
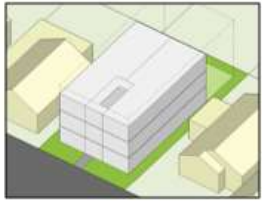



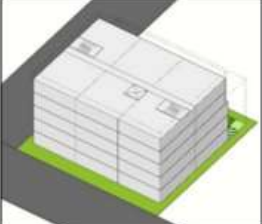




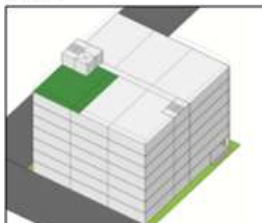



Summary of the Proposed Multi-Dwelling Zones

New Zone	Existing Zone	Max. Height	Max. Building Coverage & Landscaping	Base FAR	Bonus FAR	Special Bonus for Deeper Housing Affordability
RM1	R2 & R3	35 ft.	50% Coverage 30% Minimum Landscaping	1 to 1 	1.5 to 1 	2 to 1 FAR 
RM2	R1	45 ft.	60% Coverage 20% Minimum Landscaping	1.5 to 1 	2.25 to 1 	3 to 1 FAR 
RM3	RH	65 ft.	85% Coverage 15% Minimum Landscaping	2 to 1 	3 to 1 	4 to 1 FAR 
RM4	RH	75/100 ft.	85% Coverage 15% Minimum Landscaping	4 to 1 	6 to 1 	7 to 1 FAR 

Notes on Base and Bonus FAR

- The **base FARs** represent the maximum FAR that projects could achieve “by right” (staff anticipate that the majority of smaller projects will be built within the base FAR). The base FAR limits do not allow for the full building height and site coverage to be utilized. This allows for additional scale to be provided through FAR bonuses and density transfers for projects that provide affordable housing or other community benefits.
- The **bonus FARs** are equivalent to a 50 percent increase beyond the base FAR. They can be achieved by projects providing affordable units, either voluntarily or through mandatory inclusionary housing (required for buildings with 20 or more units – see page 29). For projects with fewer than 20 units, this bonus can also be achieved through transfers of development rights from sites where historic resources, trees, or existing affordable housing are being preserved, potentially in combination with a bonus for family-sized units affordable to moderate-income households (see pages 29 - 31).
- The **special bonus for deeper housing affordability** will be available to projects with at least 50 percent of units affordable to those earning no more than 60 percent of MFI (see page 29). Besides the larger amount of bonus FAR, projects will be eligible for 10 feet of additional height and an additional 10 percent of site coverage. Staff anticipate this bonus will primarily be used by non-profit affordable housing developers.

Diverse Housing Options and Affordability

Proposals

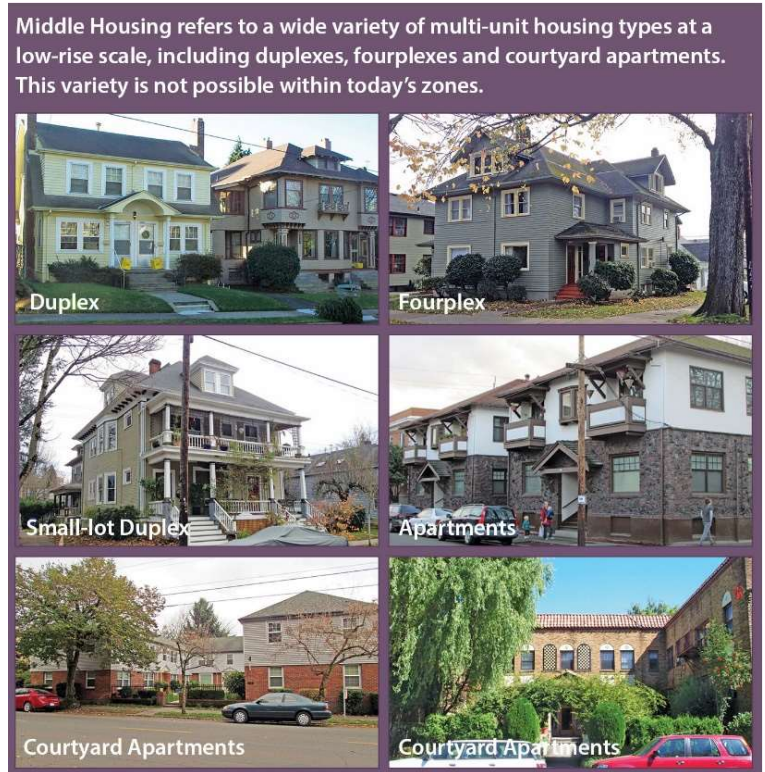
1. Regulate by building scale/FAR instead of unit density – RM1 and RM2 zones.
2. Require 20 percent of units to be “visitable” for projects exceeding one unit per 2,000 square feet of site area.

