

To: City of Gresham Planning Commission  
From: Project Team  
Date: March 11, 2024  
Re: Pleasant Valley District Plan Update Work Session: *Project Update and Draft Code Concept & Implementation Strategy Recommendations*

City staff and ECONorthwest last met with the Planning Commission in July 2023 to share the findings from the Pleasant Valley District Plan Update project. This presentation reviewed the market study, infrastructure report, code audit, community and stakeholder engagement to date, and findings from meetings and workshops with City staff. Since then, the Project Team has drafted recommendations for code concepts and implementation strategies and conducted additional engagement. At the March 11<sup>th</sup> Planning Commission Work Session, City staff will summarize the code concepts under consideration. Staff will ask the Planning Commission for their input on two key questions and welcome their feedback on all topics. This memo is an overview of the work session content to help prepare the Planning Commission. The March 11 session is one of two Pleasant Valley work sessions scheduled for this stage of the project. The Project Team is also working on potential updates to the land use district locations. The team is scheduled to present at a Work Session on April 22<sup>nd</sup> to discuss potential changes to the Pleasant Valley land use district map.

**Background and Purpose**

The 2004 Pleasant Valley Concept Plan and District Plan envisioned a complete community with a range of housing choices, transportation options, schools and parks, a Town Center, employment opportunities, and green development. This was an ambitious vision, and after 20 years, the area remains only partially developed, with many of the critical ingredients of a complete community lagging. ECONorthwest—along with sub-consultants 3J Consulting, MIG|APG, Veritas, and Kittelson Associates—is working with the City of Gresham to update the Pleasant Valley District Plan to better align with current market conditions and the priorities of a diverse range of local stakeholders, and to address development barriers and challenges with infrastructure delivery. The update retains a focus on delivering a complete, inclusive, and sustainable community.

**Engagement Update**

The purpose of engagement for the project was to understand how the community’s wants and needs for Pleasant Valley may have changed over the past two decades. Outreach efforts aimed to reach both longer-term and newer residents of Pleasant Valley and include a city-wide approach to incorporate voices from the rest of the community. The engagement included ways to reach different populations and specific measures to engage communities not part of previous planning efforts, including reaching people at community events and having informal conversations with Pleasant Valley residents and visitors at local parks and events (focusing on reaching the Spanish-speaking community). The project has also included an online open house (survey) and three in-person events in Pleasant Valley.



Engagement occurred in two phases:

1. The first phase of outreach focused on re-affirming the vision for Pleasant Valley and learning about the community’s priorities for making the area a desirable, inclusive neighborhood that complements the rest of Gresham.
2. The second phase of outreach involved receiving community feedback on draft concepts and strategies for reaching the vision for Pleasant Valley. Two community workshops were held to review draft land use concepts for housing, parks, and business types and implementation strategies to help support their development.

Highlighted outreach activities to date are included below. Upcoming outreach activities include an April 2<sup>nd</sup> Pleasant Valley Neighborhood Association meeting, April 9<sup>th</sup> Neighborhood Coalition meeting, April 22<sup>nd</sup> Planning Commission Work Session, and May 7<sup>th</sup> City Council Work Session. There will also be an additional opportunity for the community to provide feedback on final recommendations for land use district locations, code concepts, and strategies (outreach activity to be determined).

| Outreach activity                       | Phase 1  |          |           |           |          | Phase 2   |          |          |          |          |
|---|----------|----------|-----------|-----------|----------|-----------|----------|----------|----------|----------|
|   | Apr 2023 | May 2023 | June 2023 | July 2023 | Aug 2023 | Sept 2023 | Oct 2023 | Nov 2023 | Dec 2023 | Jan 2024 |
| Property owner and developer interviews |          |          |           |           |          |           |          |          |          |          |
| Online open house (~161 responses)      |          |          |           |           |          |           |          |          |          |          |
| Informal conversations (~25 people)     |          |          |           |           |          |           |          |          |          |          |
| Planning Commission Work session        |          |          |           |           |          |           |          |          |          |          |
| In-person open house (~50 people)       |          |          |           |           |          |           |          |          |          |          |
| Community events (6)                    |          |          |           |           |          |           |          |          |          |          |
| Community workshop #1 (~55 people)      |          |          |           |           |          |           |          |          |          |          |
| Community workshop #2 (~60 people)      |          |          |           |           |          |           |          |          |          |          |

## Draft Recommendations and Areas for Input

### Code Concepts

The project team has worked to identify a range of possible refinements to the existing code to make it easier to build a complete community, remove barriers to incremental development, and align with market demand. The refinements are currently at a concept level while the team continues to evaluate certain elements (discussed below).

