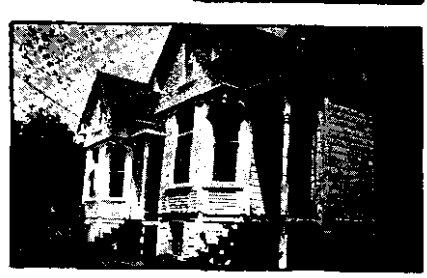
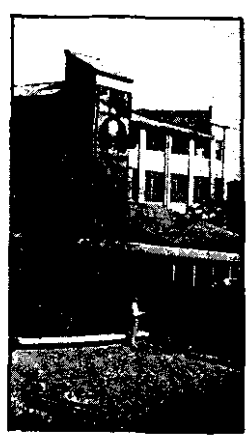
CORBETT, TERWILLIGER, and LAIR HILL

policy plan









city of portland
neil goldschmidt mayor
sept. 1977

March 24, 1999

MEMORANDUM

TO: Interested Parties
FROM: Susan Feldman
RE: Corbett Terwilliger Lair Hill Policy Plan

The purpose of this memorandum is to clarify which portions of this plan were adopted by the City Council and therefore must be addressed when criteria require compliance with the Comprehensive Plan or adopted neighborhood or area plans. You must address the following:

A. Preserve the existing residential neighborhoods (Lair Hill, Corbett and Terwilliger) by maintaining the existing dwellings and stimulating compatible housing development and supporting services.

   Recommended Actions

   Rezone portions of the Corbett Neighborhood from AO and C2 to A2.5 exempting the half-block wide strip on the west side of Hood from Grover to Lane, and the 100' X 100' parcel on the northwest corner of Curry and Front Ave., as shown on Map 4.

   Rezone the area bound by the Salem Freeway, Corbett Avenue, Hamilton and Bancroft Streets, from M2 to M3, as shown on Map 4.

   Rezone a portion of the Corbett neighborhood, generally described as the northern portion of the block bounded by SW Corbett St., SW Lowell St., SW Kelly St., and SW Bancroft St., from C2 (S) to AO, as shown on Map 4 (amended) on this handout.

B. Reduce vehicular traffic through residential neighborhoods.
C. Control development and improvements in the Macadam Corridor.

Public hearings were held on November 16, 1977 and January 25, 1978.

CORBETT, TERWILLIGER, and LAIR HILL

policy plan

portland planning commission
sept. 1977

portland bureau of planning

Ernest R. Bonner • Director

Dennis Wilde • Chief Planner
• District Planning
Alan Fox • Project Coordinator
Marcie Window • Project Planner
Suzanne Guest • Graphics
Donna Beck • Secretarial Assistance

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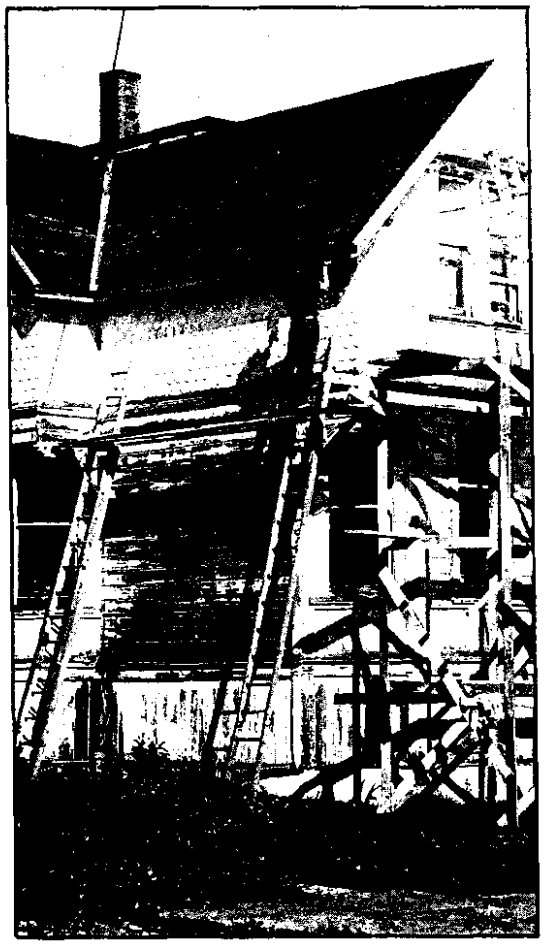

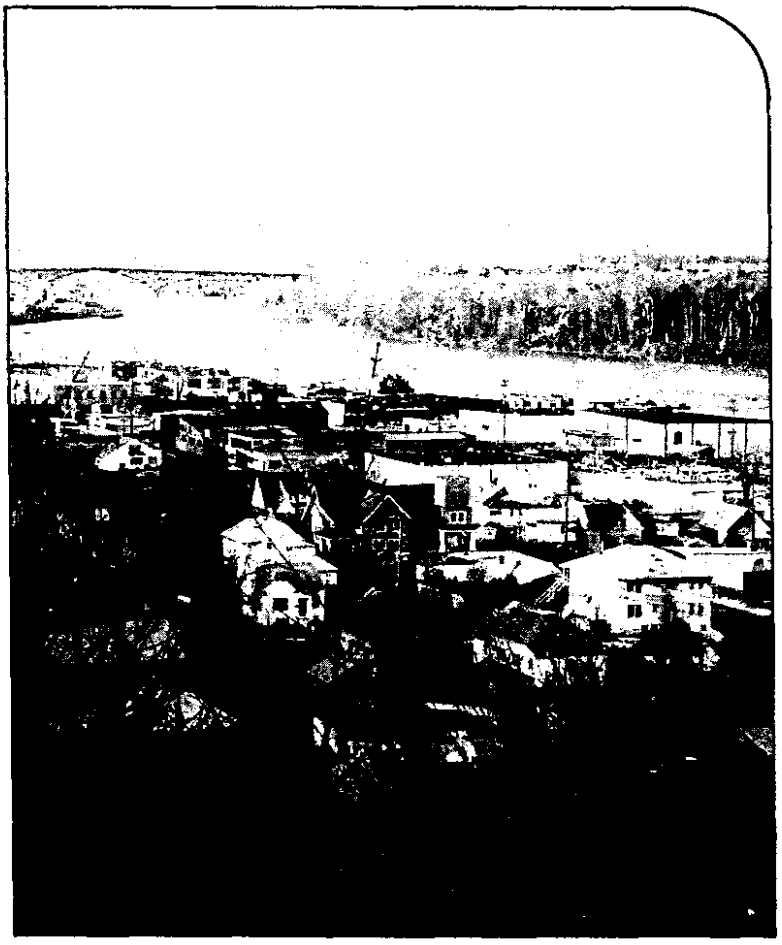

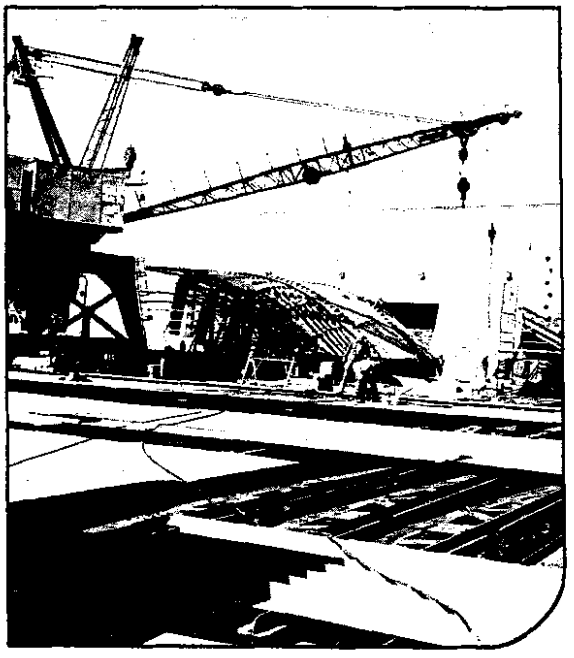

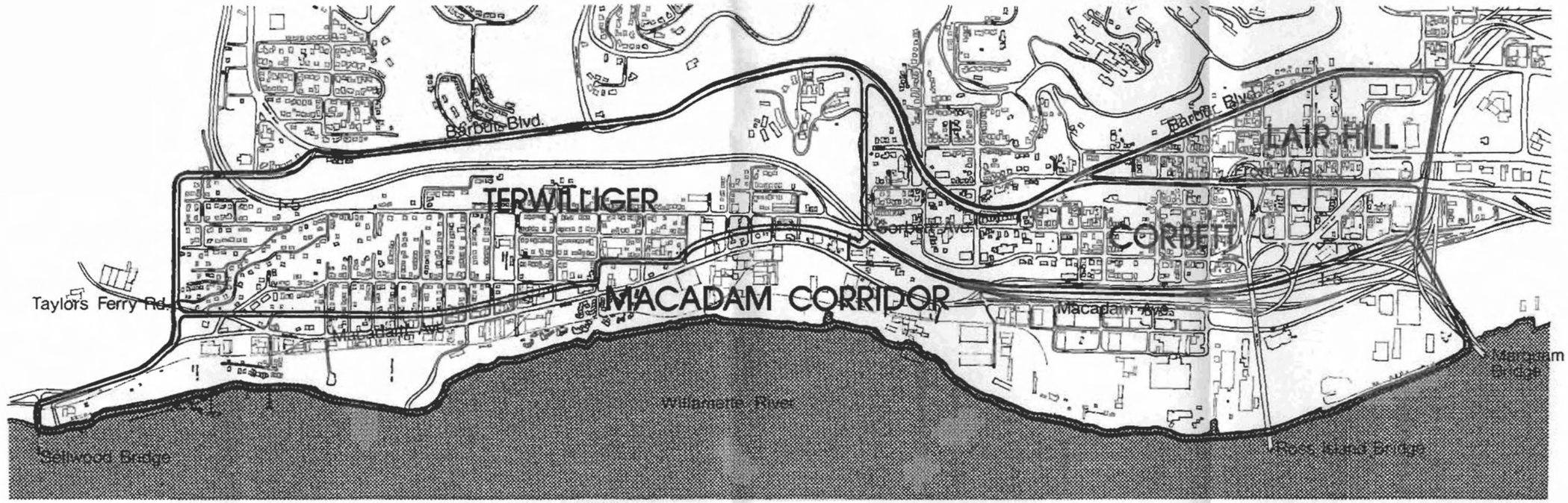

Though the Planning Area is treated as a whole for some purposes, such as traffic planning, for other purposes such as land use and zoning, the division into neighborhoods facilitates discussion of specific problems.

CORBETT, TERWILLIGER, and LAIR HILL

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Planning Area Neighborhoods

map 1

I. SUMMARY

The Planning Process for the Corbett/Terwilliger/Lair Hill neighborhood began in the fall of 1972 in response to three major factors.

1. The effect of urban renewal in the South Auditorium Area and its potential impact on the future development of the Lair Hill and Corbett neighborhoods.

2. The construction of the Johns Landing development and its effect on the surrounding Terwilliger residential neighborhood.

3. The possible improvements to Macadam Avenue and their effect on business in the Macadam Corridor.

The three neighborhoods have historically had a common identity based on their geographic location, situated between the river and the foot of the West Hills. Common transportation factors, especially with Corbett Street connecting the three areas, and similar ethnic backgrounds have also bound the neighborhood together. The original residents were primarily of Italian and Jewish heritage.

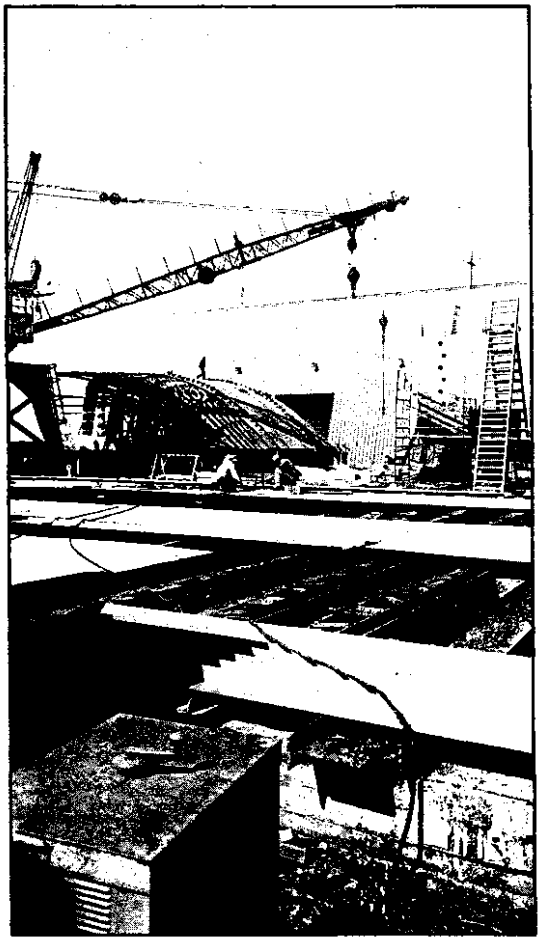
Industry located along the river has always been an accepted neighbor of the residential areas west of Macadam. This factor made it relatively easy for industry and residents to form a coalition in response to threatened urban renewal changes which made both interests fear they would be squeezed out of the area altogether.

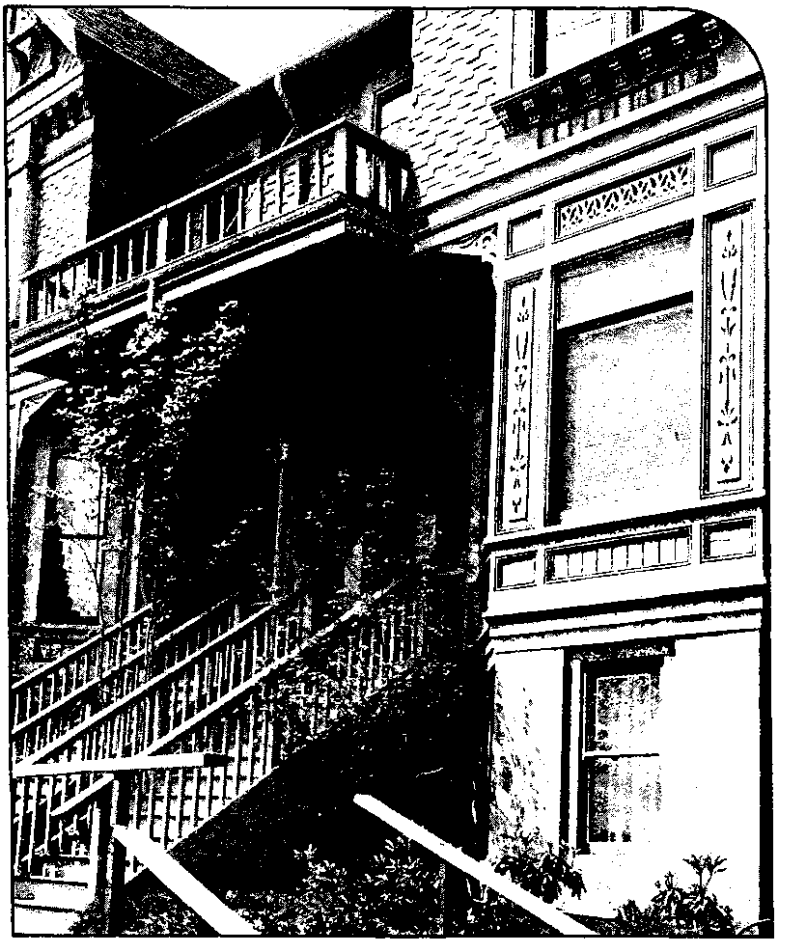
In the summer of 1973, a Planning Committee was formed which was representative of the various land-use interests within the neighborhoods: home owners, tenants, developers, business people, and absentee owners. This committee met bi-weekly for approximately 20 months throughout the development of the Corbett/Terwilliger/Lair Hill Plan. The Plan was presented to the Planning Commission in January, 1975. A resume of the full history, development and activities of this committee is in Appendix A.

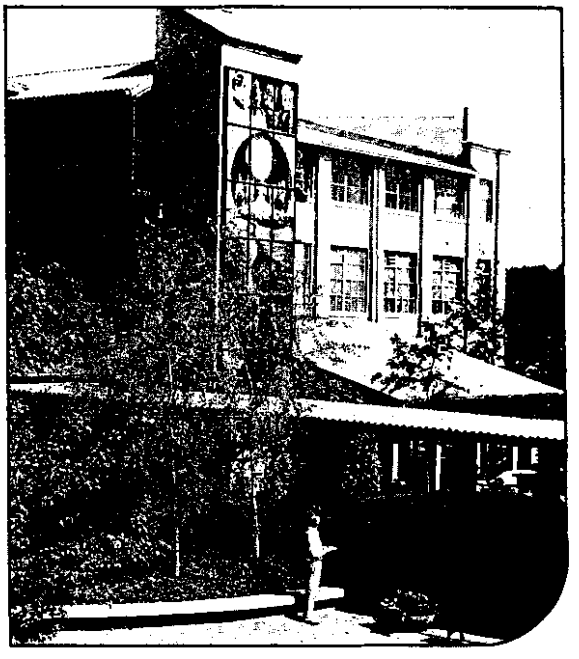
Later that year, a staff report was submitted identifying specific actions recommended for adoption. The Planning Commission approved this staff report on December 6, 1976.

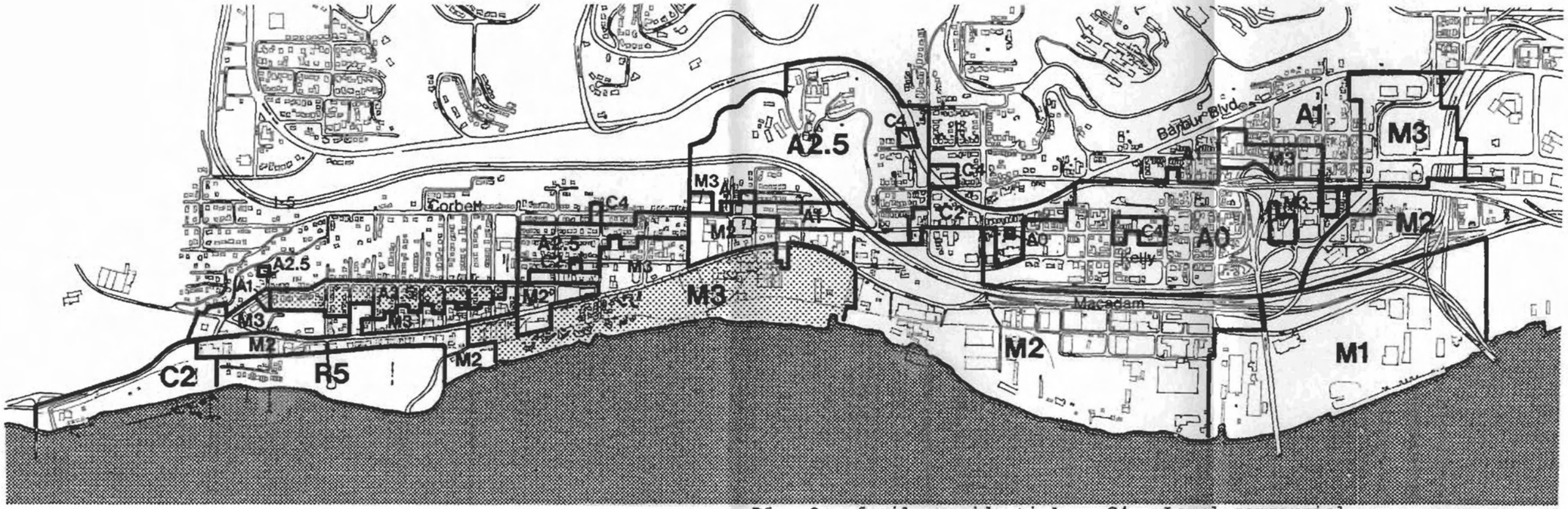
The staff now forwards to the City Council the policies and actions recommended by the Planning Commission and a summary of the planning goals for each of the three neighborhoods with the recommendation that the report be adopted.

PROFILE OF STUDY AREA NEIGHBORHOODS









R5	One-family residential	C4	Local commercial
A2.5	Apartment residential	C2	General commercial
A1	Apartment residential	M3	Light manufacturing
A0	Apartment residential	M2	General manufacturing
		M1	Heavy manufacturing

0 200 400 600 800 1000 N

Two major rezoning actions have occurred since 1959 -- the 1967 rezoning of a portion of the Terwilliger neighborhood, and the 1974 rezoning of a portion of the Macadam Corridor for the Johns Landing Development. Both are indicated by dot-tone in the map above.

