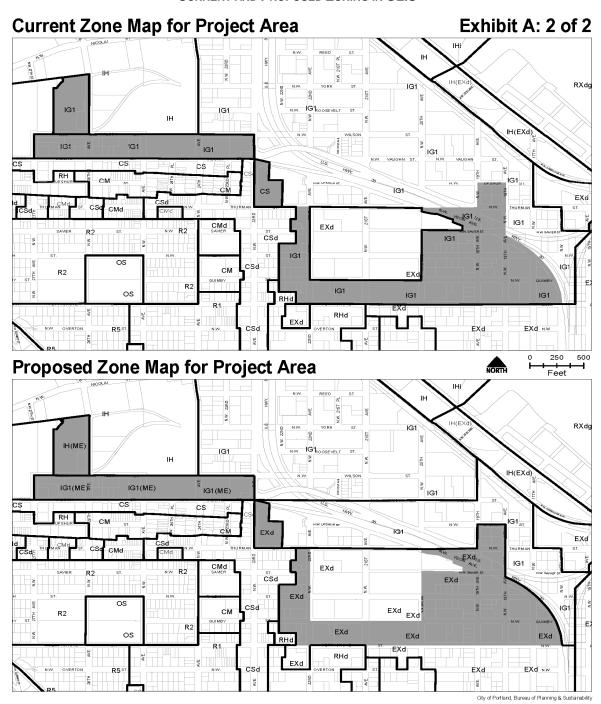


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 $<sup>^{28}\</sup> City\ of\ Portland\ Bureau\ of\ Planning\ and\ Sustainability, \textit{Northwest District Remand Ordinance}.$ 



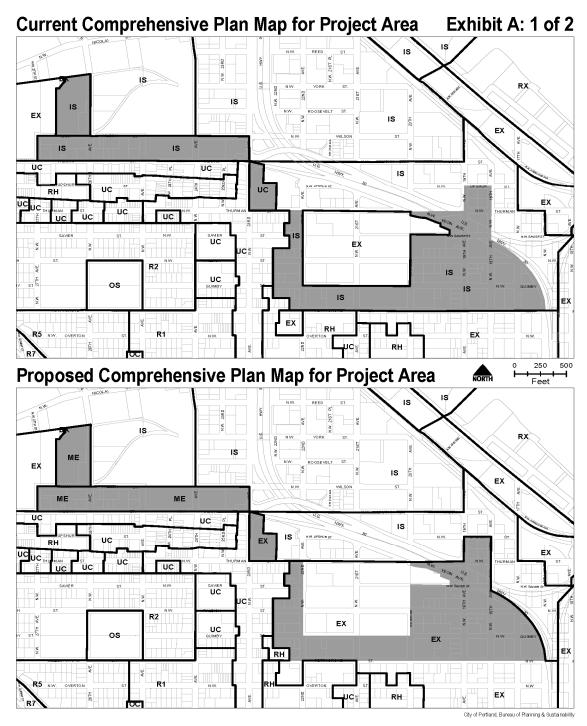
FIGURE 8
CURRENT AND PROPOSED ZONING IN GLIS<sup>29</sup>



<sup>&</sup>lt;sup>29</sup> City of Portland Bureau of Planning and Sustainability, *Northwest District Remand Ordinance*.



FIGURE 9  ${\bf CURRENT\ AND\ PROPOSED\ COMPREHENSIVE\ MAP\ AMENDMENTS}^{30}$ 



 $<sup>^{30}</sup>$  City of Portland Bureau of Planning and Sustainability, Northwest District Remand Ordinance.



As part of this process, the City's Bureau of Planning and Sustainability conducted an updated transportation analysis for the NWDP to determine whether the zoning changes adopted in the plan significantly affect one or more transportation facilities in the NWDP area. This analysis was intended to address the LUBA determination that the City provided insufficient data for two transportation impact findings relating to land use changes in the NWDPA. LUBA asked the City of Portland to provide answers to two questions:

- 1. Will the NWDP cause traffic that changes the functional classification of NW Vaughn Street as a neighborhood collector?
- 2. Will the performance standards at the intersection of NW 23<sup>rd</sup> Avenue and NW Vaughn Street and the Interstate 405 (I-405) ramp remain at acceptable levels of service?

The analysis assessed the impacts of growth on the transportation infrastructure in the NWDP area and concluded:

- 1. NW Vaughn St., which is currently classified as a neighborhood collector, will continue to function as it does today, and
- 2. With planned future mitigation, the I-405 ramp and the intersection of NW 23<sup>rd</sup> Avenue and NW Vaughn St, will have performance standards above the minimum acceptable level. <sup>31</sup>

# **City of Linnton Rezoning Efforts**

The litigation that surrounded some of the transitional zoning elements that were put in place within GLIS also show that even when communities work together and all seems well, plans can still be contentious.

Notwithstanding the development of the City's industrial sanctuary policy, and the creation of industrial sanctuary districts, the 2004 Industrial Districts Atlas noted that "Portland's industrial districts are unknown territory to most residents." Community plans are also still trying to convert industrially-zoned land into residential and mixed-use districts, especially at the waterfront. For example, in 2005, the City of Linnton (just north of GLIS and part of the Northwest Industrial Sanctuary area noted on the Comprehensive Plan) began to evaluate converting large portions of the industrially-zoned land in the Linnton Village Study Area, to residential and recreational use. The area proposed for rezoning sat in between heavy industrial areas that contained refineries, pipelines, and oil storage for a new town center and mixed-use development. 32

Olympic Pipeline Company, BP West Coast Products, and Kinder-Morgan commissioned a report to highlight the hazards of placing residential and recreational uses close to this petrochemical energy cluster area. Oregon does not have any petroleum refineries, so it is

<sup>&</sup>lt;sup>31</sup> City of Portland Bureau of Transportation and Bureau of Planning and Sustainability, *Northwest District Plan Remand Transportation Model Technical Report*, May 27, 2010, Exhibit B. Accessed at http://www.portlandonline.com/bps/index.cfm?c=50598&a=302748.