### Delivering a Town Center

**Goals:** A future Town Center is a vital component of the vision for Pleasant Valley. A Town Center will provide existing and future residents in and around the Pleasant Valley Plan District with a range of community-serving businesses within a comfortable walk, bike ride, or short drive. While shopping centers exist within a 15-minute drive from Pleasant Valley, the recent market analysis and developer conversations have reaffirmed that the area can support an additional commercial center to better serve nearby residents.

**Challenge:** Existing code requirements for the Town Center include a specific mix of uses that do not align well with market demand and require multi-story development (by requiring a minimum building height of 2 stories) and floor area ratio of 0.5:1). These standards largely preclude “horizontal” mixed-use development; a single-story commercial center (like the [Happy Valley Town Center](#)) with adjacent higher-density housing is more likely to be feasible in this area within the foreseeable future but would not be allowed under the current code.

**Draft recommendation:** The Project Team recommends increasing flexibility for stand-alone single-story commercial development with pedestrian-friendly design within the Town Center subdistrict to make building commercial uses within Pleasant Valley better align with market conditions. This development would be complemented by adjacent multifamily that may be in separate development and potential incentives for mixed-use development.

**Q1:** Does the PC support this approach to facilitating commercial development and a mix of uses within and around the Town Center sooner?

### Housing Mix and Variety

**Goals:** One of the core goals for the Pleasant Valley Plan District is to have various housing options. The market study reaffirmed that there is demand for a range of housing types—including single-detached houses, middle housing, and multifamily—within the area. The City’s recent Housing Capacity Analysis (HCA) found that the city has adequate land for all housing types and densities over the next 20 years, considering the existing Pleasant Valley zoning, which includes a mix of Low-Density, Moderate-Density, and High-Density Residential subdistricts.

**Challenge:** To date, nearly all development in Pleasant Valley have been single-detached housing; however, some developments have resubmitted plans to take advantage of new middle housing allowances created in response to House Bill 2001 (2019 Middle Housing legislation). Under the old and updated regulations in the Low- and Moderate-Density Residential subdistricts, staff has observed that the existing housing variety requirements do not deliver the desired variation in lot size or housing type within a given development.

**Draft recommendation 1:** Refine the existing housing variety requirements. The intent of housing variety standards is to encourage a variety of housing options integrated within

neighborhoods, including variation in lot size, housing type, and unit size. Since the existing standards have not been effective (in conjunction with a greater effort to refine housing variety standards across the city) the Project Team is working on a proposal to refine the housing variety standards in Low- and Moderate-Density Residential subdistricts in Pleasant Valley. The Project Team is exploring adjusting housing mix requirements by modifying the existing menu of options.

**Draft recommendation 2:** Make a minor adjustment to a specific density standard. It has come to staff's attention that with the changes from House Bill 2001 (Middle Housing legislation), the limits for multifamily are lower than those for townhouses in the Moderate-Density Residential subdistrict (20 du/ac compared to 25 du/ac), creating a disincentive for multifamily development that was not intentional. These density levels should be equal to allow for more flexibility for the market to deliver different housing products.

**Q2: Does the PC support minor adjustments to the density standards to remove potential barriers to development?**

### Other Draft Recommendations

In addition to the key areas of focus discussed above, other draft recommendations to facilitate the development of a complete and connected community in Pleasant Valley are summarized below. If the Planning Commission has questions or concerns regarding any of these recommendations, the Project Team welcomes input.

#### Employment Areas

**Amount of employment land:** The Project Team recommends reducing the combined acreage in the Employment Center and Mixed-Use Employment subdistricts (currently over 82 acres) based on the limited demand identified in the market study.

**Location of employment land:** The areas shown in the existing plan span portions of many small ownerships, have limited or no current access, and one is located away from existing and planned major intersections (see Attachment A: Existing Pleasant Valley District Plan Map). The Project Team will continue investigating alternative locations that may better support the desired development.

**Allowed uses in employment area:** The Project Team recommends consolidating the two employment subdistricts (MUE-PV and EC-PV) into a single, more flexible, Mixed Employment subdistrict, allowing uses based on the less restrictive treatment between the two existing employment subdistricts. This would include allowing auto-dependent uses up to a certain size, applying a relatively high square footage limit for retail, and allowing residential uses as live/work or above the ground floor.