CORBETT, TERWILLIGER, and LAIR HILL

portland bureau of planning

1977 Current Zoning

map **2**

II. PROFILE OF STUDY AREA NEIGHBORHOODS

A. CORBETT

Corbett is composed of older homes, many with historic significance, mostly built around 1910. Residents tend to be either retired or young and the neighborhood has achieved a reputation for its artist colony.

The neighborhood is zoned primarily A0 for high rise residential development. This zone does not reflect the actual use of the land, and there has been no high rise residential construction in the area since it was zoned A0 in 1959. The land use breakdown by general categories is 47% residential, 12% commercial/office, 4% utility (PGE), 14% public, and 23% vacant.

By early 1974, the land was frequently held in large parcels by investors and populated by tenants. Sixty-five percent of all residential buildings were non-resident owned, and over half of the land was consolidated into parcels of over 10,000 sq. ft. The conditions of the existing residential structures became quite deteriorated since investors expected to develop the land. Yet the market demand for high rise apartments was insufficient to generate any construction since 1959 due to high interest rates and cost of land, and a rent structure that could not be realized. In addition public financing programs have been virtually non-existant. Until recently the most obvious land use trend was the conversion of old residences to office buildings or the construction of new buildings through conditional use permits. To date 14 such buildings have been converted or constructed.

Since the planning process has begun in the neighborhood, and especially since the Planning Commission actions of 1976, a transition in ownership patterns has emerged. Three full blocks which had previously been held by investor owners have been sold to resident owner occupants. A tremendous market has developed for the houses in the area and intensive rehabilitation activity is currently observable in nearly every block in the neighborhood.

Out of a total of 170 residential structures in the designated area, 29% have been, or are currently in the process of being rehabilitated. Much of the labor is in the form of 'sweat equity' and low interest HCD loans, and many of the new owners are former tenants. These people have made an investment in the area based on confidence in the Planning Commission actions that the City will adopt land use controls which will protect the existing development and character of the Corbett neighborhood.

An outstanding problem in Corbett has been the traffic and circulation problems generated by the Ross Island Bridge approaches which route traffic through residential areas. The South Portland Transportation Study currently underway is addressing the specific problems associated with the west end approach ramps to the Ross Island Bridge.

The general goals identified by the Corbett neighborhood are:

1. Preserve the mixed balance of predominantly residential uses and businesses and offices now existing.

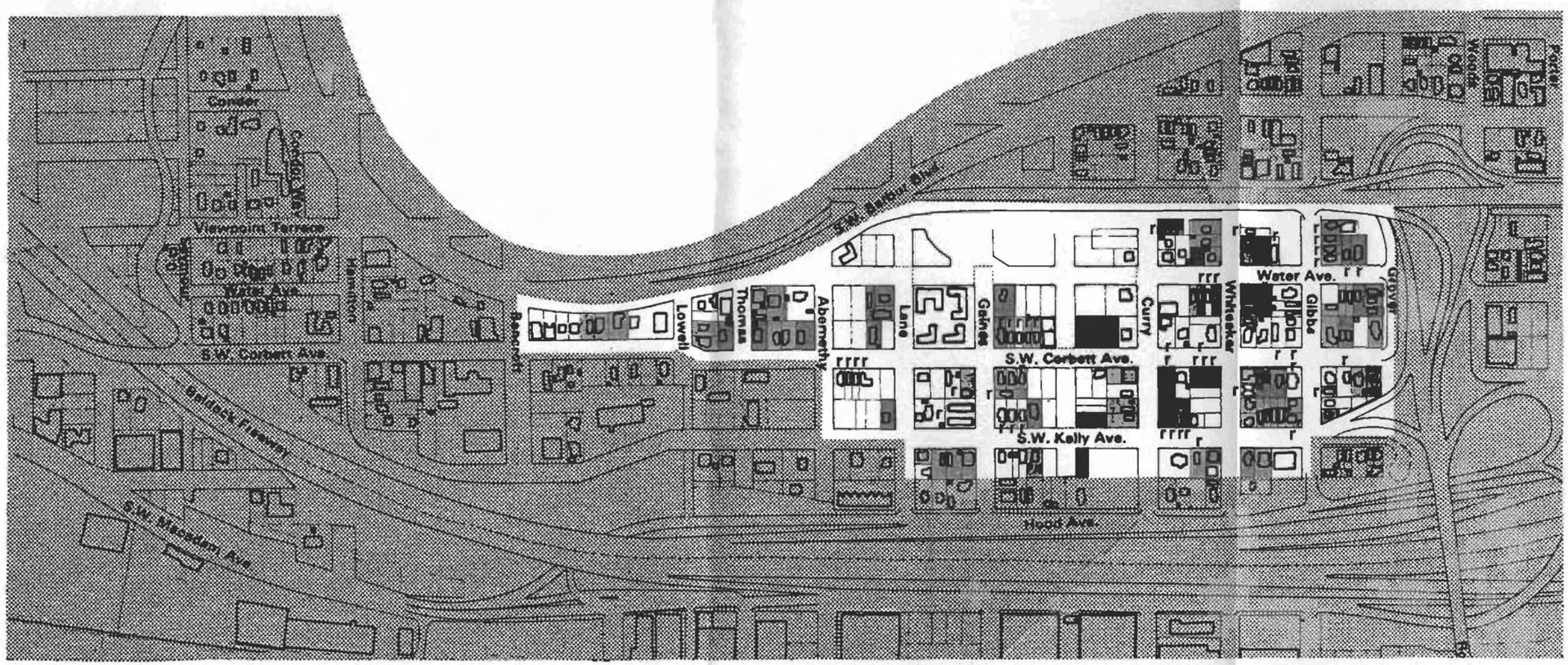
2. Retain the existing number of low and medium income housing units through tax incentives and government assistance as it becomes available.

3. Ensure pedestrian and bicycle accessibility to public transit and the Central Business District.

4. Encourage the retention and rehabilitation of existing dwellings.

5. Change the zoning in accordance with Planning Commission recommendations.

6. Adopt recommended capital improvements.



Excellent to good
Good to fair
Fair to poor
Dilapidated

r Rehabilitation activity within the last 3 years including work in progress as of June, 1977.

0 400

N

This map shows the conditions of housing structures and any rehabilitation activity which has occurred during the last three years. Ratings were made based on the estimated cost of needed rehabilitation. Excellent requires less than $500, Good requires up to $5,000, Fair between $5,000 - $10,000, and poor would require over $10,000 of repair work.

CORBETT, TERWILLIGER, and LAIR HILL

portland bureau of planning

Conditions Of Residential Structures In AO Zone

map **3**

B. LAIR HILL

Lair Hill is now a small area which was once part of what is now the South Auditorium Urban Renwal Area. Urban renewal coupled with construction of the freeway and the Marquam Bridge not only eradicated over 100 acres of older residential land, but also isolated the neighborhood from the downtown, other neighborhoods and the river.

Residents developed bitter feelings over the destruction of their neighborhood. In 1970, faced with the prospect of extended urban renewal, they organized themselves and convinced the City to limit further urban renewal activity. There exists a strong spirit of wanting to preserve and improve what is left.

Lair Hill's visual strongpoint is the physical reminder of its past, its Victorian architecture. The craftsmanship that early residents brought with them from Europe is evident in the architectural details of these structures. In fact, structures remaining from the years 1876 to 1894 form perhaps the richest collection of Victorian residential architecture in Portland.

Yet the condition of these structures has become quite deteriorated. In 1959, the area was zoned A1 for medium density apartments. Since then the land has increasingly been held in large parcels by investors who hope to maximize their return by developing the land. The anticipated development has not been economically feasible for private development, and accordingly, maintenance to existing structures remains at a low level.

Many existing single family houses have been converted to multi-family use. Three acres of vacant land zoned A1 are consolidated in an area north of Lair Hill Park.

The age and condition of existing structures requires that improvements be made in the near future if they are to be saved and rehabilitated. This situation coupled with the unfavorable economic conditions of new construction, indicates that some means of public action must be sought. There has been virtually no new construction in the area since 1952, yet 31 residential structures, representing 18% of the total structures in the neighborhood have been demolished since 1960. In only one instance has another structure replaced any of the demolished structures.

In the summer of 1977 the City Council approved a Planning Commission recommendation to designate Lair Hill as an Historic Conservation District. Designation of the area as an historic conservation district is a zoning tool to help preserve the special character of the district, specifically geared to those features

which are unique in terms of urban design, architectural style and historic significance. Existing zoning does not change with historic designation, but restrictions governing new construction are added to insure that the new buildings will be in keeping with the general character of the district. In addition, demolition permits can be delayed pending actions to save historic structures. (For complete details see Historic Conservation Zoning, July 1977)

Goals identified by the Lair Hill Neighborhood are:

1. Encourage the maintenance of the present broad mix of people in terms of income, age, life styles, and race.

2. Preserve light and air by limiting building height to three stories.

3. Improve pedestrian and bicycle linkages with Corbett and the Central Business District.

4. Create sidewalks along both sides of Barbur Blvd. and pedestrian access across Barbur to Duniway Park and the YMCA.

5. Encourage mixed use residential, including the possibility of public housing, and commercial uses in the area north of Lair Hill Park and along First Street between Hooker and Porter Streets.

C. TERWILLIGER

The Terwilliger neighborhood is relatively stable compared to both Corbett and Lair Hill. It has a much higher percentage of resident home ownership (65% compared to 35% for Corbett and Lair Hill) and has experienced less difficulty with traffic impact. Its close proximity to the river makes it an attractive location and many of the residents have lived in the neighborhood their entire lives.

Terwilliger is the only neighborhood in the planning area which has had a net increase in residential units. Forty-three single family homes have been constructed and 176 multi-family units since 1960. The land is zoned primarily for single-family residential (R5) and in 1967, there was a rezoning of the portion of land between SW Virginia and SW Macadam from R5 to A2.5. The intent of this rezoning was to "...act as an incentive to land owners to remove blighted dwellings, build new residential buildings and maintain existing dwellings which are presently in good condition." (Terwilliger Neighborhood Proposal, Portland City Planning Commission, 1967). Since this rezoning was enacted, virtually no new development has taken place; rezoning to a more intensive use has not promoted the intended new development, although one project is presently underway.

The last major rezoning occurred in March of 1974 when the zoning of a large strip of land between SW Macadam Ave. and the Willamette River was changed from M2 to M3D. The purpose of this rezoning was to permit the construction of the Johns Landing commercial and housing development.

When faced with the prospect of the Johns Landing Development and its attendent changes, plus the need for some type of improvement to Macadam Avenue without creating a barrier to the river, the neighborhood decided that a plan was needed to coordinate these changes and requested planning assistance from the City.

The Goals identified by the Terwilliger Neighborhood are:

1. Retain and enhance Terwilliger as a primarily low (single-family duplex) density residential neighborhood; do not expand A2.5 zone.

2. Encourage construction of housing for the elderly.

3. Encourage retention of existing business interests to provide local employment and services.

4. Minimize the impact of Johns Landing development on the existing neighborhood.

5. Minimize the barrier that Macadam and its proposed improvements create between the neighborhood and the riverfront.

6. Provide safe pedestrian and vehicular access to Willamette Park.

7. Discourage through traffic in the neighborhood.

8. Discourage zone changes or conditional use permits in residentially zoned land for parking lots or structures.

9. Retain Terwilliger School as a K-6 school.

10. For geologic stability and as a buffer to the Salem Freeway, keep land between Corbett and Freeway as undeveloped open space.

11. Adopt recommended Planning Commission traffic and circulation goals.

D. MACADAM CORRIDOR

The Macadam Corridor, zoned primarily M2 and M3, runs along the river the length of the planning area. The principal development factor in this area was the "insertion" of the Johns Landing Development, which provided the stimulus for additional non-industrial uses such as La Bien, a new tennis center and Willamette Park improvements. Limited new industrial activity has taken place north of Johns Landing.

Currently there are 8.5 acres of M2 land in this corridor. Land owners will be considering alternatives for development of this land within the near future. Already the possibility of conversion of industrial land to commercial and higher density residential use has become a problem for industry. The Johns Landing Development is the first example. The land and improvement values are expected to increase in the near future which will in turn create pressure on industrial land to be converted to a use that will generate more income than its present use; current employment opportunities in the area might be lost. Already 3 major riverfront industries have left the area. It is expected that there will be zone change requests from M2 to M3 in the future. This is due to the fact that M3 and C2 are the only zones which accomodate a mixture of commercial and residential land uses. M3 is the zone which Johns Landing requested and received with the addition of a "D" (Design Review zone) designation.

The Macadam Corridor has been predominantly industrial since the 1890's with well established and generally well maintained businesses. South of Johns Landing there are some vacant and blighted structures and there is some problem with poor buffering between industrial and residential uses, but on the whole there has been a compatible relationship between the two.

However, a shift in land uses along the river can be expected. The Willamette Greenway Plan, which will be a component of the Comprehensive Plan, is currently studying this part of the river with the intent of proposing that the land along the river, south of the Marquam Bridge be eventually converted to residential, commercial and recreational use. (See Appendix F)

The goals and actions in this report which are directed at the Macadam Corridor should be viewed as part of an interim strategy.

Goals for the Macadam Corridor are:

1. Maintain a viable industrial community in the areas where sound businesses now exist, especially those along the river.

2. Retain heavy industry along the Willamette River north of Johns Landing to Gibbs Street.

3. Encourage redevelopment for commercial, recreational, and residential use when the land becomes available in the area bounded by the Marquam Bridge, Macadam Ave., Gibbs Street and the Willamette River.

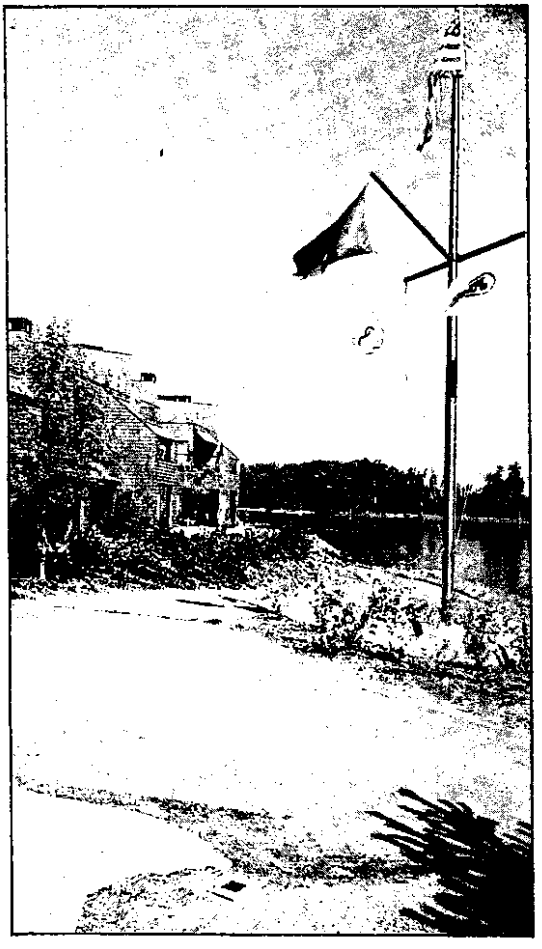
4. Retain manufacturing between Willamette Park and Macadam along the east side of Macadam from Nebraska St. to the Taylors Ferry Rd. intersection.

5. General office buildings and some compatible manufacturing are preferred along the west side of Macadam.

6. Commercial "drive-in" facilities shall be discouraged in order to avoid the traditional "commercial strip" development.

7. Adopt recommended Planning Commission traffic and circulation policies.

RECOMMENDED POLICIES AND ADOPTED PLANNING COMMISSION ACTIONS



III. RECOMMENDED POLICIES AND ADOPTED PLANNING COMMISSION ACTIONS

This section contains policies recommended by the Planning Commission for City Council adoption.

Each policy will be followed by a statement of intent, the reasons for the policy recommendation and recommended Council action(s) consistent with the policies and the reasons for the action(s).

A. POLICY:

PRESERVE THE EXISTING RESIDENTIAL NEIGHBORHOODS (LAIR HILL, CORBETT AND TERWILLIGER) BY MAINTAINING THE EXISTING DWELLINGS AND STIMULATING COMPATIBLE HOUSING DEVELOPMENT AND SUPPORTING SERVICES.

1. Intent. The intent of this policy is to preserve and promote a low to moderate density residential neighborhood for those people willing to invest the time, effort and financial resources and to stimulate new development compatible with the existing neighborhoods.

2. Reasons:

   a. The existing housing requires immediate rehabilitation if it is to be preserved.
   b. The existing housing represents a needed resource that neither the public nor private developers can afford to completely replace.
   c. Federally-funded rehabilitation loans at less than market rate interest are now available.
   d. Preservation and rehabilitation of the existing housing is needed before compatible private housing development can be built. Staff studies Appendix B, HOUSING ANALYSIS, have shown that one of the primary factors inhibiting private development in the planning area is that the rents obtainable under current physical conditions are insufficient to justify new investment. Accordingly, if the physical environment of the neighborhoods is improved through private rehabilitation of the existing housing, new private housing development will be encouraged.
   e. If new private housing is eventually built, the development of commercial services required by the neighborhoods will be encouraged.

RECOMMENDED ACTIONS

1. REQUEST THE PORTLAND DEVELOPMENT COMMISSION TO PREPARE AND PRESENT TO THE CITY COUNCIL THE RESOLUTIONS AND DOCUMENTATION NECESSARY TO DECLARE THE CORBETT, TERWILLIGER, AND MACADAM CORRIDOR NEIGHBORHOODS AN "URBAN RENEWAL AREA".

Reasons:

a. Capture the remaining tax increment available in the Johns Landing and La Bien developments as outlined in Appendix F, Tax Increment Revenue Analysis, See Chapter IV, Urban Renewal and Tax Increment Financing, in A Plan for Corbett/Terwilliger and Lair Hill for a detailed explanation of the tax increment

technique and its relationship to urban renewal.

b. The remaining tax increment will help finance a sustained housing rehabilitation program and other public improvements that will support the policy of preserving the neighborhoods.
c. The urban renewal designation will procure the assistance of the Portland Development Commission staff, especially in areas where design review and controls are designed that would be more extensive than existing zoning controls.

(Note: Due to changes which have occurred since the Planning Commission Actions of August, 1975, the Portland Development Commission now advises that the above action would be inappropriate. See letter to Ernest Bonner, Appendix C) .

2. REZONE PORTIONS OF THE CORBETT NEIGHBORHOOD FROM AO AND C2 TO A2.5 EXEMPTING THE HALF-BLOCK WIDE STRIP ON THE WEST SIDE OF HOOD FROM GROVER TO LANE, AND THE 100' X 100' PARCEL ON THE NORTHWEST CORNER OF CURRY AND FRONT AVE. AS SHOWN ON MAP 4.