Issues Addressed

Comprehensive Plan policies call for a broad range of housing options, including physically-accessible housing, with more intense development in centers and corridors.

Low-rise multi-dwelling zones, such as the R2 zone, often provide transitions in scale between higher-density areas and single-family residential areas. Historically, low-rise, multi-dwelling areas provided a diversity of “middle housing” types, such as duplexes, fourplexes, townhouses and courtyard apartments. These two- to three-story housing types provide housing density at a scale not much taller than single-family houses. Many of these, however, could not be built today in Portland’s most common multi-dwelling zone, R2, because they exceed unit density limits. Other issues in the medium-density zones (R3, R2 and R1) include:

- Density-based regulations often result in large townhouse-type units whose multiple levels and stairs are not accessible to people with mobility limitations.
- The lack of housing unit variety also limits the range of affordability levels.
- In the R1 zone, often located along transit corridors and allowing four-story buildings, density regulations similarly limit housing options, even in transit-rich locations.



R1 zone development

Old and new buildings along transit corridors. Similar scale, but the older apartments accommodate more households. The 2015 example was built to the maximum allowed density of the R1 zone.



1920s – 34 units on a 10,000 square-foot site



2015– 18 units on an 18,000 square-foot site

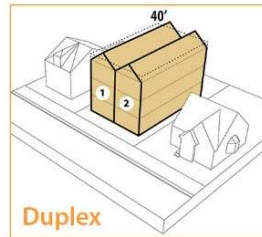
Proposal Approach

1. Regulate by building scale/FAR instead of unit density – RM1 and RM2 zones.

RM1 (R2/R3)

Current approach (R2):

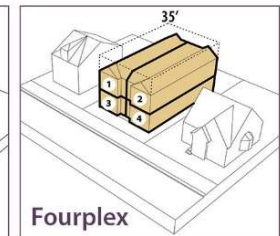
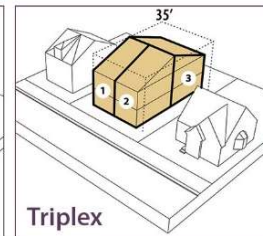
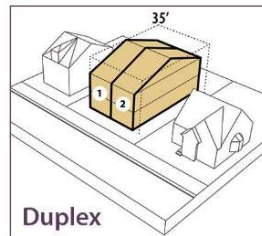
- ▶ 40-foot height limit.
- ▶ Density limited to one unit per 2,000 square feet of site area (two units on a 5,000-square foot site).
- ▶ Often results in large townhouse units.



The proposal for the R2 (new RM1) zone would allow greater flexibility within a smaller building envelope. This would create options for more and different types of housing units.

Proposed approach:

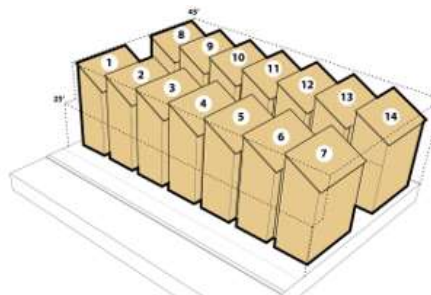
- ▶ Reduce allowed height to 35 feet.
- ▶ Provide flexibility for what happens inside the allowed building scale (FAR of 1 to 1).



RM2 (R1)

Current approach:

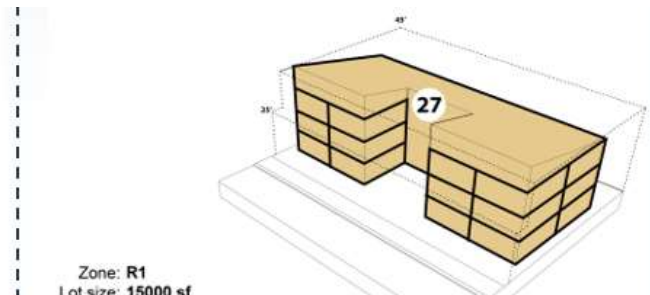
- ▶ 45-foot height limit.
- ▶ Density limited to one unit per 1,000 square feet of site area.
- ▶ Often results in townhouse units.



Zone: R1
Lot size: 15000 sf

Proposed approach:

- ▶ 45-foot height limit (unchanged)
- ▶ Provide flexibility for what happens inside the building (FAR of 1.5 to 1).



