# **Residential Infill Project**

# **Issues and Recommendations**

By Portland Coalition For Historic Resources pchr.chair@gmail.com

# Contents

Page 3 Context: What does state law (HB2001, 2019) require Portland to do?

Page 6 Issue #1: RIP upzoning provides no assurance that new replacement housing will be either affordable or family-friendly. It incentivizes demolition of smaller, less expensive houses, displacing families.

Page 16 Issue #2: RIP will yield a relatively modest number of new housing units, but will likely displace concentrations of existing residents, particularly those living in more affordable housing units.

Page 21 Issue #3: RIP allows scattershot densification that fails to advance Portland's walkability, sustainability, and transportation goals. It conflicts with policies of the 2035 Comprehensive Plan.

Page 28 Issue #4: Portland is a city of distinctive neighborhoods, yet RIP takes a "one-size-fits-all" approach by applying the same housing-scale and density allowances to residential neighborhoods throughout the city.

Page 37 Issue #5: RIP fails to adequately address environmental and waste stream impacts of housing demolitions and undermines the benefits from large tree canopies.

Page 40 Issue #6: RIP's promise to produce or induce "right-sized housing" and offer more "housing options" is untried, untested, and unproven in the face of market demand and economics.

# **Context:** What does state law (HB2001, 2019) require Portland to do?

SECTION 2. (2) Except as provided in subsection (4) of this section, each city with a population of 25,000 or more and each county or city within a metropolitan service district shall allow the development of:

(a) All middle housing types in areas zoned for residential use that allow for the development of detached single-family dwellings; and

(b) A duplex on each lot or parcel zoned for residential use that allows for the development of detached single-family dwellings.

"Middle housing" means duplex, triplex, quadplex, cottage clusters, and townhouses.

# Duplexes must be allowed on every lot but

Portland can decide where to permit triplexes, quadplexes, clusters, and townhouses

## Context: What does state law (HB2001, 2019) require Portland to do?

SECTION 2. (5) Local governments may regulate siting and design of middle housing required to be permitted under this section, provided that the regulations do not, individually or cumulatively, discourage the development of all middle housing types permitted in the area through unreasonable costs or delay. Local governments may regulate middle housing to comply with protective measures adopted pursuant to statewide land use planning goals.

SECTION 3. (4) In adopting regulations or amending a comprehensive plan under this section, a local government shall consider ways to increase the affordability of middle housing by considering ordinances and policies ...

# Portland may regulate siting, size, height, and design and require affordability in middle housing

## Context: What does state law (HB2001, 2019) require Portland to do?

(1) Notwithstanding ORS 197.646, a local government shall adopt land use

regulations or amend its comprehensive plan to implement section 2 of this 2019 Act no later than:

(a) June 30, 2021, for each city subject to section 2 (3) of this 2019 Act; or

(b) June 30, 2022, for each local government subject to section 2 (2) of this 2019 Act. <- this includes Portland

(2) The Land Conservation and Development Commission, with the assistance of the

Building Codes Division of the Department of Consumer and Business Services, shall develop a model middle housing ordinance no later than December 31, 2020.

(3) A local government that has not acted within the time provided under subsection (1) of this section shall directly apply the model ordinance developed by the commission under subsection (2) of this section under ORS 197.646 (3) until the local government acts as de- scribed in subsection (1) of this section.

Portland has until June 30, 2022 to adopt the model code or our own rules. *We have 2 ½ years to get this right.* 

What is "affordable" housing at 60% and 80% of median family income (MFI)? For a two bedroom:

At 60% MFI, \$1,190 is affordable

At 80% MFI, \$1,580 is affordable



#### 2019 Housing Affordability: Maximum Monthly Rent Including Utilities by Median Income With a Housing Burden of 30% (effective 4/24/2019)

| # of<br>Bedrooms | Household<br>Size | 30%   | 40%     | 45%     | 50%     | 55%     | 60%     | 65%     | 80%     | 100%    | 120%    |
|------------------|-------------------|-------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| 0                | 1                 | \$462 | \$616   | \$693   | \$770   | \$847   | \$924   | \$1,001 | \$1,232 | \$1,538 | \$1,845 |
| 1                | 1.5               | \$495 | \$660   | \$742   | \$825   | \$907   | \$990   | \$1,072 | \$1.320 | \$1,648 | \$1,977 |
| 2                | 3                 | \$594 | \$792   | \$891   | \$990   | \$1,089 | \$1,188 | \$1,287 | \$1,584 | \$1,977 | \$2,373 |
| 3                | 4.5               | \$685 | \$914   | \$1,028 | \$1,143 | \$1,257 | \$1,371 | \$1,486 | \$1,829 | \$2,285 | \$2,742 |
| 4                | 6                 | \$765 | \$1,020 | \$1,147 | \$1,275 | \$1,402 | \$1,530 | \$1,657 | \$2,040 | \$2,549 | \$3,058 |
| 5                | 7.5               | \$844 | \$1,125 | \$1,266 | \$1,406 | \$1,547 | \$1,688 | \$1,828 | \$2,251 | \$2,812 | \$3,375 |

When existing houses are replaced with new infill **duplexes** in Portland, it looks like this – *very expensive, not affordable* 



2760 NE Weidler St – original house



2760 NE Weidler St - townhouses built 2019, 2426 sq ft and **\$699,950** per unit (\$288/sqft, mortgage **\$3,484/mo**)

But wait, won't quadplexes be affordable?