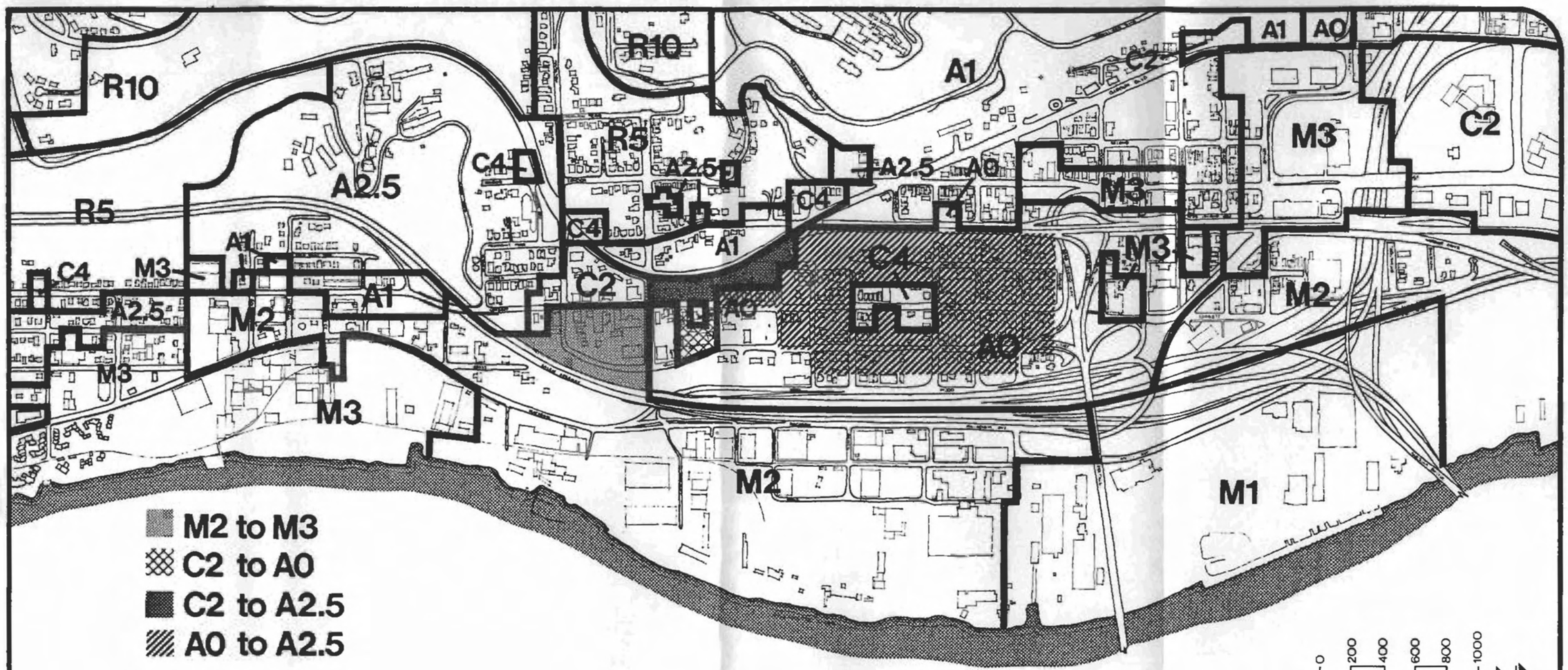
Reasons:

a. Preserve the existing dwellings by helping to remove the inflationary pressure on land values.
b. Preserve the existing dwellings as residential structures by stopping their conversion to offices.
c. Extend the utility of the existing combination sewerage system by controlling the amount of impervious surface. (See letter from Bureau of Sanitary Engineering, 23 Sept. 74, in Appendix F).
d. Encourage the purchase and rehabilitation of existing single family homes.
e. Secure public investment in the present structures by discouraging their re-sale for conversion or redevelopment.
f. Make the zoning in the existing C2 zone compatible with the residential uses on the block bounded by Lowell, Corbett, Bancroft and Barbur Blvd.
g. Prevent any further commercial development on the block bounded by Lowell, Corbett, Bancroft and Barbur that would require curb cuts and impede traffic flow on Barbur Blvd.
h. The land exempted from the recommended rezoning is most suitable for commercial offices due to the high traffic volume and noise levels on Hood and Front Avenues.
i. The land along Hood and Front Avenues is recommended for exemption rather than rezoning to C2 in order to permit conditional use offices while excluding other uses permitted by C2 zoning.
j. This land is separated topographically from the adjacent residential areas.

3. REZONE THE AREA BOUNDED BY THE SALEM FREEWAY, CORBETT AVENUE, HAMILTON AND BANCROFT STREETS, FROM M2 TO M3, AS SHOWN ON MAP 4.

Reasons:

a. Encourage higher quality development in this area such as offices or housing by precluding the possibility of development of incompatible and industrial uses.
b. This land is geographically isolated from other M2 land along the river.
c. Access and circulation problems in the area make it unattractive for heavy industry.
d. The land is ill suited for industrial development due to steep slopes and small irregular land parcels.



This map illustrates the rezoning actions adopted by the Portland City Planning Commission at the hearing held on October 18, 1975.

CORBETT, TERWILLIGER, and LAIR HILL

portland bureau of planning

Planning Commission Actions

Adopted October 18, 1975

map **4**

B. POLICY:

REDUCE VEHICULAR TRAFFIC THROUGH RESIDENTIAL NEIGHBORHOODS.

1. Intent. Improve the environment of the residential neighborhoods by lessening noise, congestion and air pollution caused by traffic.

2. Reasons:

   a. Reinforce the public investment in neighborhood rehabilitation.
   b. Encourage higher quality development in the neighborhoods.

RECOMMENDED ACTIONS

1. REFER THE IMPROVEMENT OF MACADAM AVENUE TO THE ARTERIAL STREETS PROGRAM FOR INCLUSION AS A MT. HOOD TRANSFER PROJECT.

Reasons:

a. Improve safety and traffic flow on this important arterial at the periphery of the planning area.
b. Reduce the use of Corbett Avenue, an important internal connector, as a commuter route.
c. Improve neighborhood pedestrian and vehicular access to riverfront development and Willamette Park.
d. Improve the probability of obtaining funding for this project.

Note: The funds for this action have already been appropriated and the project is being addressed by the South Portland Circulation Study.

2. SUPPORT THE REDESIGN OF THE ROSS ISLAND BRIDGE RAMPS AND REALIGNMENT OF RELATED STREETS.

Reasons:

a. Provide direct vehicular access to Portland's east side without having to pass through the Corbett neighborhood.
b. Enable southbound traffic originating in the CBD to by-pass the Planning area. (See Map 5a, Proposed Public Improvements Projects).

Note: The action is currently being addressed by the South Portland Circulation Study.

3. SUPPORT THE SELECTED STREET CLOSURES ILLUSTRATED ON MAP 5, PROPOSED PUBLIC IMPROVEMENT PROJECTS.

Reasons:

a. These closures will effectively limit points of entry at the periphery of the planning area but retain free vehicular movement within the area.
b. Facilitate funding of these projects through the Capital Improvement Program.

C. POLICY:

CONTROL DEVELOPMENT AND IMPROVEMENTS IN THE MACADAM CORRIDOR.

1. Intent. Retain industrial uses, and thereby potential employment, within the planning area and mitigate the economic pressure toward strictly commercial development on the riverfront. If and when businesses in the corridor relocate–especially those between Macadam Avenue and the Willamette River north of Johns Landing–a mixture of residential, recreational and commercial uses should be encouraged. Also preserve the existing residential "Miles Place Colony" on the Willamette River south of Willamette Park.

2. Reasons:

   a. Protect the existing businesses
   b. Assure the possibility of residential waterfront development.
   c. Ensure quality development in a scenic entry corridor to the CBD.
   d. Minimize the traffic impact on the adjacent neighborhoods, and on already-congested Macadam Avenue.

Note: The Planning Bureau staff is now preparing alternative Willamette Greenway Plans for public discussion and eventual review by the City Council. One of these alternatives features a change in industrial use along the southern part of the Willamette River to river-related commercial, recreational, residential uses.

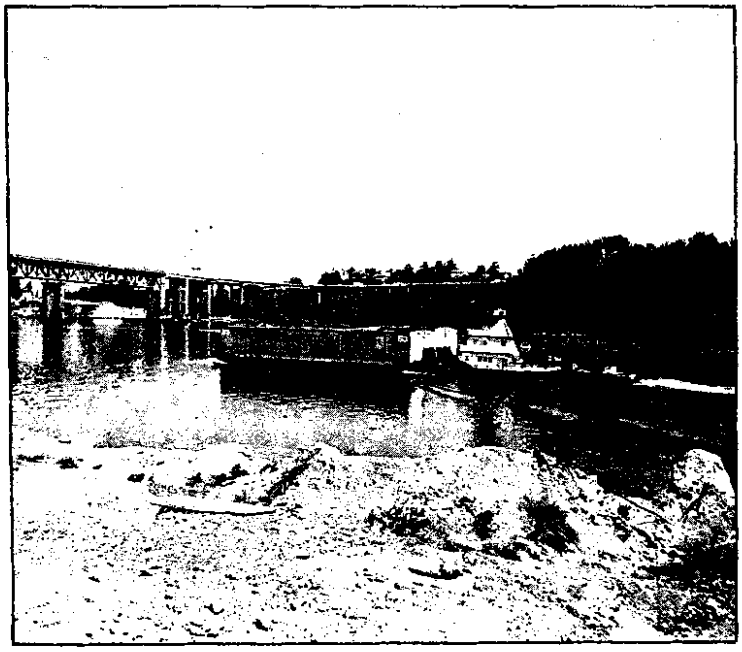
RECOMMENDED ACTION

1. ALLOW NO CONDITIONAL USE PERMITS FOR PARK USE ON LAND NOW OCCUPIED BY THE EXISTING RESIDENTIAL "MILES PLACE COLONY" ON THE WILLAMETTE RIVER SOUTH OF WILLAMETTE PARK.

Reasons:

a. This is a unique residential area. It is the only single family housing on land on the Willamette River within the City limits.
b. The owners have invested time and money in rehabilitating their homes.
c. Incremental purchases of land by the Park Bureau will slowly destroy this community.
d. If the Park Bureau is put on notice that no further conditional use permits will be allowed in this area, it will not purchase additional property.
e. Preservation of this property will not interfere with public access to or through Willamette Park.

RECOMMENDED PHYSICAL IMPROVEMENT PROJECTS



IV. PROPOSED PHYSICAL IMPROVEMENT PROJECTS

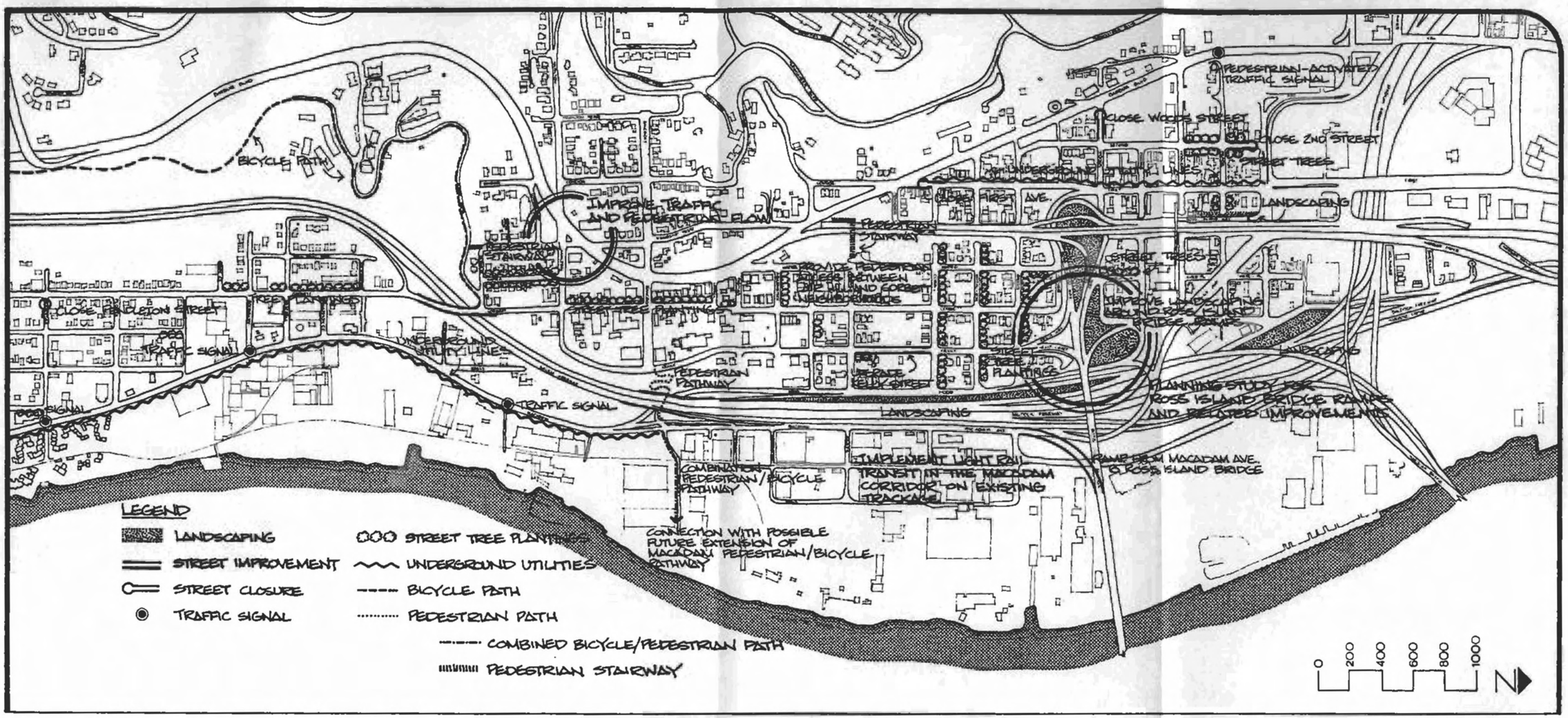
This section proposes an improvement program for Corbett/Terwilliger/Lair Hill and is based directly upon information and documentation presented in "A Plan for Corbett, Terwilliger, Lair Hill", prepared by the Corbett, Terwilliger, Lair Hill Planning Committee.

The proposed improvements in Table 1 are grouped under five subheadings:

I. Street, Pedestrian, and Bicycle Path Improvements
II. Rehabilitation
III. Parks, Open Space and Landscaping
IV. Distribution Undergrounding
V. Others

A number of the projects listed have already been completed or are currently under study (the South Portland Circulation Study, for example). New projects, proposed in Fall of 1977, are listed at the end of the Table.

A map showing the location of the proposed projects may be found on the next page.



These proposed physical improvement projects include those projects listed in Table 4 and the projects funded under the Housing and Community Development Act (HUD). The whole study area is eligible for low interest rehabilitation loans.

CORBETT, TERWILLIGER, and LAIR HILL

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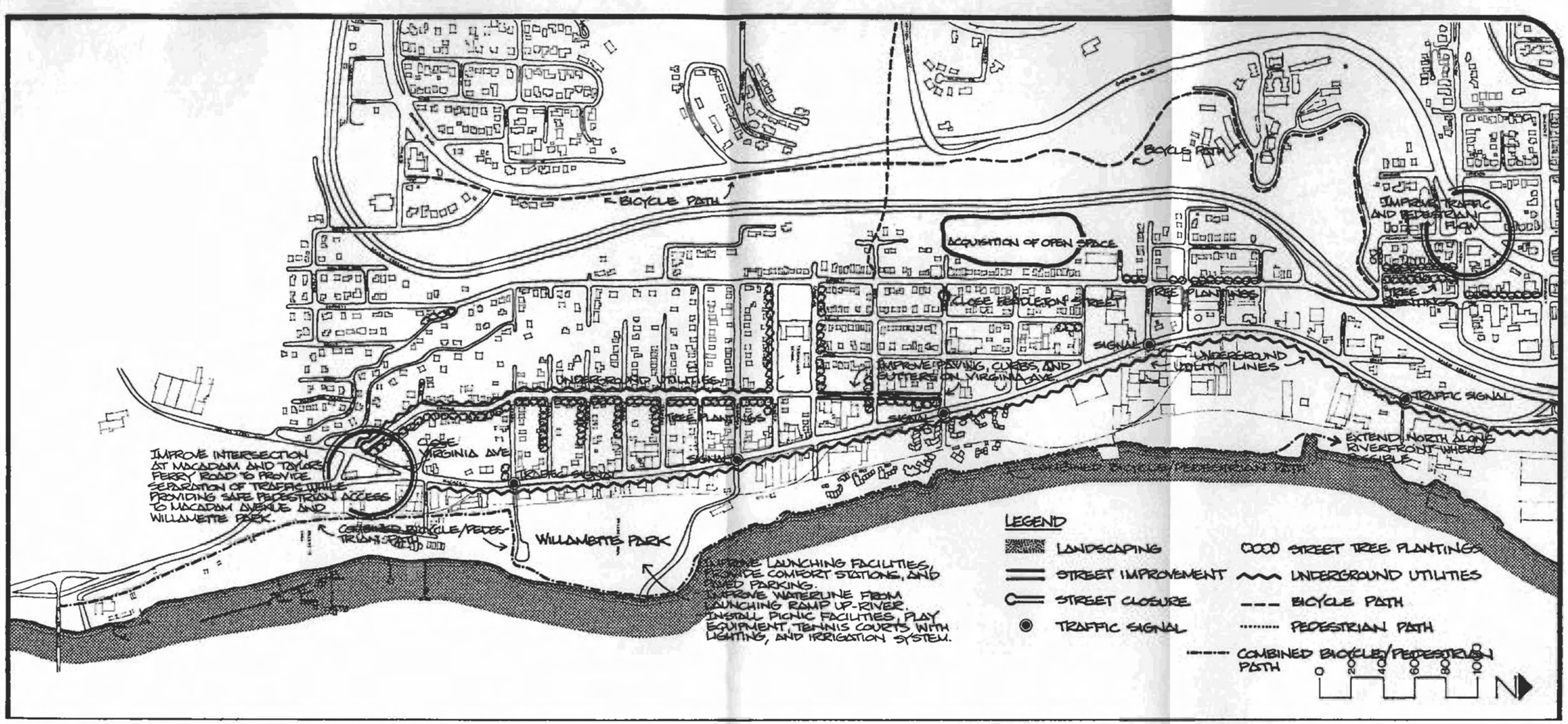
Proposed Physical Improvement Projects

map **5a**



These proposed physical improvement projects include those projects listed in Table 4 and the projects funded under the Housing and Community Development Act (HUD). The whole Study Area is eligible for low interest rehabilitation loans.

CORBETT, TERWILLIGER, and LAIR HILL

portland bureau of planning

Proposed Physical Improvement Projects

map **5b**

TABLE 4
PROPOSED PHYSICAL IMPROVEMENT PROJECTS

Note: All cost estimates are approximate

I. STREET, PEDESTRIAN, BICYCLE PATH IMPROVEMENTS

	STREET IMPROVEMENTS	COST ($)	POSSIBLE SOURCES OF FUNDING	BUREAU COORDINATION	STAFF EVALUATION OF FEASIBILITY
L	Close 2nd St. at Arthur	6,000	C.I.P.	Traffic Eng.	+
L	Close 1st St. at Barbur Blvd.	6,000	Same	Same	+ now being tested
L	Close Woods St. at Barbur	6,000	Same	Same	+
		$18,000			
L	Sidewalk on East & West Barbur from Arther to Hamilton combined with bicycle path)	50,000ea.side 100,000 total	UAP (OSHD) HCD (T.I.) P.D.C.	Street & Struct Eng.	P.C. (west side)
C	Pedestrian path under Front St. at Gaines (W/bicycle ramp)	6,000-10,000	C.I.P. HCD (T.I.)	Same	U.S.
T	Pedestrian path along Custer to waterfront	?	Same (Possible maintenance project)	Same	U.S.
M	Pedestrian/bicycle path along waterfront	?	Private Development Bikeways. Will. Greenway,BOR	Street & Struct. Eng. OP&D	U.S.
		$110,000			

Legend:
L = Lair Hill
C = Corbett
T = Terwilliger
M = Macadam Corridor

+ = Feasible
? = Undetermined
U.S. = Under Study
P.C. = Project Completed

BOR = Bureau of Outdoor Recreation
UMTA = Urban Mass Transit Administration
UAP = Urban Arterial Program
OSHD = Oregon State Highway Division
HUD = Housing and Community Development Act
TI = Tax Increment
CIP = Capital Improvements Program
PDC = Portland Development Commission
FAU = Federal Aid Urban

	STREET IMPROVEMENTS	COST ($)	POSSIBLE SOURCES OF FUNDING	BUREAU COORDINATION	FEASIBILITY
C	Improve intersection at Hamilton & Barbur	220,000+	C.I.P. (city part.) HUD (T.I.) OSHD (SW Portland Park & Ride)	Traffic Eng. Street & Struct. Eng.	P.C.
C	Construct on-ramp to R.I. Bridge from Macadam	600,000+	OSHD, FAU, T.I. (½) (St. Bond)	Traffic Eng. Street & Struct. Eng.	U.S.
C	Construct off-ramp from R.I. Bridge to Hood St. divert Grover from Corbett to R.I. Bridge	200,000+	Same	Highway Div. Street & Struct. Eng. Multnomah County Highway Div.	U.S.
M	Improve Macadam to a four-land divided boulevard w/planted median, turning lanes, & planted parking strips	8,000,000	Interstate withdrawal	Traffic Eng. Street & Struct. Eng. Planning (Design Review Transp.)	U.S.
M	Improve Taylors Ferry intersection with traffic separation & safe pedestrian access to Macadam & Willamette Park	Included w/ above	Interstate Withdrawal	Traffic Highway Div. Street & Struct. Eng.	U.S.
T	Close Virginia Ave. at Taylors Ferry possibly included with improvements to intersection	Included w/ above	Interstate Withdrawal	Same	U.S.
M	Improve Sellwood Bridge access	?	Mult. County	Highway Div. Traffic	
T	Traffic signals on Macadam at Boundary, Pendleton Nebraska & Nevada	25,000 each = 100,000	OSHD C.I.P. Private Dev.	Highway Div. Traffic Eng.	+
		9,000,000+			
C	Upgrade Kelly St. between Curry & Gains	4,800-6,300	HCD (T.I.) Private Dev.	Traffic Eng. Street & Struct. Eng.	+
T	Connect Slavin Rd. to Barbur Blvd.	?	HCD (T.I.)	Traffic Eng. P.D.C. Street & Struct. Eng.	