Zone: R1
Lot size: 15000 sf

2. Require visitable units.

Accompanying the greater flexibility of the new FAR-based approach, the draft code amendments include new requirements for “visitable” units. For projects with densities exceeding one unit per 2,000 square feet of site area (the current R2 density limit), at least 20 percent of units must have ground levels with no-step access, wider hallways and doors (at least 34 inches wide), and living space and a bathroom wide enough for wheelchairs. These visitability requirements would allow multi-level units, but would ensure that one level of the unit can be accessible to visitors or residents with mobility limitations. The building code has requirements for physically accessible units, but these standards do not apply to townhouses and other multi-level unit types. This proposal is intended to help increase the amount of housing that meets the needs of people of all ages and abilities.

The proposed visitability standards, because they go beyond State building code regulations, will be contingent on Portland receiving a local exception to the State building code. A concern raised by affordable housing developers is that the standards can be costly to meet for small projects on raised lots, which for a lot raised four feet above sidewalk level would require a walkway at least 40-feet long to meet the maximum allowed slope of the visitability standards (10 percent).

Diverse Housing Options and Affordability

Proposals

3. **Prioritize affordable housing by increasing inclusionary housing development bonuses and through a family housing bonus.**
 - A. **Increase the inclusionary housing development bonus to 50 percent beyond the base FAR.**
 - B. **Provide a higher-level of FAR bonus for projects providing deeper housing affordability.**
 - C. **Provide an FAR bonus of 25 percent for projects with three-bedroom units.**

Issues Addressed

Comprehensive Plan policies call for a diverse supply of affordable housing that can accommodate the housing needs of a broad range of households and income ranges, but there is currently a shortage of housing affordable to low- and moderate-income households. In Better Housing by Design project community discussions, participants identified affordable housing as the greatest priority for development bonuses.

Currently, through a system of development bonuses, buildings can be larger or include more units if they provide specific amenities or affordable units (see table below). The existing amenity bonuses can be combined to provide up to 50 percent more development than usually allowed. Projects do not have to include any affordable housing to achieve this increase.

In the multi-dwelling zones, the amount of development bonus for projects providing affordable units through the new inclusionary housing regulations is currently limited to 25 percent (compared to more than 60 percent in the mixed use zones). This limits the ability to provide an attractive incentive for affordable housing, especially for buildings with fewer than 20 units that are not required to provide affordable units. Mandatory inclusionary housing applies to buildings with 20 or more units and requires a minimum of 20 percent of units to be affordable to households earning no more than 80 percent of median family income (MFI).

Existing Development Bonuses	Proposed Approach
Affordable housing (inclusionary housing)	Prioritize by increasing amount of development bonus to 50 percent additional FAR.
Three bedroom units	Continue, in order to provide an incentive for family-sized units.
Outdoor recreation facilities	Remove as development bonuses, but address through new requirements for shared outdoor spaces (see pages 34 - 35).
Play areas for children	
Large outdoor areas	
Storage areas	Remove as development bonuses. <i>(In stakeholder discussions, community members felt these were lesser priorities than other outcomes, especially affordable housing)</i>
Sound insulation	
Crime prevention	
Solar water heating	
Tree preservation	Remove as a development bonus, but address through a new transfer of development rights allowance for tree preservation (see pages 30 - 31).

Proposal Approach

3A. Increase the inclusionary housing development bonus to 50 percent beyond the base FAR.

This amount of FAR increase would be made available to projects providing affordable housing units through either voluntary or mandatory inclusionary housing provisions. The 50 percent bonus would bring greater consistency with the inclusionary housing bonus provided in the mixed use zones and would increase the feasibility of projects that include affordable housing. Projects using this bonus would need to meet recently adopted inclusionary housing requirements for 20 percent of units to be affordable to those earning no more than 80 percent of MFI, or 10 percent of units affordable at 60 percent of MFI. The 50 percent increase in FAR for qualifying projects would be available in all the multi-dwelling zones and is illustrated on page 19 of this report.

3B. Provide a higher-level of development bonus for projects providing deeper housing affordability.

This new voluntary provision would provide a development bonus allowing 100 percent additional FAR. It would also allow 10 feet of additional height and an additional 10 percent of building coverage for qualifying projects (see illustration on page 19). To qualify, projects will need to have at least 50 percent of on-site units affordable to households earning no more than 60 percent of MFI, a significantly greater amount and level of affordability than required by inclusionary housing.