<sup>&</sup>lt;sup>32</sup> City of Portland, "Council Minutes," July 19, 2006. Accessed at http://www.portlandonline.com/auditor/index.cfm?c=26997.



dependent upon shipments of refined petroleum. Refined petroleum enters the state in four ways: truck ship/barge, rail, and the Olympic pipeline, which was built in Linnton in the 1960's. The pipeline is the preferred means of shipment, as it is cheaper, more energy efficient and ecologically sound. The terminus of the pipeline in Linnton has made this area a prime location for terminal, storage and distribution operations for not just Oregon, but also Washington State. The report noted that the energy cluster in Linnton is not simply a

collection of tanks and pipes that can be located anywhere.... The convergence of the freight infrastructure and logistical investments that support it have led to the creation of an efficient and highly regulated petroleum transfer and distribution network that is a cluster."<sup>33</sup>

Figure 10 shows this energy cluster and how the importance of the Olympic and Kinder-Morgan Pipelines.<sup>34</sup>

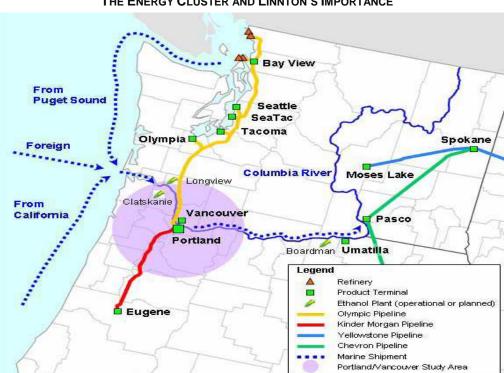


FIGURE 10
THE ENERGY CLUSTER AND LINNTON'S IMPORTANCE<sup>35</sup>

<sup>&</sup>lt;sup>33</sup> Philip E. Grillo and Miller Nash LLP, *The Energy Cluster in Linnton*, June 27, 2005. Prepared for Olympic Pipeline Company, BP West Coast Products LLC and Kinder-Morgan Energy Partners, L.P. Accessed at http://www.workingwaterfrontportland.org/pdfs/linnton\_energy\_cluster.pdf.

<sup>&</sup>lt;sup>34</sup> Rob Mathers and Greg Theisen, *Portland Harbor Public/Private Partnerships*, Presentation to American Association of Port Authorities Port Property Management Seminar, June 2008. Accessed at http://aapa.files.cms-plus.com/SeminarPresentations/2008JuneTorontoSeminar/08\_torontoseminar\_theisen.pdf.

<sup>&</sup>lt;sup>35</sup> Rob Mathers and Greg Theisen, *Portland Harbor Public/Private Partnerships*, Presentation to American Association of Port Authorities Port Property Management Seminar, June 2008. Accessed at http://aapa.files.cms-plus.com/SeminarPresentations/2008JuneTorontoSeminar/08\_torontoseminar\_theisen.pdf.



The private sector partners hired counsel, and the Working Waterfront Coalition was created to contest the Planning Commission's plans. The Planning Commission recommended the mixed-use rezone. However, the City Council overturned the Planning Commission noting, among other things, that the area would be unsafe for housing. According to Mathers and Theisen, the neighbors remain dissatisfied with the outcome, an adverse relationship occurred, and there was lost opportunity for mutual gains.

#### **Conclusions**

Neighborhood communities will often place a value on industrial land and potential job creation. Portland and the State of Oregon have undertaken multiple exercises over the past 20 years in reviewing the status of available land for different uses and in developing ordinances and other measures to protect and promote these uses. Clearly, the neighborhoods in the northwest of Portland viewed the industrial areas as a critical component of their economic development. The continuous support and effort put into developing the GLIS ordinance is a testament to the importance of keeping this working waterfront and industrial hub viable. However, post-GLIS activities show that the balance between the many stakeholders can be precarious, and litigation can occur.

The timeline for implementing a new comprehensive plan amendment, or zoning amendment—based on both review of the MIZOD in Baltimore and GLIS—averages about a minimum of five to ten years.

Similar to the critique of the MIZOD ordinance, the GLIS ordinance does not protect the transportation corridors that run into this industrial sanctuary. However, Portland's Comprehensive Plan Policy 5.4 (A) Transportation states:

Support multimodal freight transportation improvements to provide competitive regional access to global markets and facilitate the efficient movement of goods and services in and out of Portland's major industrial and commercial districts. Ensure access to intermodal terminals and related distribution facilities to facilitate the local, national, and international distribution of goods and services.<sup>36</sup>

Thus, Portland planners are aware of the importance of 'access' to critical industrial and freight intensive facilities.

Finally, the State of Oregon and the City of Portland are well-known for having an extremely proactive stance regarding planning. So what is achievable in Oregon and Portland regarding the development and continued protection of industrial sanctuaries may not be achievable elsewhere.

<sup>&</sup>lt;sup>36</sup> City of Portland Bureau of Planning and Sustainability, *Comprehensive Plan Goals and Policies*, July 2006 Update. Accessed at <a href="http://www.portlandonline.com/bps/comp">http://www.portlandonline.com/bps/comp</a> plan goals policies complete.pdf. Emphasis added.