	PEDESTRIAN CROSSINGS	COST ($)	POSSIBLE SOURCES OF FUNDING	BUREAU COORDINATION	FEASIBILITY
C	Pedestrian crossings: at Bancroft (add sidewalk) under the Salem Freeway	2,800	HCD (T.I.)	Traffic Street & Struct Eng.	U.S.
T	Pedestrian overpass across Barbur at Rassmussen Village	100,000	HCD (T.I.)	Traffic Street & Struct. Eng. P.D.C.	?
L	Pedestrian controlled crossing Barbur & Meade	25,000	YMCA	Traffic Street & Struct. Eng.	?
	BIKE PATHS				
L	Barbur Blvd. between Arthur & Hamilton in comb./w/sidewalk	? 100,000(incl. above)	OSHD (UAP) (UAP)	Street & Struct. Eng.	?
T	Old Slavin Rd. and old access Rd. from Rasmussen Village south to View Point Terrace with link to Carolina Canyon	50,000	OSHD	P.D.C Highway Div. Planning Street & Struct. Eng.	+
M	Between Macadam Ave. & River -- along River where possible		OSHD Private Dev.	Same	U.S.
	Subtotal Sec. I Sub Total	9,438,100			
	Requ. Tax Increment (For projects w/hold funding)	839,100			

II. REHABILITATION

REHABILITATION	COST ($)	POSSIBLE SOURCES OF FUNDING	BUREAU COORDINATION	FEASIBILITY
Public Interest Lender's Program (PIL) for low interest home rehabilitation and 3/2 Program (Federal)	548,984 (as of 8/77)	Local Financial Institutions Federal Funds	P.D.C. Bureau of Planning	P.C.
Administrative cost for PIL	85,000/yr for 2 yrs = 170,000	HCD	P.D.C.	+
Sub Total	170,000			
Requ. Tax Increment	170,000			

III. PARKS, OPEN SPACE, AND LANDSCAPING

PARKS AND OPEN SPACE

T Acquire vacant land btwn Salem Freeway, Boundary and Carolina (6.8 acres) No maintenance required.	100,000*	HCD (T.I.) Highway Div.	Park Bureau P.D.C. Highway Div.	+
T Willamette Park		C.I.P.		+
-Extend into neighborhood for public access		HCD (T.I.)		
-Improve launching facilities & provide comfort stations & parking	151,000	Fed. Grant-Open Space State Marine Bd.(50%) B.O.R. (Fed.) (50%)	Marine Board	
-Improve water line from launching ramp up-river				
-Install picnic facilities '75)	20,000			
play equipment '79)	6,000			
tennis courts w/ltg '80)	35,000			
irrigation system '80)	35,000			

*Exact cost to be negotiated by PDC

	PARKS AND OPEN SPACE (cont.)	COST ($)	POSSIBLE SOURCES OF FUNDING	BUREAU COORDINATION	FEASIBILITY
C	Convert the fill area btwn Slavin Rd. & the Salem Freeway to minimal maintenance park -- or housing if programs are available	?	C.I.P. HCD (T.I.)	Park Bureau P.D.C.	+
C	Acquire Lot 4 and parts of Lots 2 & 3, Block 161, South Port Addn. to Caruthers (at Lane & Water Sts) as open space to complement pedestrian path & as a buffer to Front St. - no maintenance required.	15,000	HCD (T.I.)	Park Bureau	+
L	Landscaping along west side of Front St. btwn Arthur & Hooker	1,500-2,000	OSHD	Highway Div. Park Bureau P.D.C.	+
L	Landscaping-Ross Island Bridge Ramps	25,000-50,000	OSHD	Highway Div. Park Bureau P.D.C.	+
C	Improve landscaping btwn Hood St. & Salem Freeway	15,000-20,000	OSHD	Highway Div. Park Bureau P.D.C.	+
	Sub Total	254,000			
	Requ. Tax Increment	215,000			

IV. DISTRIBUTION UNDERGROUNDING

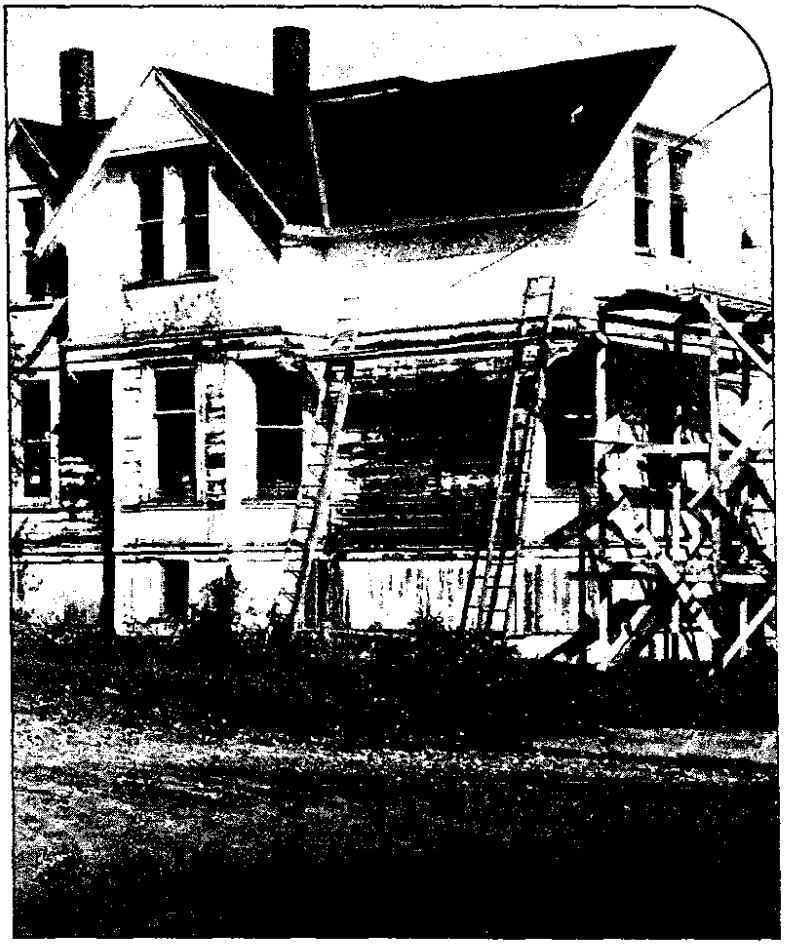
DISTRIBUTION UNDERGROUNDING	COST ($)	POSSIBLE SOURCES OF FUNDING	BUREAU COORDINATION	FEASIBILITY
M Along Macadam btwn Taylors Ferry Rd & Bancroft	332,500	HCD (T.I.) P.G.E.	City Eng. Service Pub. Utilities P.G.E.	+
L Along 1st btwn Arthur & Pennoyer	76,000	HCD (T.I.) P.G.E.	City Eng. Service Pub. Utilities P.G.E.	?
T Along Virginia from Carolina to Taylors Ferry	114,000	HCD (T.I.) P.G.E.	City Eng. Service Pub. Utilities P.G.E.	?
STREET TREE PLANTINGS				
L, C, T, M *As shown on map "Proposed Physical Improvements" (Fig. 17)	Total for all of below: 7,700	C.I.P. HCD (T.I.)	Bur. of Neighborhood Environment Park Bureau P.D.C.	+
Sub Total Requ. Tax Increment	529,700			

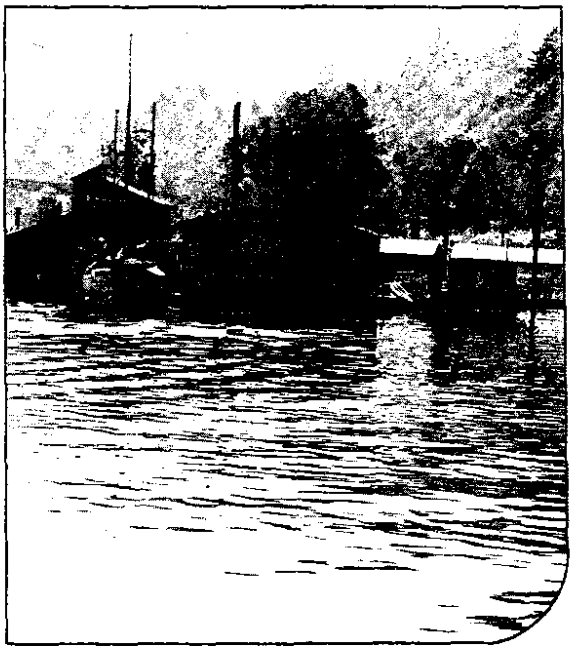
V. OTHERS

WATERFRONT				
Cleanup of riverbank	?	Private	Div. of State Lands Army Corps of Eng.	+

WATERFRONT (cont.)	Cost ($)	POSSIBLE SOURCES OF FUNDING	BUREAU COORDINATION	FEASIBILITY
TRANSIT				
M Implement light rail transit corridor single track	6 million	Tri-Met	Public Utilities Comm.	?
double track	15.7 million	UMTA	Tri-Met	
comb.sgl/dbl track	8.3 million		Highway Div.	
			Lake Oswego City Council	
L,C,T,M Bus shelters (as indicated on Fig. 12)	10@3,800 each = 38,000	Tri-Met	Tri-Met Traffic Planning	P.C.
SEWERS				
L & C Sewers for Lair Hill Corbett (required)	?	Special Assessment L.I.D. C.I.P.	Sanitary Eng. Street & Struct. Eng. Traffic	?

GENERAL FINDINGS





V. GENERAL FINDINGS

A. Zoning History

The City of Portland was first zoned in 1924. Most of the planning area was placed in Class 3 (Business) permitting commercial and manufacturing uses.

On February 25, 1937, the Planning Commission approved a rezoning of the Terwilliger neighborhood from Zone 3 to Zone 1 (Single Family Residential). Appendix D contains the detailed reasons for the rezoning, but the primary reasons were "...to stimulate development, redevelopment, and the desirability, or value, of its homes." In March, 1937, a rezoning hearing was held by the City Council. The only remonstrance concerned the corner of Pendleton Street and Corbett Avenue which was designated to remain in Zone 3. This remonstrance was overruled and Ordinance No. 69617 was passed unanimously. This rezoning established the basic present pattern of zoning in the Terwilliger neighborhood by retaining Zone 3 along the east and west sides of Macadam Ave.

The primary reasons for the rezoning which are documented by the Planning Commission Report and the City Council minutes were:

a. Preservation and maintenance of an existing residential neighborhood;
b. The fact that only a small portion of the land (6.2%) within the rezoning area had been developed for industrial use since the area had been zoned for that use, i.e., the neighborhood was overzoned for industrial use;
c. To enable the value of existing homes to be maintained;
d. To enable homeowners to procure home improvement loans from the FHA and banks.

Also important was the fact that maintenance of vested interest over long periods of ownership, especially in cases where the remonstrator had not developed the land for the use intended by the zoning, was overruled as a reason not to rezone and in such cases the rezoning was not viewed as confiscation or "taking" by the local government.

After World War II, other deficiencies in the ordinance and map became apparent. On May 12, 1951, a new proposed zoning code and map prepared by Clarence Mills, a consultant to the City, was published in the Daily Journal of Commerce for public review. A series of public hearings were held on the proposed ordinance and in the fall of 1954, the proposed zoning code and map were transmitted to the City Council. The Council created a Citizen's Advisory Committe to further review the proposals. In a report to this Committee* the Planning Director stated, with respect to the

planning area, that the proposed zoning map sought to correct over-zoning of Zone 3 in the Corbett and Lair Hill neighborhoods as far south as Hamilton Street. Accordingly, in 1958, the Lair Hill and Corbett neighborhoods were proposed to be zoned A1 under the new classification system. Another round of public hearings was held and on May 28, 1959, the City Council adopted the present version of the basic zoning code. In this final version, the Corbett neighborhood was zoned A0. There are no formal records that indicate how or why this change was made.

Another major rezoning occurred in the Terwilliger neighborhood in 1967 which changed the land zoned R5 between S.W. Virginia and S.W. Macadam to A2.5. The intent of this rezoning to a more intensive use was to "...act as an incentive to land owners to remove blighted dwellings, build new residential buildings and maintain existing dwellings which are presently in good condition." (Terwilliger Neighborhood Zoning Proposal, Portland City Planning Commission, November, 1967). Since this rezoning was enacted, virtually no new development has taken place; rezoning to a more intensive use did not project the intended new development although one project is presently under study by a developer.

The last major rezoning occurred in March of 1974 when the zoning of a large strip of land between S.W. Macadam Avenue and the Willamette River was changed from M2 to M3D. The purpose of this rezoning was to permit the construction of the Johns Landing commmercial and housing development.

B. Building Activity. Building activity in the planning area is summarized in Table 2 on the following page.

Of the three residential neighborhoods, the only one which had a net increase in residential units was Terwilliger.

*(Shortcomings of the Present Portland Zoning Ordinance, A Report to the Citizens' Advisory Committee, Lloyd Keefe, Planning Director, January 9, 1955).

TABLE 2

BUILDING PERMIT ACTIVITY 1960-1970

	Construction			Conversion	Demolition (Loss)		
	Single Family	Mult. Family	Comm/ Whse.	Resid. to Comm.	SF	MF	Comm/ Whse.
Lair Hill	0	0	15	4	24	28	6
Corbett	0	4	24	27	55	13	8
Terwilliger	43	176	29	0	33	17	16
TOTAL UNITS	43	180	68	31	112	58	30

Source: Portland Bureau of Buildings

Net Gains or Losses, 1960-1970
derived from above data;

	SF	MF	Comm/Whse.
Lair Hill	-24	-28	9
Corbett	-55	- 9	16
Terwilliger	+10	+159	13
TOTAL UNITS	-69	+122	+38

There has been no new high-rise apartment construction in the Corbett neighborhood since the AO zone was adopted in 1959. An important reason for this is documented in Appendix B, Housing Development Analysis in A Plan for Corbett, Terwilliger and Lair Hill. Basically, no new high-rise apartments have been built because cash flow analyses show an inadequate return on investment. A major reason for this negative cash flow is that the rents achievable under current physical conditions in the neighborhood do not generate sufficient income to offset land costs, construction costs and interest rates.

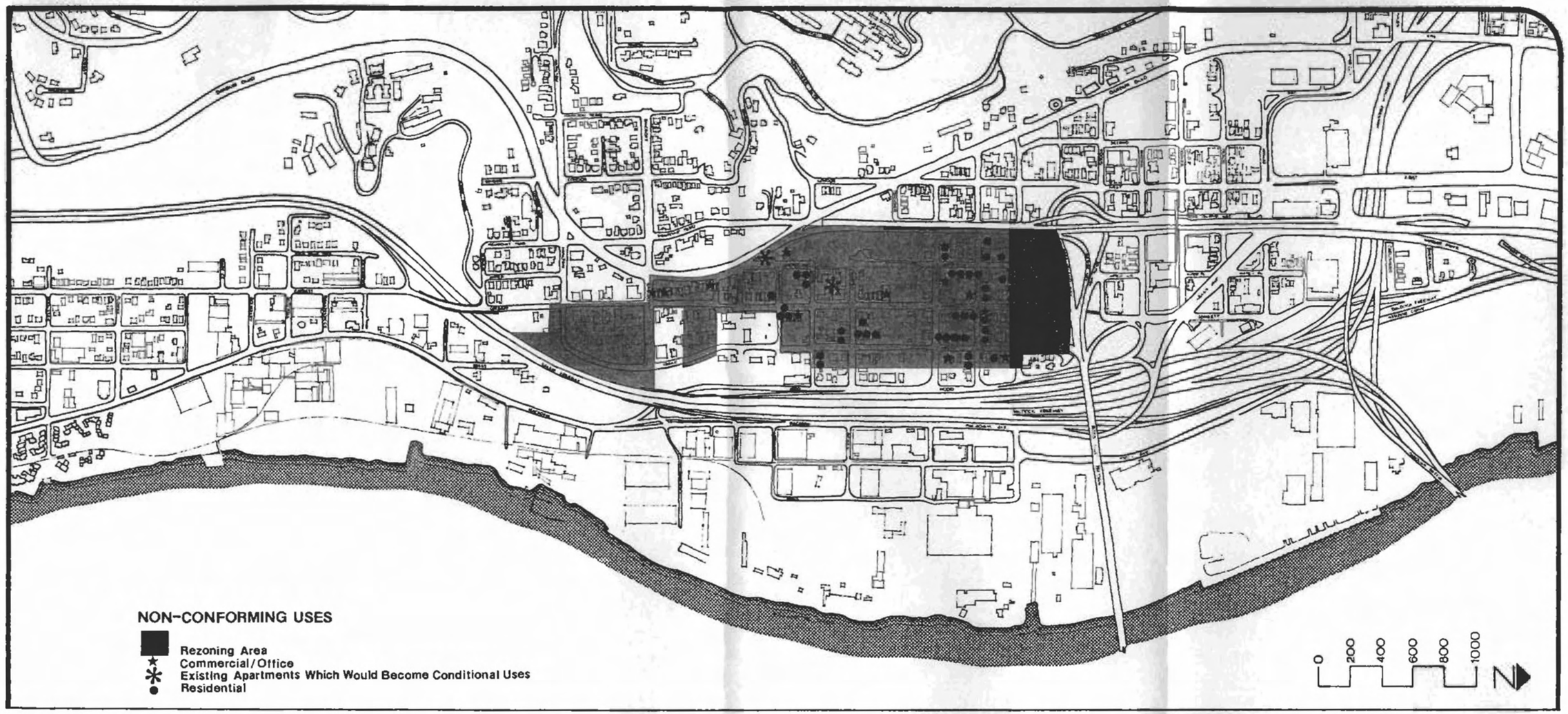
Accordingly, the principal building activity in Corbett has been the conversion of single family residential structures to offices under a conditional use permit. To date, there have been 27 such conditional use permits issued as shown on Map 7. This type of conversion was approved for many years as the only means of preserving the existing structure and thus the existing "aesthetic character" of the neighborhood. However, the proliferation of these offices has caused parking problems for neighborhood residents and, more importantly, has reached the point where the residential nature of the neighborhood could be shifted toward predominantly commercial use if it were allowed to continue.

Not included in these figures are the 23 efficiency units presently under construction at Water and Lane Streets in the Corbett neighborhood and the 76 residential units constructed in the Macadam Corridor in the Johns Landing development.

Another major development in the planning stages is the "La Bien" project along the Willamette River. The project will cover approximately ten acres and will be strictly commercial -- offices and restaurants. It is important to note that this developer maintains that he is unable to program any residential units due to the cost of land. If this type of development continues, and businesses and industries continue to leave this area, the river front would be developed entirely as commercial.

C. Building Conditions. In June, 1975, the Bureau of Planning staff conducted a "windshield" survey of residential building conditions. In May, 1977, this survey was updated to document any upgrading trends which have occurred since HCD rehab loans have been available, and since the Planning Commission actions which have indicated a commitment by the City to support the neighborhood stabilization goals.

The most outstanding change has occurred in Corbett in the area which was designated for rezoning. Out of a total of 170 residential structures, 29% have been or are currently in the process of being rehabilitated, and the number of neglected dilapidated structures has changed from 50 in 1975 to 10 in 1977.



The nonconforming uses that would be created by the recommended rezoning are all commercial office uses. The existing residential nonconforming uses are single-family structures on substandard lots. The two existing medium density apartments will become conditional uses upon rezoning.