Staff anticipate that this bonus will primarily be used by non-profit affordable housing developers, rather than the larger number of profit-dependent development projects. The minimum required percentage of 50 percent would allow developments to include some market-rate units to help offset the costs of the affordable units and allow for income diversity. Both this bonus and the standard inclusionary housing bonus will involve the Housing Bureau in administration and would require units to remain affordable for a term of 99 years.

3C. Provide a development bonus of 25 percent for projects with three-bedroom units.

This development bonus is a refinement of the existing bonus for three-bedroom units. It would provide 25 percent additional FAR for projects in which at least 50 percent of units have three bedrooms and are affordable to households earning no more than 100 percent of MFI. This affordability level is intended to encourage moderate-income family housing, a segment of the housing spectrum not addressed by the other affordable housing development bonuses. The existing three-bedroom bonus has no income restrictions, which does not address the current shortage of family-sized units affordable to low- and moderate-income households, especially in areas close to services.

The term of affordability for this bonus would be for a shorter period than the other bonuses (minimum of 10 years). This responds to affordable housing developers' concerns that this bonus would not work for their ownership housing projects if it is for permanent or long-term affordability. A goal of some affordable ownership housing programs is to provide opportunities for minority and lower-income households to gain equity through homeownership. The Housing Bureau would be involved in certifying projects as qualifying for this development bonus.

Other existing development bonuses are being discontinued to prioritize affordable housing as a development outcome. Also, the proposal to regulate development intensity by FAR provides much of the density flexibility that was offered by the amenity bonuses, while the existing development bonuses for outdoor spaces and tree preservation are being replaced by new proposed approaches (see table on page 28).

Diverse Housing Options and Affordability

Proposals

- 4. Provide allowances for unused development capacity to be transferred to other sites from properties where trees or existing affordable housing are being preserved.**

Issues Addressed

Current regulations allow for unused development capacity to be transferred from sites with historic landmarks to other sites in multi-dwelling zones within two-miles. This acts as an incentive for historic preservation, allowing value to be obtained from the unused development capacity. Current regulations also allow for density to be transferred to other sites within the same block or across a street, with no relationship to a specific preservation outcome. Staff propose to discontinue this option in order to prioritize preservation of historic resources, trees, and affordable housing.

Besides historic preservation, other types of preservation supported by Comprehensive Plan policies include preservation of trees and preservation of existing affordable housing. Current multi-dwelling regulations include a tree preservation development bonus, which allows for additional housing density on the same site where trees are preserved. However, this bonus has rarely been used (only twice over the past 10 years), because it can be difficult to both preserve trees and fit additional units on the same site.

Tree preservation is a significant concern in East Portland, where Douglas fir groves are a valued part of the area's character and are often located on properties with multi-dwelling zoning. While Title 11 of the City Code requires tree preservation, in the multi-dwelling zones developers often choose to instead pay into the Tree Planting and Preservation Fund, to avoid the complexity of building around existing trees, especially with higher-density projects.

There is no existing allowance for development potential to be transferred to another site in exchange for preserving existing affordable housing units, although the loss of existing affordable housing is a significant community concern and contributes to displacement of residents.

Proposal Approach

- **Tree preservation.** Allow for unused development capacity to be transferred to other sites with multi-dwelling zoning in exchange for preserving large trees (12 inches or more in diameter). The amount of development potential (floor area) that could be transferred would be related to the size and number of preserved trees and the allowed density of the site where the trees are being preserved.
- **Affordable housing preservation.** Allow for unused development capacity to be transferred to other sites with multi-dwelling zoning in exchange for preservation of existing affordable housing units. The existing affordable housing units would need to remain affordable for households earning no more than 60 percent of MFI. The Housing Bureau would be involved in certifying compliance (the details of the term of affordability will be determined by the Housing Bureau, but will be for a minimum of 30 years).
- **Historic preservation.** Expand eligibility for transfers of development rights from individual historic landmarks to also apply to sites that are contributing resources in Historic or Conservation districts (consistent with the approach in the commercial/mixed use zones).

All these options would allow for FAR to be transferred to a receiving site with multi-dwelling zoning citywide (except in historic and conservation districts, and the Central City – which has separate provisions for FAR transfers). This is a change from existing regulations for FAR transfers, which are currently limited to a two-mile transfer distance. This is being done to increase the feasibility of FAR transfers by increasing the numbers of potential receiving sites. Staff anticipate that FAR transfers will only be used by relatively small projects, since buildings with 20 or more units qualify for inclusionary housing development bonuses and will not be able to receive additional FAR from transfers.