#### Neighborhood Commercial

**Location and number of Neighborhood Commercial nodes:** The Project Team recommends zoning for only one Neighborhood Commercial node to cluster commercial development.

**Regulatory flexibility:** The Project Team recommends allowing flexibility for daycares and small amounts of commercial development within the medium- and high-density residential subdistricts to promote desired services and amenities within walking distance of residences.

### Master Planning, Streets, and Parks Requirements

**Master Plan requirements:** Master plans addressing discretionary neighborhood design guidelines, circulation standards, park locations, and other factors are currently required in Pleasant Valley prior to or concurrent with development applications. This system has been identified as a potential barrier that puts developers in Pleasant Valley at a relative disadvantage compared to other areas within Gresham. In addition, a requirement for the master plan to encompass at least 20 acres is an issue for smaller properties which make up a large part of Pleasant Valley (with very few 20+ acre sites remaining undeveloped). The Project Team recommends replacing this system with clear and objective standards that align with citywide requirements (e.g., future street plan requirements) where possible and potentially providing a discretionary process as a “second track” for some standards. This would allow smaller properties to move forward independently with standards ensuring connectivity between adjacent developments.

### Infrastructure Implementation Update

With the major sewer trunk line through Pleasant Valley recently completed by a developer, the most significant remaining infrastructure issues pertain to the new major roads needed to provide connectivity and complete the transportation network in the area. Additional discussion of infrastructure funding and delivery (existing systems and challenges) is provided in the prior memo to the Planning Commission, dated July 26, 2023, available on the [project website](#) under the Project Documents tab.

### Major Roads

With the location of the Town Center potentially changing and the focus on removing barriers to incremental development, the Project Team conducted an additional evaluation of the planned new major roads through the Pleasant Valley area, drawing on findings from the 2019 Transportation System Refinement Plan for Pleasant Valley. The Project Team concluded that the alternatives considered (e.g., widening Foster Road between 172nd Avenue and Jenne Road) would be at least as challenging to deliver as the extensions of Giese Road and 172nd Avenue, if not more so, given the presence of stream corridors and structures close to the road. Therefore, the Project Team recommends retaining the basic planned major road network from the 2019 Transportation System Refinement Plan for Pleasant Valley while looking at potential minor modifications to road alignments that better follow property lines and potentially adjusting the planned collector network to some extent (see Attachment B: Transportation Framework Map).

The City will likely need to take on the western extension of Giese Road and the northern extension of 172nd Avenue as capital projects if the goal is to accelerate development in the

western portion of Pleasant Valley. While these roads could hypothetically be built incrementally by private developers, this would likely take several more decades to complete given the number of small properties involved, and the lack of suitable access and circulation in the interim would hamstring larger developments and exacerbate congestion and safety issues on existing roads. Advancing these projects as capital projects requires additional design work, securing the new alignments, and the ability to pay for the project before the area is built out. The Project Team continues to refine specific recommendations to address these next steps.

## Parks

There are multiple challenges with the existing systems intended to deliver parks in Pleasant Valley, including a lack of funding available upfront to purchase land from willing sellers and reliance on voluntary cooperation from property owners and developers to sell land to the City prior to or during development review. The Project Team recommends a more opportunistic approach to securing sites for future parks:

- Explore opportunities to co-locate parks on public land.
- Develop clearer standards related to park dedication for development in Pleasant Valley, focusing on larger sites where a desirable park size may be proportionate to the scale of development.
- Consider and prepare for opportunities for linear or pocket parks created by remnants resulting from right-of-way acquisition for future major road projects, and coordinate efforts to negotiate with willing sellers with efforts to secure future road alignments (as funding allows).

Note that the Project Team also recommends creating a Public Facilities subdistrict to apply to existing public land held for future parks, schools, or other public uses to facilitate its development for those uses.

## Next Steps

The Project Team will continue working on refinements for the Pleasant Valley land use district map. As mentioned, the Project Team is scheduled to attend the April 22<sup>nd</sup> Planning Commission Work Session to discuss potential changes to the Pleasant Valley land use district map.

The next phase of the project will include drafting map and code amendments and refining other recommendations, resulting in a final package of regulatory updates and strategies that will be brought to the Planning Commission and City Council for review and potential adoption. That phase will include additional community involvement and opportunities for input on the draft map, code amendments, and other implementation actions.

## Attachments

- Attachment A: Existing Pleasant Valley Community Plan Map
- Attachment B: Existing & Refined Transportation Framework Maps