CORBETT, TERWILLIGER, and LAIR HILL

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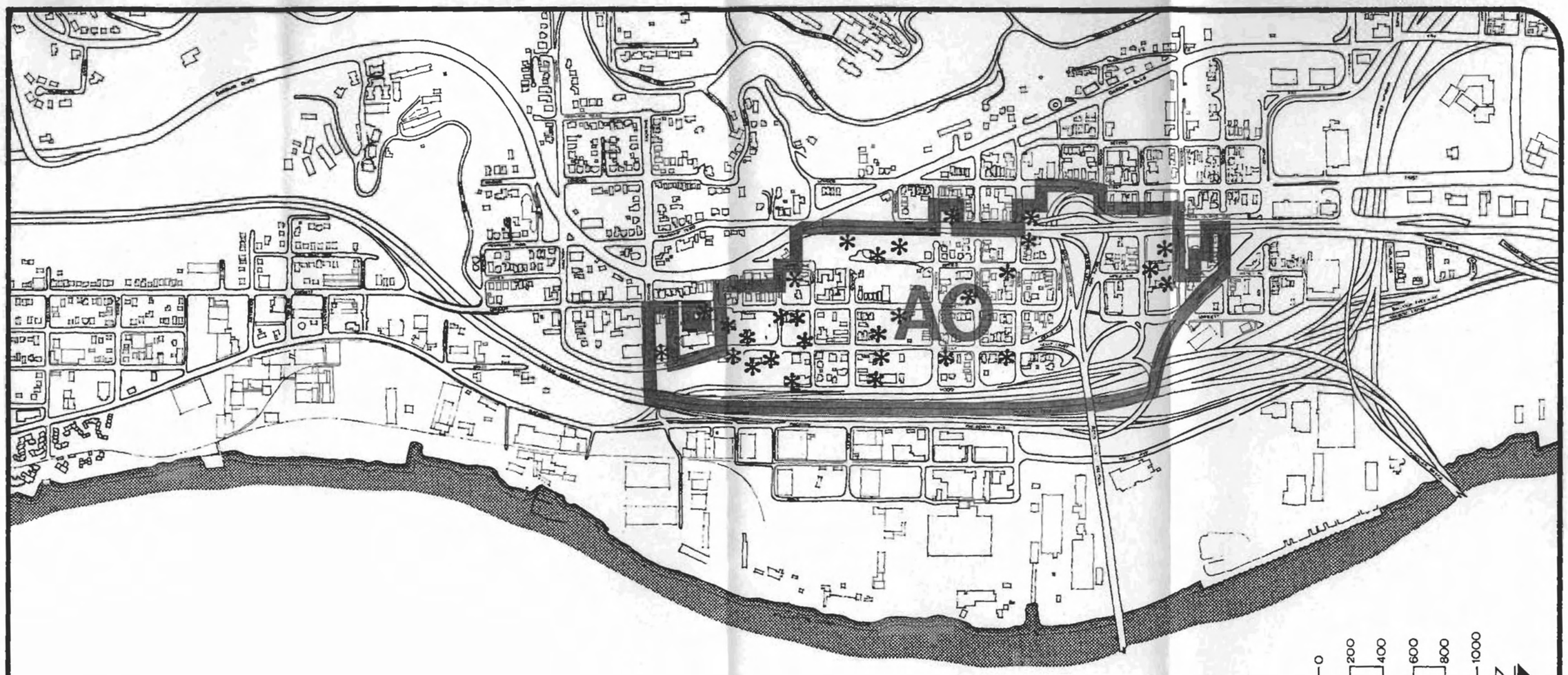
Non-Conforming Uses In The Recommended Rezoning Area

map **6**



Offices of less than 10,000 sq. ft. are allowed as conditional uses in an AO zone. This map illustrates the location of both single family houses which have been converted to offices and newly constructed offices in the Corbett neighborhood.

CORBETT, TERWILLIGER, and LAIR HILL

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Conditional Uses In The AO Zone

map 7

Industrial and commercial building conditions in the Macadam Corridor vary greatly, but generally the structures south of Johns Landing are in greater need of repair than those north of Johns Landing.

D. Utilities. The principal concern is the capacity of the existing combination sewer to accommodate increased storm water run-off generated by the potential high density development allowed under the existing AO zoning in the Corbett neighborhood. Appendix G contains a letter from the Bureau of Sanitary Engineering, dated September 23, 1974, which evaluates this problem. The key paragraphs states:

> Pending detailed plans of specific areas it can be assumed that the existing combination sewers may be utilized for the proposed revitilization of existing residential units along with some new developments. Most of the area is zoned for high density useage. The development of the Corbett area to its present zoning (A.O) will certainly call for increased sewer capacity by the installation of a separated sewer system.

A subsequent letter from the same Bureau dated January 9, 1975, states that the estimated cost of increased sewer capacity is approximately $1,250,000.

There are no other apparent problems in the planning area requiring additional storm or sanitary sewer construction.

The Water Bureau reports that its revenues are sufficient to accommodate any required additions to the existing system.

E. Transportation and Traffic. Many streets in the planning area are major transportation routes connecting the CBD with the southwestern suburbs. Bordered on the west by the Portland West Hills and on the east by the Willamette River, the planning area is virtually a funnel for commuter traffic. Though only 1/4 - 1/2 mile wide, the planning area contains, listed from east to west, the following transportation routes that run its entire length (See Map 8):

TABLE 3

MAJOR TRANSPORTATION ROUTES AND TRAFFIC COUNTS

Macadam Avenue	18,7000 Average Daily Trips
Corbett Avenue	5,500 ADT
Interstate 5 Freeway (Salem Freeway)	77,000 ADT
Barbur Boulevard	32,000 ADT
	133,200 TOTAL ADT

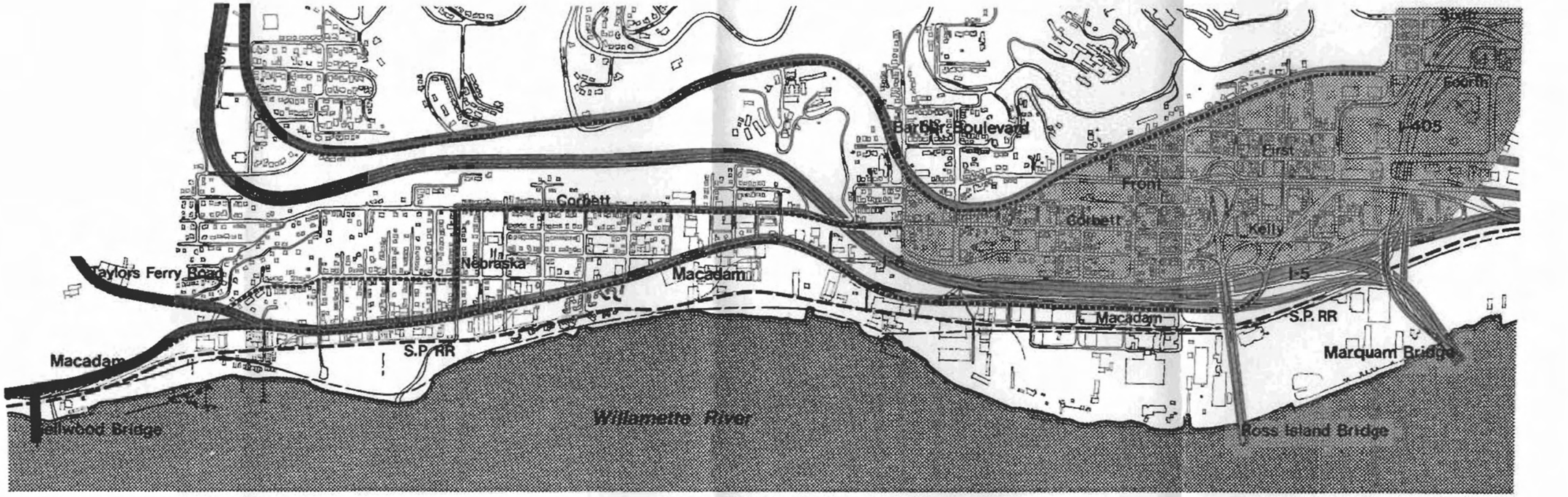
These auto facilities carry an estimated combined traffic volume in excess of 133,000 vehicles per day. The principal problem is Macadam Avenue. Presently it is operating above capacity (1,000 vehicles per land per hour) resulting in level service "D" or "E" during peak hours. The lanes are narrow (9 1/2 feet). left turns are hazardous, and its intersection with Virginia Street and Taylor's Ferry Road has the highest accident rate in the City. Corbett Avenue is also a problem because in addition to being the only internal connector linking the three residential neighborhoods, it is used by commuters seeking to avoid congestions on Macadam Avenue.

The other outstanding traffic and circulation problem has been generated by the Ross Island Bridge approaches which routes traffic directly through residential streets. These issues are currently being studied by the South Portland Circulation Study.

U.S. Census figures indicate that the percentage of persons utilizing public transportation in census tract, 59, encompassing most of Corbett/Terwilliger Lair Hill, is 13.4% (City 10.8%). This is down approximately 9.0% from 1960. These figures, however, do not reflect a city-wide increase in bus ridership of 50% during the past year.

There are thirteen Tri-Met bus lines serving the Planning Area (ten along Barbur Blvd. only). Map 8 shows these bus lines.

F. Planning Area Profile. Figure 1 illustrates selected characteristics of the planning area for 1960 and 1970. In this figure, a straight line connects the two points to facilitate comparison; there are no data for the intervening years. The most dramatic changes illustrated are those in renter and owner occupied housing; owner-occupied housing decreased, renter occupied housing



The major North-South transportation routes through the Planning Area are -- from East to West -- the Willamette River, the Southern Pacific Railroad, Macadam Ave, Corbett Ave., the Salem Freeway, (I-5), and Barbur Blvd.

The bikeway shown is part of the Willamette Greenway Program and the study area shown is the SW Circulation Study area from the Arterial Streets Plan.

CORBETT, TERWILLIGER, and LAIR HILL

portland bureau of planning

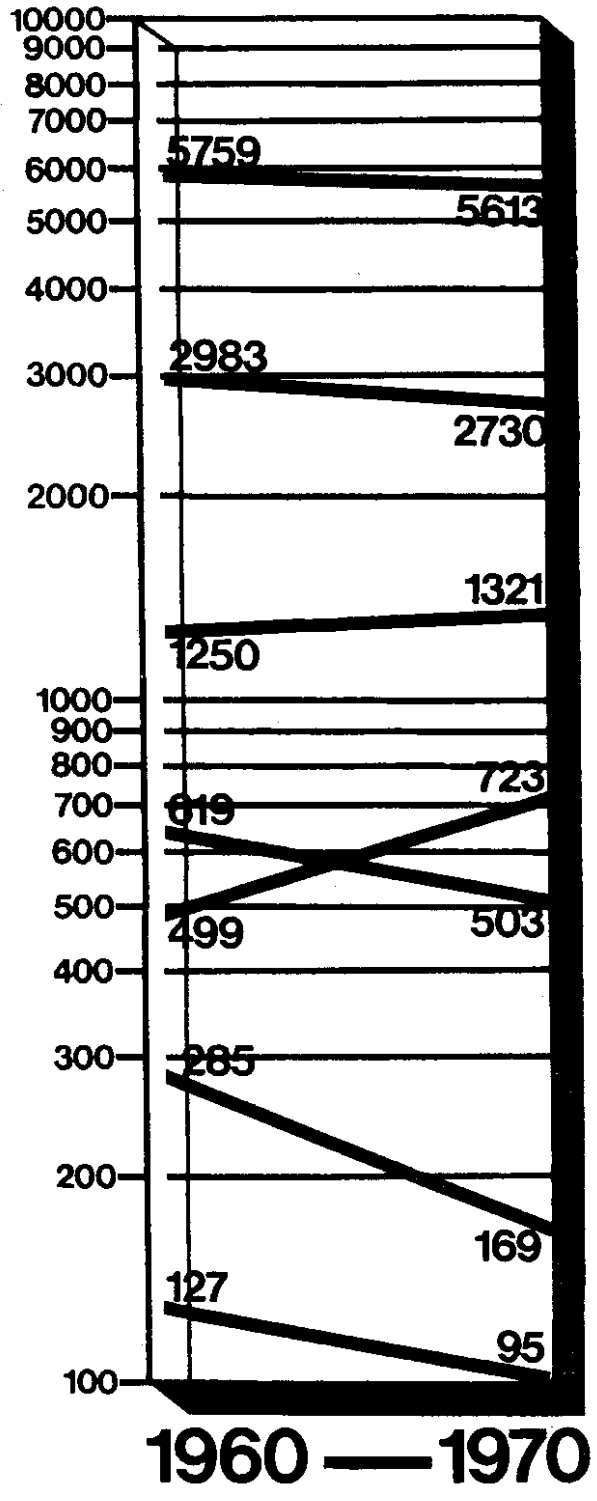
Major Transportation Routes

map 8

increased and vacant units remained relatively constant (the Johns Landing housing development is not reflected in these census data). Coupled, and probably associated with these shifts in occupancy, is a significant decrease in the enrollment of Terwilliger School.

However, since the 1970 Census was taken, the enrollment of Terwilliger School has gone up and there has been a dramatic change in ownership patterns in the Corbett neighborhood. Since the Planning Commission Actions in 1975, over three full blocks of housing in Corbett which were formerly held by investor owners, have been bought by new owners who plan to rehabilitate the structures and live in them.

Figure 1



Median Income

Total Population

Total Housing Units

Renter Occupied Housing Units

Owner Occupied Housing Units

Terwilliger School Enrollment

Vacant Housing Units

1960 and 1970
Planning Area Profile

Sources : U.S. Census Bureau (Census Tract 59), and School District No. One

APPENDIX A

1965 Terwilliger Community League formed for the purpose of providing a channel for residents to keep informed and have more effective input on decisions concerning zone changes. The League boundaries are Census Tract 59. During 1966-67 a staff person from the Portland City Planning Commission worked with the League in preparing a zoning plan for the Terwilliger area. The purpose of the plan was to maintain the residential character of the area and provide a buffer between Macadam businesses and the single-family homes. The plan was accepted by the City. The League began the Corbett-Terwilliger newsletter and has coordinated its publication ever since.

1970 The Hill Park Association was formed in response to an urban renewal proposal for the Lair Hill neighborhood. Both resident and absentee land owners were involved in the Association. The Association and its members did not want the area designated for urban renewal. They were upset by the lack of citizen participation in the planning stage of the proposal. In 1971 two rulings from the federal Housing and Urban Development (HUD) had significant impact on the situation: (1) a guideline making citizen involvement mandatory in the planning process of urban renewal projects; and (2) a statement that there would be no more money granted from the federal bureau for clearance projects.

June, 1971 The Corbett-Terwilliger Neighborhood Council was formed by residents of the neighborhood (including members of both the League and the Hill Park Association) in response to the Tri-County Community Council's Inner City Committee and United Good Neighbors (UGN) contract-for-service plan. The Council's primary focus was to identify problems and find solutions in the social service area. However, in the winter of 1972 the Council decided a priority for their time was physical planning. The fear was if we didn't preserve the neighborhood through good land use planning there would be no neighborhood left to plan socially for. In November, 1971 the Council hired Sarah Smith as its community agent.

12/16/71 Refer to Appendix A - Letter from John Gray ...

Jan. 1972 Macadam-Corbett Property Owners' League fromed in response to the announcement of the Johns Landing project and the fact that existing neighborhood groups did not adequately represent the interests of business and absentee owners.

Winter, 1972	Corbett-Terwilliger Neighborhood Council formed an Ad-Hoc Land Use Committee composed of members of the 4 organizations mentioned above. The purpose of the committee was to identify land use issues and prepare alternative solutions. Members of the Committee met regularly with Mr. Gray and Mr. Storrs of the Johns Landing Project and with City personnel from the Planning Commission and Commissioner Ivancie's office in support of the City's proposal to appoint staff to the neighborhood for the development of a Comprehensive Plan. The Committee continued to work until the formation of the Planning Committee when several of its members were appointed as representatives.

CORBETT/TERWILLIGER/LAIR HILL CHRONOLOGY

DATE	EVENT
12/16/71	Letter from John Gray to City Council regarding going before the Council with a basic concept for development of Johns Landing in the Southwest Macadam area.
2/14/72	Letter of Keefe to Ivancie regarding Johns Landing Council Cal 4400 "The Council has decided to allocate to the Planning Commission two additional positions in the 1972-73 fiscal year. It is our intention that these two positions be assigned to district planning similar to the Northwest Area Project. The next district to be planned might well be the Terwilliger neighborhood. When these additional positions become available, the Planning Commission can then participate in the preparing of necessary plans to parallel the Johns Landing Project..."
3/1/72	City Council adopted report of the Directors of PCPC and PDC to meet in the area and discuss proposal for determining the interest in proceeding with plans for the entire S.W. Macadam area.
4/13/72	Area residents' meeting at Terwilliger Grade School. Purpose of determining community interest in the preparation of development in that area. Approximately two hundred residents in attendance.
5/9/72	Report by Commissioner Ivancie, recommending that the City Planning Commission proceed with plans in cooperation with PDC for Terwilliger area.
Spring, '72	Residents of Corbett and Terwilliger neighborhoods form Corbett-Terwilliger Neighborhood Council. The Neighborhood Council hired Sarah Smith as its neighborhood coordinator and began systematic publication of an area newsletter and regular meetings. The council was at its height of activity during the spring and summer of 1972. Basic funds for the council were provided by a grant from the American Red Cross.
Sept., '72	Planning Bureau appointed Alan Fox as neighborhood planner in cooperation with the Corbett/Terwilliger Neighborhood Council and the Corbett/Terwilliger/Lair Hill Ad Hoc Land-Use Committee. Planning boundaries include the Corbett, Terwilliger, Lair Hill neighborhoods as a single planning entity.
11/14/72	Letter to Glenn Jackson from PCPC of the Oregon State Highway Commission giving current status report of S.W. Macadam Avenue.
Feb., '73	A series of land-use workshops for planning area residents conducted by Alan Fox.

3/28/73	Community meeting held at Terwilliger School. A citizen participation planning process for the area was ratified by majority of approximately one hundred and fifty residents present. Corbett/Terwilliger/Lair Hill Planning Committee established to work with Alan Fox in an advisory capacity on the development of a comprehensive plan for the entire area.
4/2/73	Letter from Gray to Mayor regarding possible Urban Renewal Project under state law with tax increment self-financing plan. Requesting PDC to prepare preliminary renewal plan for Council consideration.
4/5/73	Letter from Mayor to PDC requesting staff to lend assistance in preparing feasibility study for Johns Landing.
4/5/73	Letter from Mayor to PCPC requesting planning analysis for tax increment Urban Renewal Project.
4/13/73	PDC Legal Counsel's letter to PDC Executive Director on legal aspects of tax increment designation.
4/25/73	Meeting of resident owners to elect six representatives to the C/T/LH Planning Committee. First elected were John Moll, Russell Sacco, Les Hopkins, Dale Meyers, and Robert Kasal.
4/25/73	Meeting of area business interests to elect four representatives to the C/T/LH Planning Committee. Elected were Eldon Brobst, Bob Bery, August Archer, Jan Morris.
5/6/73	Meeting of tenants to elect three representatives to the C/T/LH Planning Committee. Elected were Sue Staner, Linda Cologerou, and Marilyn Crandahl, and three alternates--Michael Auch, Dennis Anderson, and Julie Wycoff.
6/12/73	Meeting of non-resident owners to elect four representatives to the C/T/LH Planning Committee. Elected were Bill Wright, Harry Etlinger, Robert Bitar, Simon Stanich, and Dean Trumbo as alternate. Joe Griggs was appointed to the committee as a representative of the Johns Landing Development.
6/12/73	Community Clean-Up in North Corbett. Dump box provided by PDC.
6/27/73	First meeting of the Corbett/Terwilliger/Lair Hill Planning Committee, with meetings open to the public scheduled for the first and third Wednesdays of each month, at the Red Cross Building, 4200 S.W. Corbett.
7/3/73	PDC staff memo on project possibilities--Johns Landing/Corbett/Terwilliger.
August, '73	Impact review procedure established. Requests reviewed on first meeting of each month.
8/15/73	Ratification of Planning Committee by-laws.