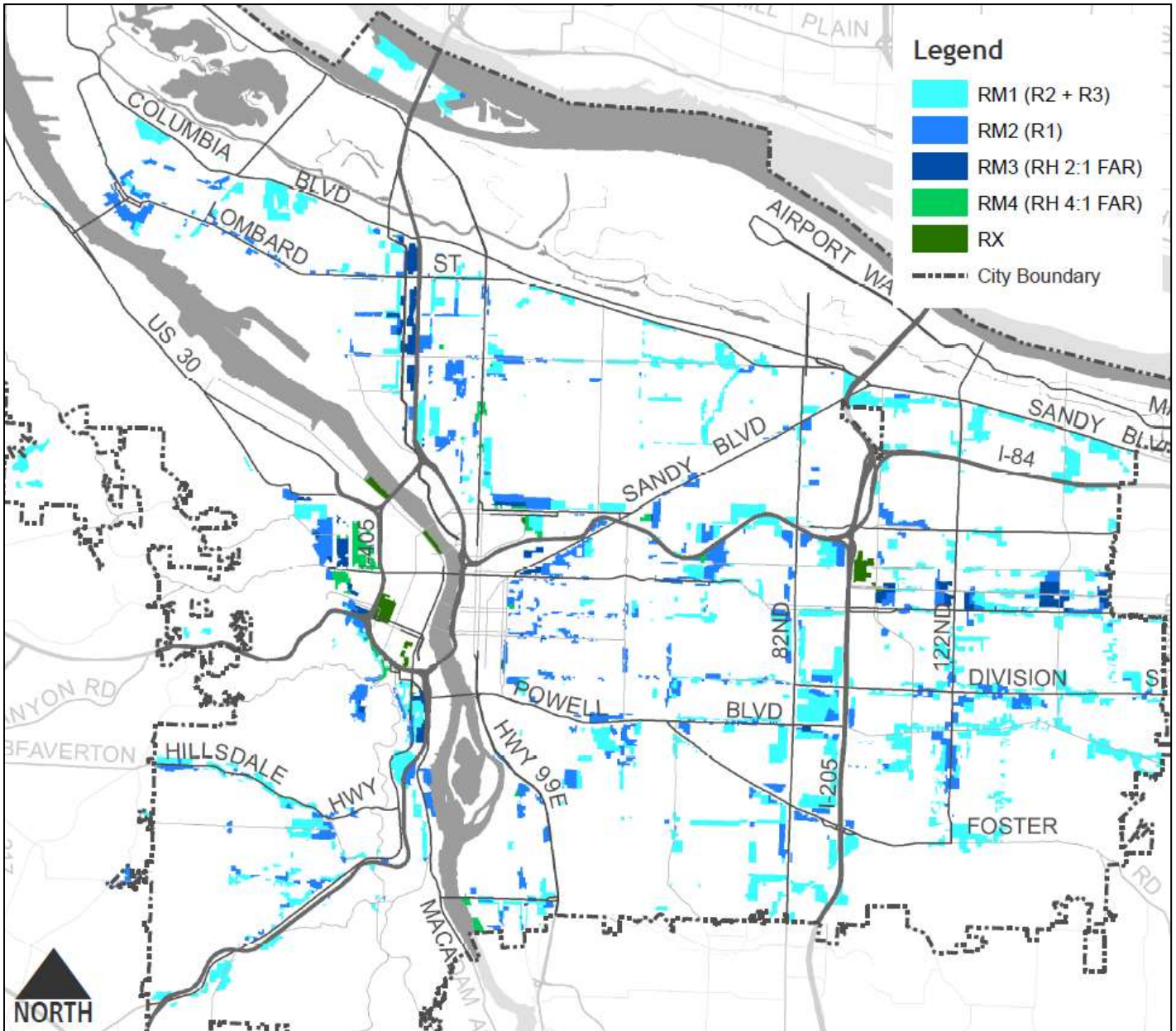
Maximum increase from transfers and development bonuses.

The proposal would limit the total amount of FAR that could be added to a site, from both transfers and from development bonuses, to 50 percent beyond the base FAR. An exception would be provided for projects using the special bonus for deeper housing affordability, which could receive up to a 100 percent increase in FAR.



Historic house and Douglas fir trees in East Portland.

Zoning Map Amendments: Proposed Base Zones



This shows draft amendments to the Zoning Map based on the proposed zoning framework, including the new zone names. The map changes only involve areas that already have multi-dwelling zoning. There are no expansions or other changes to where multi-dwelling zones are mapped. These Zoning Map changes and the new zoning framework also require corresponding amendments to the Comprehensive Plan and Map (see page 24).

See the online Map App (www.Portlandmaps.com/bps/mapapp) and select **Better Housing by Design** to view how the proposed Zoning Map changes affect individual properties.