8/24/73	Meeting between PDC and C/T/LH/PC to discuss PDC resources for neighborhood planning and plan implementation.
9/7/73	Recommendations submitted to C/T/LH Planning Committee regarding Macadam Avenue improvements in form of a traffic goals statement.
10/3/73	Meeting between PDC and C/T/LH/PC to discuss specific tax increment financing techniques and the neighborhood plan.
10/19/73	Community Clean-Up in the North Corbett area. Dump box provided by PDC.
Nov., '73	Study: The impact of the John's Landing Development on the Terwilliger Neighborhood - by Alan Fox and Lee Haggerty.
11/19/73	Memo from Alan Fox to Ernie Bonner regarding proposal for incorporating Urban Renewal into the C/T/LH planning area.
11/28/73	Memo from PDC to Bonner regarding Johns Landing T/C Tax Increment Project (A Possible Approach).
Dec., '73	Planning Committee studies "Community Goals" questionnaire that had been mailed out to the area in October, 1973.
12/5/73	Letter to PCPC from C/T/LH/PC announcing their approval of Johns Landing Development. Application for zone change from M2 to M3 east of Macadam, with conditions.
12/27/73	Letter to residents and property owners from C/T/LH/PC, notifying them of plans for zone change from M2 to M3 east of Macadam, with conditions.
12/24/73	Memo from Sam Galbreath, PDC, to Alan Fox regarding possible Housing Rehabilitation Program for C/T/LH.
Feb., '74	Non-resident property owners meeting to elect new representatives. Elected were Louise Rumpakis, Mike Diamond, Donald Robbins, Goulda Hahn, and alternates--Marlin Goebel, Bill Wright, Alta Andrews, and Frances Christiansen.
Feb., '74	C/T/LH PC approve the Macadam Corridor Task Force Report.
Feb., '74	First land-use goals report submitted to C/T/LH PC by Fox from information derived from "Community Goals" questionnaire.
2/6/74	Memo from Sam Galbreath to C/T/LH/PC regarding Outline of Section 8 (dealing with Tax increment) Comprehensive Plan for C/T/LH.
2/14/74	Memo from Chuck Olson, PDC, to PLC regarding C/T/LH survey. The Neighborhood Planning Committee unanimously voted for the survey to determine feasibility of utilizing the PIL Program.
Apr., '74	PIL questionnaire mailed out to all tenants and property owners in the planning area.

Apr. '74	First draft of the comprehensive neighborhood plan completed and approved by C/T/LH PC.
4/17/74	Letter from Alan Fox to C/T/LH residents regrading draft of comprehensive plan asking for review and comments on the plan.
Apr.-May, '74	Block meetings throughout all three geological sections of area to review first draft of the comprehensive neighborhood plan with area residents.
6/10-17/14	Survey by PDC of ten sample blocks (selected by the Planning Committee), with emphasis on home rehabilitation interest of area residents.
6/24/74	Memo from Ray Bowman to Thomas Kennedy, both of PDC, regarding analysis of C/T/LH Rehabilitation Survey--ten target blocks.
June-July, '74	C/T/LH PC reviews comments on Draft I Plan from block meetings and June 10-17 survey.
7/17/74	C/T/LH PC authorized PDC to prepare an Urban Renewal work program for projected presentation to City Council in January, 1975.
Aug., '74	C/T/LH PC prepares Draft II of the comprehensive neighborhood plan.
9/16/74	Six geological area meetings to review Draft II of comprehensive neighborhood plan with area residents.
9/25/74	C/T/LH PC review of residents' comments on Draft II Plan at September 16 and 19 area meetings.

APPENDIX B

HOUSING DEVELOPMENT ANALYSIS

INTRODUCTION.

This appendix presents a generalized analysis of four alternative development schemes on a typical 200' x 200' block in the Corbett or Lair Hill neighborhoods. The purpose of the analysis is to investigate the general economic aspects of development, given four alternative zoning categories and their respective constraints on the type and amount of income-producing space. Included in this analysis are:

a. A statement of assumptions including such factors as land values, type of development, size of rental units, projected rents, cost of construction, and operating expenses.
b. Calculations of development costs, monthly revenues, capitalized value, financing, cash flow and return on investment.
c. A summary analysis of the four development schemes.

The analysis is intended to provide a general indication of economic aspects, and is not definitive with respect to any particular site, project, or developer. The calculations were made for only the first year after construction and therefore the analysis does not consider the effect of time on the cash flow. Further, the rental structure and unit type distribution assumptions were based on the consultant's experience, which, though sufficient for this general analysis, would be substantially refined by a detailed market study in a more rigorous analysis.

This report, the analysis model, and the assumptions for it were developed by David C. Leland, the Leland Company, Economics Consultants, with the assistance of Alan J. Fox, City Planner, Portland Bureau of Planning.

ANALYSIS ASSUMPTIONS.

For the purpose of evaluating potential development in the Corbett and Lair Hill neighborhoods, a series of alternative developments were projected. These alternative projects are based on:

* Land area of 40,000 square feet, or approximately, a standard city block.
* Varying zoning classifications, and therefore, varying densities and land values.
* Types of construction and projects appropriate to the specific zone, land value, density and applicable building codes of the City of Portland.

In order to determine land values for this comparative analysis, research of recent land sales by zoning category was conducted in the study neighborhood by the Bureau of Planning.

A summary of present, raw land values (without improvements) by zoning classification is as follows:

ZONE	LAND PRICE PER SQUARE FOOT	LAND PRICE: 40,000 SQUARE FOOT SITE 1/
A0	$ 4.50	$ 180,000
A1	$ 3.00	120,000
A2.5	$ 1.00	40,000
Mixed Use (C2/M3)	$ 3.00	170,000

1/ At present there is not a cleared 40,000 square foot site available in the study area. However, such a site could be "assembled." This hypothetical site is maintained in all the following analyses for comparative consistency.

These sites and land per square foot values relate to cost per dwelling unit prices for land only by zoning category (maximum allowed density) as follows:

ZONE	MAXIMUM UNITS PER ACRE	LAND PRICE PER UNIT
A0	480 2/	$ 575.00
A1	40	3,000.00
A2.5	16	2,500.00
C2/M3 (Mixed Use Dev.)	NA 3/	NA

Although the study area is characteristically a low-income neighborhood (median family income $5,416), the influence of Johns Landing presumably will attract over time, more median and upper income families. Therefore, market rents for these analyses are based on the assumption that rents somewhat over prevailing neighborhood rents can be achieved. These are discussed in the following alternative project descriptions and assumptions.

The four alternative, hypothetical projects examined are described as follows:

a. A-0 Zoning: High Density Apartments

In this analysis, a 480 unit apartment project was examined. The project would include a 13-story structure of which ten floors are housing and three stories are parking.

The unit distribution and projected size and rental rates are as follows:

UNIT TYPE	NUMBER	SIZE (SQ. FT.)	MONTHLY RENT
Studio	290	400	$ 150
1-Bedroom	170	600	175
2-Bedroom	20	800	210

2/ A0 density is based on a sliding scale -- the large the parcel, the greater the density.

3/ Requires zone change for mixed use involving housing.

Tenant parking is structured and a monthly parking charge of $15.00 is assumed for a 350 sq. ft. covered space.

b. A-1 Zoning: Medium Density Apartments

In this analysis, a 40 unit apartment project in a two-story frame structure is assumed. Parking at 30 sq. ft. space would be provided on grade. The project assumes some landscaping and site amenities.

The unit size and price distribution assumptions are as follows:

UNIT TYPE	NUMBER	SIZE S.F.	MONTHLY RENT
Studio	10	425	$ 165
1-Bedroom	20	625	195
2-Bedroom	10	875	235

Tenant parking at 350 s.f./space is unstructured and is provided without additional charge.

c. A2.5 Zoning: Low/Medium Density Apartment

The A2.5 zoning project analysis assumes a 16-unit rental apartment project. Because of lower density and the ability to provide more open space and therefore, amenity, a slightly higher quality (per unit) and price range is assumed, as follows:

UNIT TYPE	NUMBER	SIZE S.F.	MONTHLY RENT
1-Bedroom	4	600	$ 170
2-Bedroom	8	875	195
3-Bedroom	4	1,050	250

Tenant parking at 350 s.f./space is unstructured and is provided without additional charge.

d. Mixed Use Development (C2 or M3 Zoning: Commercial and Housing

The mixed use development project includes a combination of retail commercial uses and apartments. It is basically an A-1

development above one story of commercial space. Because development design assumes that apartments would be located above the commercial space, the projected rents are slightly lower than in a typical A-1 development (project alternative b).

UNIT TYPE	NUMBER	SIZE S.F.	MONTHLY RENT
Studio	10	425	$ 145
1-Bedroom	20	625	165
2-Bedroom	10	875	200
Commercial		15,000	$2.75/s.f.

Tenant parking at 350 s.f./space is unstructured (on-grade) and is provided without additional charge. A portion of the apartment parking (equal to 50 per cent of the commercial parking requirement) would be available to shoppers during the daytime hours when tenants are away.

Below is a summary table of additional assumptions.

SUMMARY OF MAJOR ASSUMPTIONS

Category	Assumption			
Project Type	A0	A1	A2.5	C2/M3(M.U.D.)
Construction Cost	$28/sf	$18/sf	$19/sf	$18/$20/s.f.
Building Efficiency	85%	87.5%	100%	87.5%/95%
Parking Structured/ Unstructured	Structured below grade	Unstructured	Unstructured	Unstructured
Cost of Parking	$12/sf	$.50/sf	$.50/sf	$.50/sf
Utilities	Available	Available	Available	Available
Site Work	$25,000	$15,000	$15,000	$15,000
Elevator	2 Cable Elevators $150,000	NA	NA	NA
Operating Expenses	40% of Gross Rev.	38% of Gross Rev.	38% of Gross Rev.	38% of Gross Rev.

Other assumptions are footnoted in the appropriate calculation tables.

CALCULATIONS.

This section contains tables required to calculate cash flow and return on investment for the four alternative developments based on the assumptions described in the previous sections.

Table A shows the basic construction cost assumptions used in this analysis. The development costs are shown in Table B, Table C summarizes the projected monthly income for each of the alternative projects, and Table D shows the estimated mortgage amount by capitalizing the various income streams. Table E shows the cash flow and return on investment for each alternative project.

TABLE A
BASIC CONSTRUCTION COSTS

UNIT TYPE	NUMBER	SIZE	AREA	$/s.f	COST ($)	PARKING SPACES	AREA	$/ s.f.	COST ($)
A0									
Studio	290	400	116,000	28	3,248,000	174	60900	12	730,800
1 Bedroom	170	600	102,000	28	2,856,000	136	47600	12	571,200
2 Bedroom	20	800	16,000	28	448,000	20	7000	12	84,000
	480		234,000		6,552,000	330	115500		1,386,000
		+15% =	269,100						
A1									
Studio	10	425	4,250	18	76,000	10	3500	.5	1,750
1 Bedroom	20	625	12,500	18	225,000	20	7000	.5	3,500
2 Bedroom	10	875	8,750	18	157,500	10	3500	.5	1,750
	40		25,500		459,000	40	14000		7,000
		+17.5% =	29,962		539,316				
A2.5									
1 Bedroom	4	600	2,400	19	45,600	6	2100	.5	1,050
2 Bedroom	8	875	7,000	19	133,000	12	4200	.5	2,100
3 Bedroom	4	1050	4,200	19	79,800	6	2100	.5	1,050
	16		13,600		258,400	24	8400		4,200
MUD									
Studio				20					
1 Bedroom	Same as A1			20					
2 Bedroom				20					
Subtotal			29,962		599,240	40			
Commercial			15,000		+270,000	23			
		+5%	750		869,240	63	22050	.5	11,025
			31,462	18	566,316				

TABLE B
DEVELOPMENT COSTS

COST ELEMENT	A0	A1	A2.5	MUD
Land	$ 180,000	$ 120,000	$ 40,000	$ 120,000
Apt/Comm	7,534,800	539,316	258,400	869,240
Parking	1,386,000	7,000	4,200	11,025
Site Work	25,000	15,000	15,000	15,000
Elevator	150,000	---	---	---
SUBTOTAL	$9,275,800	$ 681,316	$ 317,600	$1,015,265
Contingency (5%)	463,790	34,066	15,880	50,763
TOTAL	$9,739,590	$ 715,382	$ 333,480	$1,066,028
A/E (5%)	486,979	35,769	16,674	53,301
Legal	1,000	1,000	1,000	1,000
Title Ins.	6,523	1,075	581	1,200
SUBTOTAL	$ 494,502	$ 37,844	$ 18,255	$ 55,501
Total Development Cost	$10,234,092	$ 753,226	$ 351,735	$1,121,529
Mortgaged Amt 1/	$ 5,152,168	$ 511,920	$ 209,974	$ 822,278
Equity	$ 5,081,924	$ 241,306	$ 141,761	$ 299,251

1/ Derived from Table and Mortgage Amount.

TABLE C
MONTHLY INCOME

	UNIT TYPE	NUMBER	RENT/MO	INCOME	ADJ. GR.[1] INCOME
A0					
	Studio	290	$ 150	$43,500	
	1 Bedroom	170	175	29,750	
	1 Bedroom	20	210	4,200	
P	Parking	330	15	4,950	
				$82,400	= $ 78,280
A1					
	Studio	10	165	1,650	
	1 Bedroom	20	195	3,900	
	2 Bedroom	10	250	2,350	
				$ 7,900	= $ 7,505
A2.5					
	1 Bedroom	4	170	680	
	2 Bedroom	8	195	1,560	
	3 Bedroom	4	250	1,000	
				$ 3,240	= $ 3,078
MUD					
	Studio	10	145	1,450	
	1 Bedroom	20	165	3,300	
	2 Bedroom	10	200	2,000	
	SUBTOTAL			$ 6,750	
	Commercial 15,000 s.f. at $4.75/s.f./yr. =			5,938	
				$12,688	= $ 12,054

1/ Assuming a 5 percent Vacancy Rate.

TABLE D
MORTGAGE AMOUNT

	A0	A1	A2.5	MUD
Adjusted Gross Income	$ 78,280	$ 7,505	$ 3,078	$ 12,054
Minus Operating Expenses (40/38%)	$ 32,960	$ 3,002	$ 1,231	$ 4,821
Equals Net Income Before Debt Service and Depreciation	$ 45,320	$ 4,503	$ 1,847	$ 7,233
Annual Net Income (x12)	$ 543,340	$ 54,036	$ 22,164	$ 86,796
Capitalized Value 1/	$ 5,724,631	$ 568,800	$ 233,305	$ 913,642
Mortgage Amount 2/	$ 5,152,168	$ 511,920	$ 209.974	$ 822,278
Montly Debt Service (Principal & Interest) 3/	$ 43,000	$ 4,300	$ 1,755	$ 6,602

1/ Based on capitalized value calculated utilizing a capitalization rate of 9.5 per cent.
2/ 90 per cent of capitalized value.
3/ Based on a 25 year loan at 9 per cent interest.

TABLE E
CASH FLOW ANALYSIS

	A0	A1	A2.5	MUD
Adjusted Gross Income 1/	$ 78,280	$ 7,505	$ 3,078	$ 12,054
Minus Operating Expenses	32,960	3,002	1,231	4,821
Equals Net Income Before Debt Service and Depreciation	45,320	4,503	1,897	7,233
Minus Mortgage Payment 2/	43,000	4,300	1,755	6,897
Equals Subtotal	2,320	203	92	336
Minus Depreciation 3/	40,531	2,900	1,390	3,116
Equals Income Before Taxes	0	0	0	0
Minus Income Tax 4/	0	0	0	0
Equals Income After Taxes	2,320	203	92	336
Monthly Cash Flow = N.I.-(P+I+IT) 5/	$ 2,320	$ 203	$ 92	$ 336
Annual Cash Flow / Equity 6/	27,840 / 5,081,924	2,436 / 241,306	1,104 / 141,761	4,032 / 299,257
Return on Investment	.55% or .5 of 1%	.10% or .1 of 1%	.7% or .7 of 1%	= 1.35%

1/ From Table C

2/ From Table D

3/ Based on 40-year life and double declining balance

4/ Assumes 50% tax bracket

5/ [Net Income-(Principal + Interest + Income Tax)]

6/ From Table B

SUMMARY

The cash flow analysis shows that all projects will generate a net positive income; however when the income is compared to the amount invested (equity) all projects show a very inadequate return on investment and are therefore considered unfeasible at present rents, development costs, and financing (interest) rates. The type of project most closely approaching feasibility is the mixed use development (M.U.D.) at 1.35% return on investment. Though 1.35% is inadequate, a sensitivity analysis (not shown) untilizing slightly lower construction costs indicates that this project may be feasible in the future with efficient design and improved interest rates.

Another factor this analysis points out is that the return on investment does not necessarily improve with increased density of development. A much more definitive study involving rigorous market analysis, sampling of land values, and other factors could (intuitively) yield more positive projects.

Implied in this analysis are several significant factors affecting development of medium and higher density housing.

1. In the case of A-0, high density, multi-story apartment development, the low land cost (and therefore) savings per unit is more than absorbed by the costly requirement to provide structured parking, and also, the high cost of non-frame, type 1 construction.

   These constraints (parking, high construction costs, structured parking, rent ceilings) in the Corbett-Lair Hill area are supported by the fact that no major multi-story non-subsidized rental apartments have been constructed in the close-in urban area since development of Portland Center

(urban renewal area) approximately 8 years ago.

2. The land cost per unit in A-1 and A2.5 zones is considered too high relative to the rents that realistically can be achieved in this area. Land cost should be in the range of 8 to 9 per cent of the total cost of the apartment project. In the case of the hypothetical A1 project (using this criteria) the land cost should be in the range of $1,430 to $1,000 per unit and in the case of the A2.5 project -- 1,670 to 1,880, land cost per unit.

The implication is that given the densities permitted in the various zones, land is substantially overpriced in the Corbett-Lair Hill neighborhoods with the rents that realistically can be achieved.

Local land has been selling for the prices indicated on Page 2 of this Appendix; however, housing developments have not been started -- rather conditional use permits for office developments on land zoned for housing (A-0) has typically been the case.

3. Not included in this analysis, is development of housing for sale (rather than rental) -- in which per unit land costs can economically be higher than for rental apartments. In today's lending market, $100 per month rental equates to housing purchase ability of units in the approximately $30,000 range given a reasonable down payment. A for-sale housing project at this price ($30,000) could stand a per unit land price in the range of $2,500 to $3,000.

Therefore, if the neighborhood and City determines to conduct further analyses of housing development potential, for-sale

housing (i.e.: attached/condominium) should be examined as a housing prospect with greater likelihood of economic success.

4. Also implied is a very difficult development situation in which, if housing is to be developed in the Corbett & Lair Hill neighborhood, some compromise is necessary with regard to existing zoning and development standards (i.e.: density and parking). Hybrid projects such as housing/commercial (multi-use) appear to be potentially successful. However, in order to achieve such a project, a developer will need the support of the neighborhood and the cooperation of the Planning Commission to effect such a project when present zoning codes do not accommodate it outright.

Trade-offs such as reduced parking requirements or multiple use of parking spaces is one such compromise. Tightening building code requirements together with rapidly increasing construction costs will require cooperation and compromise (within safety limits) on the part of building inspection and fire officals. The neighborhood needs to recognize the substantial problems facing the average developer and be willing to work with him in a positive capacity if housing is to be achieved.

APPENDIX C

November 2, 1976

Mr. Ernest Bonner, Director
Bureau of Planning
424 S. W. Main Street
Portland, Oregon 97204

Dear Mr. Bonner:

Within the near future the City Council will be considering a comprehensive land use plan and policies for the Corbett/ Terwilliger/Lair Hill neighborhood. In this regard, the Bureau of Planning staff and the Commission have recommended that Council have the Portland Development Commission prepare documentation needed to designate the Corbett/Terwilliger and Macadam Corridor areas as an urban renewal tax increment project.

An urban renewal project can be undertaken only in blighted or deteriorated areas. This does not mean that all properties in the project area must be blighted or deteriorated, but the conditions of the area and the properties in the area, taken as a whole, must meet this criteria. The purpose of urban renewal is to eliminate existing conditions of blight and prevent future blight through public improvements and the development of property in accordance with sound planning practices and the general plan of the community.

The John's Landing area, prior to its present development, might properly have been determined to be blighted and deteriorated. The conditions which existed previously in the area are substantially different from those which presently exist. It was primarily an old and run down industrial area. At the present time much of the area has been cleared and is under development in a manner which is consistent with the general plan of the City. In addition, much of the John's Landing area can be geographically separated from the balance of the proposed project area. Under these circumstances, the John's Landing area could not be said to be blighted or deteriorated and it is questionable whether it would be legally proper to include the geographically separable area in the larger proposed urban renewal project area.

November 2, 1976

Based on staff analysis of existing conditions and after discussing the matter with Oliver Norville, Legal Counsel to the Commission, we do not feel that including the Johnss Landing area in an urban renewal project for tax increment financing is appropriate.

If you wish further clarification of this finding, please do not hesitate to call upon us.

Very truly yours,

J. David Hunt
Executive Director

JDH:CEO:gc

APPENDIX D

REPORT OF THE COMMITTEE ON ZONING
CITY PLANNING COMMISSION *

Rezoning Project for Southern Portland and Vicinity

The outstanding planning need in Portland today is the adoption of measures designed to stimulate development, redevelopment, and maintenance of many residential neighborhoods, and, in doing so, to stabilize the neighborhood, its population and the desirability, or value, of its homes. That part of Portland approximately between S. W. Corbett Street and the Willamette River, most of which was platted as Southport, and Southern Portland, is an outstanding example of the need for proper directive regulation.

The Federal Housing Administration, through its local agency, has effectively demonstrated its method of determining the risk rating of a home when application is made for mortgage insurance. The neighborhood is appraised first, then the home. If the neighborhood rating is not up to standard, the mortgage value of a home is reduced accordingly. Public schools, parks, churches, accessibility, transit lines, deed restrictions, and zoning are among the factors which determine the stability of a neighborhood. In this present project, zoning is the primary consideration.

Many residential districts in Portland were placed in Zone Two or Zone Three in 1924, when the original zoning ordinance was enacted. Southern Portland was one such district, but, in this instance, most of the district was placed in Zone Three and some of it was placed in Zone Four even though single-family homes predominate west of Macadam Road. The accompanying [illegible] shows present and proposed zoning for the district. This overzoning

* Passed by Planning Commission 25 Feb. 1937

for light and heavy manufacturing in a residential neighborhood blights the district by reducing the mortgage value of homes and reducing the liveableness of the district. The Federal Housing Administration has been forced to severely reduce mortgage insurance in many cases, and to deny it altogether in some instances because of adverse zoning. A neighborhood may otherwise stand the test of appraisal, but, without proper zoning, the stability of the neighborhood is undermined and the good qualities count for little, if anything, because the fundamental element of stability is lacking.

South Portland is Unstable

Recent zoning and recreational studies made by the City Planning Commission reveal marked losses in gross population and in school population in the entire district south of the Ross Island Bridge between the Willamette River and the hilly areas to the west. The Failing, Holman, Terwilliger, and Fulton Park Schools experienced serious losses in enrollment during the past fifteen years. Juvenile delinquency is increasing in the northern part of South Portland; however, there is no juvenile delinquency problem in that portion of South Portland included in this rezoning project. If inappropriate zoning is allowed to remain in the vicinity of Southport and Southern Portland, shifting of population and juvenile delinquency may be expected to ultimately follow as natural consequences of neighborhood deterioration.

In the area under consideration, there are approximately 11 acres owned by the city and 4 acres owned by the county. There are about 70 acres of vacant land. The area of the whole project is 132.4 acres. An unstable residential district is a civic liability.

Present Use of Land between Macadam Road and Oregon Electric Company's Tracks

Within the area, part of which is proposed for rezoning, land is used as follows:

LAND USE	ACRES	PER CENT OF NET AREA
Single-Family Dwellings	46.6	35.2
Two-Family Dwellings	0.8	0.6
Apartments	1.7	1.2
Retail Stores	4.9	3.8
Industrial Uses (Including light and heavy industries)	8.2	6.2
Vacant Land	70.2	53.0
Total Net Area	132.4	100.0%

Practically all of the commercial and industrial uses are located on either side of S. W. Macadam Road, and between that street and the river. A few scattered stores are in the interior of the district, west of S. W. Macadam Road. Duplexes and other multiple dwellings are negligible and would remain as non-conforming uses under the proposed rezoning plan.

Present and Proposed Zoning of the District between Macadam Road and Oregon Electric Company's Tracks

The following table shows areas in the various zones under present and proposed zoning plans:

ZONE	PRESENT AREA	PER CENT OF TOTAL AREA	PROPOSED AREA	PER CENT OF TOTAL AREA
Zone 1	0.0	0.0	99.0	74.8
Zone 2	3.0	2.2	0.0	0.0
Zone 3	99.0	74.8	33.4	25.2
Zone 4	30.4	23.0	0.0	0.0
TOTALS	132.4	100.0%	132.4	100.0%

Adequacy of the Proposed Plan

Typical cities develop about 50 feet of commercial frontage per 100 persons. This ratio declines to about 25 feet per 100 persons on the outskirts of a city. In this particular project there can be no possible inadequacy of commercial or industrial areas, as proposed, because the entire frontage along the west side of S. W. Macadam Road, and also that on certain short side streets would remain in Zone Three, as it is at present, and all the property between S. W. Macadam Road and the Willamette River would remain in Zone Four. In these areas remaining in Zone Three and Zone Four there is more than enough property to absorb any possible commercial and industrial expansion. The commercial frontage on the west side of Macadam Road and other frontage west of Macadam Road to remain in Zone Three is 12,470 feet. This is theoretically sufficient for a city of about 25,000 people.

Probable Effect of Present Zoning on Future Development

On the attached map it will be seen that Zone Four now embraces all the property between the river and Macadam Road north of Sweeney Street. Zone Four extends west to Hood Avenue between Sweeney and Pendleton Streets, and it extends west to Virginia Avenue between Pendleton Street and Taylor's Ferry Road. Existing Zone Three covers all that district between the above described Zone Four and the Oregon Electric Company's tracks to the west. Zone Four is unrestricted; in Zone Three, all retail stores, light manufacturing and various types of industries are permitted. The present Zone Three area is now developed with residences except along Macadam Road. As a general rule, homes in Zone Three cannot secure FHA mortgage insurance because of lack of residential stability when dwelling property is zoned in that classification. On the other hand, this large Zone Three area cannot be

developed with commercial and industrial uses. There is more than enough property along Macadam Road for such uses. This condition means simply that neighborhood development in this part of South Portland will be stalemated. In fact, applications for residential loans have been denied in this district. The ultimate effect of such denial will be loss of faith in the neighborhood; development, redevelopment, and maintenance will be retarded. Residential zoning is the primary need in stabilizing and building up a district.

Many home owners do not know how their property is zoned until someone starts construction of a filling station or industrial building next door. Knowledge of the intent, purpose, and effect of zoning has now come to be a basic part of every home owner's education. The residential neighborhood as a unit demands special attention in modern planning. This was emphasized by FHA officials from Washington at a special meeting held in Portland on January 30 for that particular purpose.

Notices to Property Owners and Responses

In October, 1938, notices were sent to all property owners affected by this proposal for rezoning in Southern Portland and vicinity. Many home owners have called at the office of the City Planning Commission to express their approval of the project. Some written approvals have been received. Two owners filed written remonstrances against the proposed change of certain property from Zone Three to Zone One. A few home owners requested, verbally, that the present Zone Three be reduced more than was shown on the original plan for the rezoning.

One communication received by the City Planning Commission in response to notices was signed by 33 home owners who wished to be on record as approving the entire rezoning project. All these communications are transmitted herewith.

Recommendation

It is recommended that the proposed rezoning plan for Southern Portland and vicinity, as amended, be forwarded to the Council with the request that the changes of zone be enacted by ordinance.

Respectfully submitted,

Harry D. Freeman, Technical Director.

Approved by Committee on Zoning

_____(Date)

Approved by City Planning Commission

_____(Date)

APPENDIX E

CITY COUNCIL MINUTES

REPORTS FROM SELECT COMMITTEES

1880 The City Planning Commission reported as follows:

Herewith we are transmitting maps and documents pertaining to a proposed change in zone classification for a district in Southern Portland. The district is shown on the map and the properties proposed to be changed are listed in the proposed amendment to the zoning ordinance (No 45614)

In addition to the proposed amendment and the map, there are transmitted herewith letters signed by many property owners approving of the project. There are also letters of remonstrance from four property owners.

A copy of the report of the zoning committee on the proposed change is also transmitted. This report was adopted by the Planning Commission at a meeting held February 25,1937, and the City Planning Commission recommends to the City Council that proceedings be initiated to effect the change as recommended.

A list showing the name and address of the owners of property proposed to be changed is transmitted with this recommendation.

See following Calendar No. 1853.

2169 Acceptance of Mrs. William Tinker of Ordinance No 69396,approved by City Attorney as to form (Permit to maintain existing garage in street area of N Carey Boulevard North of North Lombard Street) was presented and read by title.

By unanimous consent said acceptance was ordered placed on file.

2170 Acceptance of Peerless Pacific Company of Ordinance No 69397,approved by City Attorney as to form (Permit to maintain a 36-foot extension to platform in street area of Southwest Oak Street East of Southwest Front Avenue) was presented and read by title.

By unanimous consent said acceptance was ordered placed on file.

2171 Acceptance of the Portland Sanitarium and Benevolent Association of Ordinance No 69403, approved by City Attorney as to form (Permit to maintain four one-story frame dwellings on undedicated twenty-foot strip leading to S.E.63rd Avenue near S.E.Belmont Street) was presented and read by title.

By unanimous consent said acceptance was ordered placed on file.

The roll being called on the suspension of the rules and the taking up for consideration at this time of Calendar Nos 2195-2206-2207-2208 and 2209 being matters out of their regular order and matters not contained in the calendar,resulted in Yeas, Commissioners Bean, Bennett, Clyde,and Riley,4, whereupon said matters were so taken up for consideration.

2195 This being the time set for hearing the matter of the proposed change of zone classification of certain district in Southern Portland and vicinity. Report of the City Planning Commission thereon); recommending that the change in zone classification be made and communications and remonstrances,if any, said matter was taken up for hearing.(Set out in its regular order in this meeting)

The Auditor announced that a protest had been filed in his office by H.C.Muller against the said proposed change.

Mr. Muller appeared and said:

"I would like to protest. My wife owns this property, has owned it 29 years. It was sold to her under such conditions that it should be left in Zone 3. The lay of the land is such that if it was going to be put in Zone 1 it would be confiscation. There is no street in back. It lies against the hill. It would be worthless.

"I would like to ask the Council to re-consider this and leave it in Zone 3.

Commissioner Riley said:

Mr. Muller's wife owns six lots which are at the extension of Corbett Street at the side of the hill. Mr. Muller says the property,if placed in Zone 1 would lose value because of the topography of the lots, the manner in which they lay and the approach they have to them"

Commissioner Clyde said:

"The thought comes to me, I think this property will increase in value if you eliminate a whole lot of hot dog stands in your vicinity. I think that is one of the most beautiful sections in the City today and I think the citizens are to be complimented in going into Zone 1. It may send the value down but I think it will raise in value. You have a site more beautiful than Queen Anne Hill of Seattle.

"When they came in last time I was going to oppose it because I thought they were going to put it in Zone 3. I believe Mr. Muller, I think your property will go up instead of down by the change of this zone. You can tell Mrs. Muller I said so. Under Zone 1 the Government will give a loan."

Mr. Muller said:

"Under that condition I think my wife should withdraw her complaint."

Mr. Ralph Stark said:
"Four corner lots borderin that intersection at Pendleton and Corbett have been taken in Zone 3. This sets four lots right in the section of Zone 1 property.. My residence adjoins Lot 1 on that corner. I have a letter of protest describin that. I find this property cannot be nor will ever become business property. Business has entirely gone down to Macadam Road. Should anybody build business on the lot adjoining my own I can't see anything but failure and we will have another eyesore.
"The residents in that neighborhood have purchased lots for as high as $1200.and $1300. They were promised building restrictions and they found they could have anything put up alongside of them. There seems to be nothing in the way of building restrictions out there.
"We want as much property as possible put in Zone 1 out there."

The Auditor announced that a remonstrance had also been filed in his office by Amelia Moore against said change.

Mr.Harry D. Freeman,Technical Director of the Planning Commission said:
"I have three maps, one of which shows the existin uses in the district and another shows the existing zone and another shows the proposed zone. That red spot is the corner Mr. Stark refers to at Corbett an' Pendleton. There is a store, filling station, the Southeast corner is vacant, the Northwest corner has a residence on it.
"The original recommendation of the Plannin Commission was that all the central part of this district be placed in Zone 1 and Zone 3 limited to the West side of Macadam Road and between Macadam Road and the harbor line be left as it is today. The owners at Corbett and Pendleton remonstrated. The gentleman owns a vacant lot there. Naturally people don't want Zone 3 left at that corner and the people that own stores or vacant lots probably want Zone 3."

Commissioner Clyde made a motion which received no second that the petition be granted and the City Attorney instructed to draft the necessary ordinance.

Commissioner Clyde made a motion which received no second that this district be placed i Zone 1 and the City Attorney instructed to draft the necessary ordinance.

Commissioner Riley said:
"The Planning Commission recommend a change in zone classification."

Commissioner Clyde made a motion which received no second that the zone classification be made.

Commissioner Clyde made a motion which received no second that the report of the Planning Commission be adopted.

Commissioner Bean said:
"The man that protestd was protesting against the recommendation of the Planning Commission because it leaves the corner in zone 3."

Commissioner Clyde said:
"The Planning Commission adopted an amendment to put the four corners in Zone 3."

Commissioner Bean said:
"I want to ask Mr. Freeman, on the four corners is there anybody in that district asking to have them left the way they are except the man that owns that property?"

Mr. Freeman said:
"That is the only remonstrance there is.

Mrs. E.M.Boadway-5816 SW Corbett said:
"Mrs. Swenson owns one of these corners and she would like to have her property in zone 1. She has a residence on the Northwest corner."

Commissioner Clyde made a motion which was seconded by Commissioner Bean, that the City Attorney be directed to bring in an ordinance making these properties indicated in Zone 1 and adopting this report insofar as it doesn't conflict, the intersection of Corbett and Pendleton in zone 1.

Commissioner Clyde withdrew said motion with the consent of his second.

Commissioner Clyde made a motion which was seconded by Commissioner Bean that the City Attorney be instructed to bring in an ordinance making the intersection of Corbett and Pendleton in Zone 1.

Commissioner Bean said:
"Today is the official public hearing and there would be no object in having a public hearing unless the Council had the right to make some change. A motion has been made which will take those out of zone 3 and into zone 1. It is his business to be at the public hearing to tell his side."

Commissioner Riley said:
"Suppose we adopt eht report with the exception of the corner at Pendleton and Corbett and let that stay out for the present and then send this man notice and we will have a hearing on that corner?"

Commissioner Clyde withdrew his second motion with the consent of his second.

Commissioner Bean made a motion which was seconded by Commissioner Clyde that the matter be referred to the City Attorney with instructions to bring in an ordinance which will comply with the Planning Commission's report with the exception of the four corners at Pendleton and Corbett which shall be transferred into Zone 1 and the owner of those four corners notified by the Auditor that this is being done, giving him the date at which the ordinance will come in, May 13,1937.

The motion being put resulted in Yeas, Commissioners Bean, Bennett, Clyde, Riley,4,whereupon said motion was declared carried.

2206 The Commissioner of Public Works reported as follows:

Your Commissioner of Public Works calls the attention of the Council to the fact that a request has been made for a permit to erect a one-story Class VI large garage at Northeast Garfield Avenue and Northeast Failing Street, on lot 16, block 4, Albina Homestead Addition,which is located in Zone II.

Under the provisions of the zoning ordinance a permit may be issued under local option proceedings,which states that the application will be approved by the Bureau of Buildings if not more than 50% of the property within two hundred feet of the property in question is represented by a protest against it.

Certain residents of the neighborhood are opposed to this structure in Zone II and are anxious to prevent the issuance of a permit.

Owing to the fact that School District No 1 owns the site of the Failing School lying within the protest area, it is impossible for the protestants to get a majority protest petition. Without considering the School District property, the protest is approximately 52%. I have been advised that at a meeting of the School Board last night a majority of the Board expressed themselves as being opposed to the issuance of such a permit but claimed that it is their policy to remain neutral as far as signing protests is concerned.

Your Commissioner recommends in view of the above facts that he be authorized to refuse to issue a permit for said structure when and if requested.

Commissioner Bean asked that he be given unanimous consent to change his report as follows:

1st. By changing the Roman numeral "I" to the Roman numeral "II" in line 5 of paragraph 1 of said report after the word "Zone"

2nd. By changing the Roman numeral "I" to the Roman numeral "II" in line 2 of paragraph 3 of said report after the word "Zone"

By unanimous consent Commissioner Bean was given permission to so change his report.

Commissioner Bean said:
"Under local option proceedings notices were sent out to adjoining property and they are allowed to protest.Unless more than 50% protest the permit is granted automatically. This is a permit for a garage and the neighborhood apparently doesn't want the garage.

"Across the street is the old school and the City park now owned by the School Board and under local option proceedings because the School Board property remains neutral it really is put in the position of being in favor of granting the permit.

2508 Cont'd

Mayor Carson said:

"I understand that an agreement has been reached and the officials of the North Bank Highway Stages and the Portland Traction Company has agreed the North Bank Highway Stages will continue to handle intra-city business from Killingsworth North over the same route it now travels.

"It has been pointed out to me that those living North of Killingsworth, that this will really improve the character of the service because there will be more direct stages, they will get there quicker and the same thing will apply on inbound.

"Has that been agreed upon by the competiting parties as satisfactory?"

Mr. Frank McCulloch, of the firm of Dey, Hampson and Nelson, Atty's said:

"You have substantially stated it and both contending parties have filed letters with the Council, through Commissioner Clyde, to whom it was referred."

Commissioner Bean said:

"I would like to ask Commissioner Clyde whether he recommends it."

Commissioner Clyde said:

"Though Mr. Lines letter does not count Lombard part of that we have agreed that this should go through, from Killingsworth North. They are not to do business South of Killingsworth. I recommend it."

Mayor Carson said:

"Neither the North Bank Highway Stages or the Portland Traction Company, while not putting up any opposition, are being understood to waive any rights which they have held for the time being."

Mr. McColloch said:

"There is a solution neither of us will resist, that solution which for the purpose of expiditing the matter, I might say the ordinance proposed by Commissioner Bean at the last time this matter was considered fits the situation at which we have arrived."

Commissioner Bean made a motion which was seconded by Commissioner Clyde and carried unanimously that Calendar No 2508 be ordered placed on file, and the ordinance which would carry into effect the North Bank Highway Stages continuing to do intra-state business from Killingsworth, inclusive, North over the same route now being traversed by the Portland Traction Company to handle the business South of Killingsworth, be placed on the regular calendar.

2522 Communication from City Attorney returning Calendar Nos 2195 and 2195-1 in regard to changing the zone of properties in Southern Portland, and submitting a form of ordinance authorizing said change of zone, set out in its regular order in this meeting.

Those present favoring said change of zone were asked to hold up their hands and nine were shown to be present.

Mrs. R. D. Stark said:

"I want to find out whether Lot 4 is included in Zone 1, I want it to be."

Mr. A. Boscovich said:

"I own a lot on the south corner of Pendleton and Corbett. It is 100 feet on Pendleton and 70 on Corbett. I bought it 20 odd years ago. At that time there was hardly a house in South Portland district. There was a building started across the way for a store building. I bought that property with the ieda of a business investment for business property.

"In connection with this property I have signed up for every improvement that was petitioned for in that neighborhood. We extended Corbett Street on to the top of the hill. We paved the streets in the district. I never held back on anything.

"Old houses have been moved in nearer to where I was. Small homes

have been built without any zone ordinance connected with the price of the home and I feel that the action taken by the Council on the 29th I object to for the reason that I bought this property with the intention of business investment and I think the other people bought there with the knowledge that there was no zone.

"I think it is a very arbitrary action to put this out of Zone 3.

"The Planning Commission recommends these four corners in Zone 3 and I hope that you will reconsider this matter and favor Zone 3 on this corner."

Mrs. Stark said:

"We own property right next door to Mr. Boscovih. We have a considerable investment there, rather a nice home. We don't want any factories next door.

"If he has held it over twenty years and hasn't sold it for business property don't you think we might have twenty years in Zone 1?"

Commissioner Bean said:

"On the Northwest corner is a residence, on the Southeast a vacant lot and on the Northeast corner a filling station which has changed hands a great many times.

"This gentleman is the only one that wants that section left in Zone 3. The Planning Commission left it because he asked for it and because it was already occupied by two business buildings.

"Last week the people insisted they wanted that particular place in Zone 1 left to non-conforming use. It leaves one building there a filling station as non-conforming; the other two corners one has a residence and one a vacant lot in Zone 1."

Mr. Boscovich said:

"Possibly she bought the property a long time after I owned my property and bought it with the knowledge that it was a business lot. I had a sign on there many years stating I would build stores."

Commissioner Clyde said;

"I am bitterly opposed to any commercial encroachments of business buildings on the residence districts of the City."

Mr. Boscovich said:

"I was a young man then. I spent all my money in the State of Oregon. I haven't invested money in other counties and states.

"This is on a carline, fundamentally a business street and if you are going to curtail the activities of small people in investing money in the City and prevent their somehow getting small returns for it, I pray for the future of this country.

"There are vacancies on that street and on Washington Street on account of the monopoly that is going on. If you are going to continue with this type of ruthlessness and allow business to be crushed for the small investors to invest we certainly feel very much discouraged. In the last few years one jobbing house after another has gone out of business because of the encouragement of such monopoly by not spreading out business and giving the small man a chance. If you are not going to allow some business district and small business to exist I tell you you are part of the monopoly."

Mayor Carson asked:

"Is it proposed to change of that now in business use to Zone 1?"

Commissioner Bean replied:

"All of that is either Zone 3 or Zone 2. This is a proposal to change it to Zone 1."

Commissioner Clyde said:

"I feel the people invested their money in homes, their life savings, should be given proper protection. I feel there are a number of places already where business can be located. The moment you go ahead and put in a garage or filling station it jeopardizes the investment of the home owners. The people who have invested their money and raised a family are entitled to some protection. The records show this is the worst chiseled City in the United States.

Mayor Carson said:

"There is one thing I want just to say. I believe in preserving the integrity of the residence district. Portland is far ahead of nearly every Eastern City. You go into a city comparable in size, you don't find nearly as nice residence districts as we have in the City of Portland.

"As I understand it Mr. Boscovich's property was excepted by the report that was in here before."

2522-Cont'd Mr. Boscovich said:
"The Zoning Commission favor my property being put in Zone 3.

Mayor Carson asked:
"Are there business buildings built on it?"

Commissioner Bean replied:
"It is a vacant lot."

Mr. Boscovich said:
"I don't dare to build a business building on it while a monopoly is going on and little business can't exist.
"I think we have a prior right to that property as business property because I was one of the first to buy property and there weren't any houses there."

Mrs. Stark said:
"Everybody in the community bought when we were in Zone 3. If we see a chance to better ourselves we want to take it. That is not business property. There are only four lots on the corner. There is one business house there on one corner. There has been a filling station there. It has been sold and re-sold. No one has made a living there. There is an apartment house on the other corner, it has been vacant all the time.
"It is not business property. I insist it is not business property.
"There are four members in our family out there. We all have nice houses. I was born in that community and have lived there all my life."

Mrs. Louise Palmer Webber said:
"If this man should put up a building there is there any restriction as to the character of the building? It seems to me if these people would have this man pledge himself to build a building that wouldn't be an eyesore to the community it might be better."

The Auditor stated that no other remonstrances had been filed.

Commissioner Bean said:
"When it came up last week the City Attorney was authorized to bring in an ordinance which would not leave four corners in Zone 3, it leaves two non-conforming uses, the other two are one residence and one blank lot would be in Zone 2."

Mr. Eugene Bodway said:
"The time back before Southwest Macadam was made into a main highway and an improved four-lane highway, there was a lot of traffic on Corbett. At that time the traffic being heavy, there was business up there. The minute they opened up Macadam Avenue and put traffic down there the filling station went to pieces from there on. The same way with the apartment building, with the four store space underneath. Only two out of four are occupied at the present time.
"A short time ago we tried to get a loan to improve our property. F.H.A. They wouldn't give it to us because it was in Zone 3 and a poor locality."

Commissioner Clyde made a motion which was seconded by Commissioner Bean and carried unanimously that the remonstrance be overruled and placed on file.

2543 An Ordinance entitled, "An Ordinance amending Section 1, as amended, of City Zoning Ordinance by changing the zone of certain properties in Southern Portland and adjacent areas, was introduced by Order of the Council and read twice.
By unanimous consent said ordinance was passed to the Third Reading.

2509 Report of Commissioner of Public Utilities on petition of Mrs. Cleone M. Nelson and others for re-routing of portion of the North St Johns Motor Bus line; recommending said petition be considered by the Council as a whole (Set out in its regular order in this meeting)
By unanimous consent time for hearing said matter was fixed at May 27, 1937, at 1:30 P.M. and the Auditor instructed to publish notice of hearing.

ENGROSSED ORDINANCES TO BE READ THE THIRD TIME

2900 Ordinance No 69613,entitled,"An Ordinance amending Section 14 of Ordinance No 45614,entitled,"An Ordinance dividing the City of Portland into four districts, prescribing the uses to which property may be put or used, providing a penalty for violation thereof,and repealing all ordinances in conflict therewith", as amended, passed by the Council September 24,1924, and approved by the legal voters of the City of Portland November 4,1924, to include regulations for the establishing of building setback lines in any district in the City of Portland, and establishing a procedure therefor" was read a third time and declared passed by the following vote: Yeas, Commissioners Bean,Clyde,and Riley,3.

2901 Ordinance No 69614,entitled,"An Ordinance amending Ordinance #65620 entitled,"An Ordinance regulating and requiring a permit and payment of a permit fee for the construction and maintenance of service driveways,and providing a penalty for violation thereof", passed by the Council March 29,1934 by adding thereto a new section to be numbered Section 5 and providing regulations as to service driveways and the painting of the same in certain congested districts" was read a third time and declared passed by the following vote: Yeas, Commissioners Bean, Clyde, and Riley,3.

2902 Ordinance No 69615,entitled,"An Ordinance amending Section 1,as amended, of City Zoning Ordinance by changing from Zone II to Zone III, the west 16-2/3 feet of Lot 28,and Lots 29,30,31 and 32, Block 1,Edendale; Lots 1 and 2, Block 6, Edendale; and the north 55 feet of Lots 1 and 2,Block 4,Eastland, except for the south 7-1/2 feet of the north 55 feet of the east 8 feet of said Lot 2,Block 4,Eastland, in the City of Portland,Multnomah County,Oregon" was read a third time and declared passed by the following vote: Yeas, Commissioners Bean,Clyde,and Riley,3.

2903 Ordinance No 69616,entitled,"An Ordinance amending Section 1,as amended,of City Zoning Ordinance by changing from Zone I to Zone 1-special,Lot 6, Block 25, Ladd's Addition (2128 SE Ladd Avenue), said property being situated on the easterly side of SE Ladd Avenue, 80 feet north of SE Lavendar Street,in the City of Portland,Multnomah County,Oregon" was read a third time and declared passed by the following vote: Yeas, Commissioners Bean, Clyde,and Riley,3.

2904 Ordinance No 69617,entitled,"An Ordinance amending Section 1,as amended, of City Zoning Ordinance by changing the zone of certain properties in Southern Portland and adjacent areas" was read a third time.

Mr. Boscovich appeared and said:

"I again wish to raise my objections for the Council to change this into Zone 1, particularly after the Zoning Commission have favored Zone 3 ever since the Zoning Commission has been in existence.

"The property,as you know, has no deed restrictions and if my neighbors are not in favor of Zone 3 I could build a house on the Avenue and face the rear of the house to the adjoining house which I think would be a whole lot more objectionable.

"I do object to this being changed into Zone 1. I would ask the members of the Council if they would consider a zone 2 on this corner?"

Commissioner Bean said:

"I would like to ask Mr. Freeman; do you think Zone 2 on that corner would be objectionable?"

Mr. Harry D. Freeman, Technical Director of the Planning Commission replied:

"Well, Zone 2 isn't commercial and it isn't residential. It is just a bit in between. You can put in a filling station by local option or a garage in Zone 2. It would have to be done through consent."

Commissioner Clyde said:

"I was going to ask - I don't know if we could ask that - I was going to ask if commercial encroachment would not reduce the property values for homes and cause a reluctance on the part of the Federal authorities to advance loans?"

Commissioner Bean said:
"In this particular case there are two businesses now on that intersection; a building partly occupied by stores and apartments on one corner, another residence, on the third a filling station and the fourth corner is just a vacant lot, so that intersection is pretty well determined as far as business is concerned.
"The gentleman does have a justification for asking to have it put in Zone 2.

Commissioner Clyde said:
I am questioning if he has a justification. The thought I have is the greatest good of the greatest number and I feel in many parts of the city where three corners are bombined, one corner which belongs in Zone 1 helps to keep up the values of the property in the whole district.
"I don't believe that would be satisfactory to the people living in that district and if I remember there were one or two withdrawals from the appeal to put the property in Zone 2."

Commissioner Bean said:
"Zone two hasn't been considered."
"We took it out of Zone 3 because of the protest of the neighbors. I don't believe most of them would object to Zone 2."

Mr. Day said:
I would like to ask a question of Mr. Freeman.
"If this district was not originally planned as Zone 1, that corner?"

Mr. Freeman said:
"It was originally, Yes. We received a remonstrance and the fact that two corners were in Zone 3 out there, one corner being in apartment house use, it was almost the border line so the Commission gave the property owners the benefit of the doubt in that case. Zone 2 was not discussed in that case."

Commissioner Clyde said:
"The thought I have is this. We are responsible for every act that comes before the Council. With all due respect to the Planning Board or any other board, we ultimately have the final disposition of these matters. The Planning Board are just as liable to make as many mistakes as anyone else. When the Planning Board submits anything it is in an advisory capacity.
"I firmly believe if they allowed that piece of property to go into Zone 2, it will cause a blight in that neighborhood. It has enough blights now.
"I feel our residence district should be protected. I feel the Council should do something in this matter. As far as I am concerned I shall vote against this being in Zone 3."

Mr. Boscovich said:
"Mr. Bean's remarks takes a reasonable attitude in Zone 2. I wish to argue about vacant stores. Since I was here last the vacant store has started again on Portland Boulevard and Interstate. The groceryman who conducts the business there was obliged to go where there were rooms in back so he could cut down his overhead.
"It is impossible for a lot of business to exist today withthe ruthless competition you have. Men like myself,who have business property,are suffering dreadfully.
"I think it is really an outrage after one has invested all his money in the State of Oregon, has never turned down any petitions in South Portland for improvements, I have always tried to do my best, sometimes haven't cut the grass, it is a terrible situation of business. Every other block is a Chinese lottery and people can't do business with the competition existing."

Mr. R. Stark said:
I am adjoining the property holder of this vacant lot. With all due respect to the owner, while he is somewhat financially injured, he probably possessed that lot twenty years. I went in there 15 years ago and purchased the lot and put a home on it for several thousand dollars. I went in there, invested my money in addition to the lot and didn't wait for an increased valuation in there. Just because he,twenty years ago,bought a lot and hoped it would become business property he is holding our investment up."
Commissioner Clyde asked for the roll call.
The roll being called on the passage of said ordinance resulted in Yeas, Commissioners Bean, Clyde, and Riley,3,whereupon said ordinance was declared passed.

APPENDIX F

TAX INCREMENT REVENUE GENERATION POTENTIAL OF JOHNS LANDING AND LA BIEN PROJECTS

Third Analysis - Subject to Revision

Tax Year	Added Assessed Value	Tax Increment Added in Tax Year	Tax Increment Received In Tax Year	Total Accumulated Tax Increment To Date
76	$ 0.3^{M}	8,000	8,000	8,000
77	3.4^{M}	96,000	104,000	112,000
78	3.2^{M}	90,000	194,000	306,000
79	5.4^{M}	151,000	345,000	651,000
80	2.0^{M}	56,000	401,000	1,057,000

Note: Column and Line comparisons may not be exact due to rounding off of numbers.

This analysis is based on the assumption that the planning area is declared an urban renewal area by 15 May 1976.

PDC/Aug., 1975

APPENDIX G

CITY OF PORTLAND

INTER-OFFICE CORRESPONDENCE

(NOT FOR MAILING)

September 23, 1974

From Bureau of Sanitary Engineering

To Bureau of Planning

Addressed to Alan Fox, City Planner

Subject Comprehensive Plant - Corbett/Terwilliger/Lair Hill Area

This is in response to the request of Dennis Wilde, Chief Planner, Neighborhood and District Planning for a review of Draft II, Sec. III (Goals, Projects and Priorities) relating to the subject area.

A review of the report indicates that the future planning for this area is based on a general premise that the neighborhood will remain residential with a mixture of commercial, apartments and some manufacturing.

The sewers in this general area are quite old, some dating back to the 1890's, and were designed for residential use. To-date these sewers, as a whole, have served adequately with a minimum of maintenance.

Pending detailed plans of specific areas it can be assumed that the existing combination sewers may be utilized for the proposed revitilization of existing residential units along with some new developments. Most of the area is zoned for high density useage. The development of the area to its present zoning will certainly call for increased sewer capacity by the installation of a separated sewer system.

For further information on this subject contact Mr. Ron Sunnarborg at 248-4605 or Mr. Steve Strylewicz at 248-4171.

J. P. NIEHUSER
Chief Civil Engineer

SSS:vo

cc: Ray Sims
Maintenance Engineering

January 9, 1975

Bureau of Sanitary Engineering

Bureau of Planning

Ernest R. Bonner, Director

Comprehensive Plan-Corbett/Terwilliger/Lair Hill

This is in reply to the memorandum of December 19, 1974 requesting an "educated guess" as to probable future sewer costs involved in establishing a separated sewer system for the subject area.

For purposes of this memo certain assumptions will have to be made. It will be assumed that all existing combination sewers will be duplicated in length with the existing sewers being converted to sanitary use only.

The duplication of trunk sewers will extend to the Willamette River. These trunks are identified as Woods Street, which roughly parallels the Ross Island Bridge, and Thomas Creek which joins the Woods Street sewer at S.W. Moody Avenue under the bridge.

The area under consideration is bounded by S.W. Bancroft Street, S.W. Barbur Blvd. and S.W. First Avenue, S.W. Grover Street and the I-5 Freeway. A rough estimate of the total cost of sewer installation in this area is $1,250,000. This cost would include the extension of storm sewers to the Willamette River. Enclosed is a map indicating the existing sewers. The trunks and sub-trunks are shown in green and yellow and the laterals in yellow.

It is evident from the map that the degree of development will dictate the extent of sewer improvement. Major development in either of the two drainage areas will require a new storm sewer to the river.

A breakdown of costs relating to the area north of S.W. Curry Street is as follows: Trunks and sub-trunks to the River $400,000, Laterals $150,000. In the area south of S.W. Curry Street the trunk costs to a point at S.W. Moody and the bridge would be $400,000 with lateral costs at $300,000.

These figures should be used with caution since they are based on a single assumption. An engineering study could make substantial changes in the present concept.

For further information contact S. Strylewicz at 248-4171.

R. G. SURHARDORG
Assistant Principal Engineer

Enc.

cc: R. E. Sims

THE CITY OF
PORTLAND
OREGON

DEPARTMENT OF
PUBLIC WORKS

CONNIE McCREADY
COMMISSIONER

OFFICE OF
PUBLIC WORKS
ADMINISTRATOR

400 S.W. SIXTH AVE.
PORTLAND, OR. 97204

APPENDIX

CITY BUREAU COMMENTS ON THE
PROPOSED REZONING

August 7, 1975

RECEIVED
AUG 12 1975
City of Portland
Bureau of Planning

Dennis Wilde, Chief Planner
Neighborhood Planning
424 S.W. Main Street
Portland, Oregon 97204

ATTEN: Alan Fox

Subject: Proposed Re-zoning of Corbett/Terwilliger/Lair Hill

Gentlemen:

This is in reply to your letter of July 14, 1975 concerning planning commission staff recommendations for zone changes to be presented at a public hearing on August 26, 1975.

As discussed in an earlier letter addressed to you from this office and dated January 9, 1975, the degree and location of development will dictate the extent of sewer improvement to be required. Review of the existing system indicates that it presently is overloaded even though the area has not yet been developed to the full extent allowed under present zoning.

The proposed change from A0 and C2 zones to A2.5 will decrease the amount of non-permeable area, thereby reducing future storm sewer requirements anticipated for this section of the city. The result would be lower construction and maintenance costs through use of smaller diameter pipe and less footage. Therefore, this office would be in support of the proposed re-zoning.

Very truly yours,

J.P. NIEHUSER
Chief Civil Engineer

RES:jlg

ORTLAND

INTER-OFFICE CORRESPONDENCE

(NOT FOR MAILING)

August 11, 1975

From Bureau of Traffic Engineering

To Bureau of Planning

Addressed to Dennis Wilde

Subject Zone Change in the Lair Hill/Corbett area

The Bureau of Planning's recommendation of a zone change from A0 and C2 to A2.5, and M3 to M2, in the Lair Hill/Corbett area has been reviewed by this bureau.

Any future traffic generation and its effect on the traffic flow, whether this area remains Ao or is zoned A2.5, is subjective, depending on the number of units and their locations.

From a traffic engineering standpoint we have no objections to this proposed zone change. This request would not reduce the existing traffic flow, but would limit the potential for greater traffic generation from this area.

M. J. Martini
Sr. Traffic Engineer

MB:es

cr

INTER-OFFICE CORRESPONDENCE

(NOT FOR MAILING)

July 17, 1975

From Bureau of Street and Structural Engineering

To Bureau of Planning

Addressed to Alan Fox

Subject Review of Proposed Zone Changes in Corbett/Terwilliger/Lair Hill Area

Street needs will not be increased due to the proposed zone changes to A2.5 and M3 since proposed zoning is more restrictive than current zoning.

JOHN M. LANG, CHIEF
Bureau of Street and Structural Engineering

LN:kp

CITY OF PORTLAND

INTER-OFFICE CORRESPONDENCE

(NOT FOR MAILING)

July 30, 1975

From DEPT. OF PUBLIC UTILITIES, WATER ENGINEERS

To BUREAU OF PLANNING

Addressed to DENNIS WILDE, CHIEF PLANNER

Subject CORBETT/TERWILLIGER/LAIR HILL NEIGHBORHOOD PLAN

The Bureau of Water Works has reviewed the proposed zone changes with regard to subject plan. The Bureau raises no objections, to the proposed zoning, however, it should be noted that multi-story and commercial development may require larger services than are currently being served. Depending upon the location, a petitioner for a large service may incur considerable costs in upgrading the distribution network in order to satisfy service requirements.

Robert C. Bitten, P.E.
Chief Engineer

MJW:nb
Enc.
cc: P. Norseth
M. Walker

THE CITY OF
PORTLAND
OREGON

BUREAU OF
POLICE

NEIL GOLDSCHMIDT
MAYOR

B. R. BAKER
CHIEF OF POLICE

222 S.W. PINE
PORTLAND, OR. 97204

July 23, 1975

Dennis Wilde
Chief Planner
Neighborhood Planning
424 SW. Main Street
Building #106

Dear Mr. Wilde:

The Central Precinct commanders who will be involved in the Corbett/Terwilliger/Lair Hill Neighborhood Plan were contacted by this division. They responded that they saw no extra ordinary police problems regarding the proposal.

Please advise us when the final decisions are official. Thank you.

Lt. William Richardson
Planning and Research Division

SMS/dll
8-75-76

PORTLAND PUBLIC SCHOOLS
631 Northeast Clackamas Street / Portland, Oregon
Phone (503) 234-3392
Mailing Address: P. O. Box 3107 97208
MANAGEMENT SERVICES

July 21, 1975

Mr. Alan Fox
Neighborhood Planning
City of Portland
424 S.W. Main St.
Portland, OR 97204

Dear Mr. Fox:

We are in receipt of Mr. Wilde's letter of July 14, 1975, advising our office of the Planning Commission hearing on August 26, 1975, for the Corbett/Terwilliger/Lair Hill Neighborhood Plan. We do not feel that the Plan, as proposed, would have an unmanageable impact on the District's facilities and educational programs.

Sincerely,

Gary D. Zimmerman, Manager
Real Property

GDZ:dm

cc: Dr. Harold A. Kleiner
Mr. Clinton R. Thomas

THE CITY OF
PORTLAND
OREGON

DEPARTMENT OF
PUBLIC SAFETY

CHARLES R. JORDAN
COMMISSIONER

BUREAU OF FIRE

GORDON A. MORTERUD
CHIEF

55 S.W. ASH ST.
PORTLAND, OR. 97204
503/248-4375

August 14, 1975

Mr. Alan Fox
Bureau of Planning
Portland, Oregon

Dear Mr. Fox:

I am responding to Mr. Dennis Wilde's letter dated July 14, 1975, announcing a public hearing on the Corbett/Terwilliger/ Lair Hill Neighborhood Plan.

From a fire protection standpoint, we urgently recommend some basic requirements:

- Street access into an area from more than one direction and of sufficient width for fire apparatus. Narrow streets plus residents' parking on the street at night is a combination which results in blocking access for fire apparatus.

- Access to buildings for rescue via ladders, application of fire streams from the outside and for interior fire fighting, use of building fire protection systems such as sprinkler connections, fire escape ladders, and firemen's ladders on smoke towers.

- Water supply into the area, sufficient to supply sprinkler systems and the required fire flow for fire streams. Hydrant spacing which meets Insurance Services Office grading schedule standards.

- Adequate regard for fire fighting requirements in the construction of large, frame, multiple-unit, residential occupancies is one of our particular concerns.

We are planning to have a Fire Bureau representative at the meeting on August 26 at 7:30 p.m. in the City Hall Annex, Room 200.

Sincerely,

Gordon A. Morterud

GORDON A. MORTERUD
Chief, Bureau of Fire

GAM/mjp

cc: Assistant Chief Jones