When existing houses are replaced with new infill **quadplexes** in Portland, it looks like this – smaller, still *very* expensive, not affordable



621 NE Randall – original house



621 NE Randall - townhouses built 2019, 1461 sq ft and **\$599,900** per unit (\$410/sqft, mortgage **\$3,212/mo**)

But wait, won't RIP quadplexes be smaller, about 1,000 sqft, thus cheaper?

When existing houses are replaced with **smaller new infill** in Portland, it looks like this – smaller, *very expensive for size, still not affordable* 



1299 N Jessup St – original house



1281 N Jessup – townhouses built 2019, 1055 sqft and **\$394,000** each (\$373/sqft, mortgage **\$2,001/mo**)

Why is new infill housing so NOT affordable to BUY?

New infill is expensive to build. For-profit developers will not (can not) build and sell new infill for an affordable price. See below for a **quadplex with four units of 1,000 sq ft** each:

### Pro Forma Infill Development - Invest - Rent Price, rent, and income required for new infill

| То | Build | and | Sell As | Developer |  |
|----|-------|-----|---------|-----------|--|
|----|-------|-----|---------|-----------|--|

Developer buys infill property, demo and new build - assume sold at minimum price

|   |  |   | 1111111111111   |
|---|--|---|---|
| Number Units<br>Square footage (SF)<br>Construction cost/SF<br>Overhead, financing<br>Profit<br>Land acquisition  | 4<br>4000 SF<br>\$190/SF<br>10%<br>15%<br>\$400,000  | quadplex<br>typical house is 1600 SF, typical multiplex is 4000+ SF<br>\$180-200 typical in 2019; higher for more units (more kitchens, etc)<br>admin, marketing, commission, and financing costs<br>developer's profit margin<br>typical city infill lot is \$350-450K; can be lower in small town   | price for a<br>1000 sq ft<br>quadplex unit  |
| Demo, site prep<br>Fees, permits, taxes<br>Construction<br>Overhead, financing<br>Profit<br>Total minimum price<br>Min price/unit<br>SF/umt<br>Min Price/SF | \$15,000<br>\$50,000<br>\$760,000<br>\$82,500<br>\$183,750<br>\$1,491,250<br>\$372,813<br>1,000<br>\$373 | assumes existing house, trees to be removed<br>system development, permits, construction taxes - this is for Portland<br>cost/SF x SF<br>10% x land+demo+fees+construction<br>15% x land_demo+fees+construction+overhead<br>This is lowest viable sale price that "pencils out"<br><b>Total min price/units - lowest viable sale price per unit for developer</b><br>SF/units<br>Min unit price/unit SF | that makes<br>sense for a<br>developer to<br>build – <i>actual</i><br>sale price will<br>be as high as<br>"the market |

minimum it

\$370,000 is the

190093

will bear 10

Why is new infill housing so NOT affordable to RENT?

New infill is expensive to buy. For-profit landlords will not (can not) rent for an affordable price. See below for the same quadplex (duplexes are about 2X higher).

#### Pro Forma Infill Development - Invest - Rent Price, rent, and income required for new infill

#### To Buy and Rent As Investor

Investor buys new build, places in rental market - assume rented at minimum rent

|                | Capitalization rate         | 5.0%       | typically 5-7%, below 5% is unattractive investment/unprofitable after financing |                    |  |
|----------------|-----------------------------|------------|--|--------------------|--|
|                | Rental costs/rent           | 30%        | costs of maintenance, repair, vacancy, rental are 30% of gross rent              | \$2,200 is the     |  |
|                |                             |            |  |                    |  |
|                | Price/unit                  | \$372,813  | Min unit price from above  | lowest rent        |  |
|                | Min income                  | \$18,641   | Unit price x cap rate: this is lowest viable operating income that "pencils out" |                    |  |
|                | Min rent                    | \$26,629   | Gross rent needed to meet min income, at 30% cost ratio                          | that makes         |  |
|                | Min rent/month              | \$2,219    | Min gross rent per month - lowest viable unit rent per month for landlord        | sense for          |  |
|                |                             | <b></b>    |  |                    |  |
|                | To Rent As Tenant           |            |  | —— landlord to buy |  |
|                |                             | •          |  |                    |  |
|                | Tenant rents new build unit | building – |  |                    |  |
|                |                             |            |  | actual rent will   |  |
| This is tenant | Housing cost/income         | 30%        | total housing cost as % of tenant income: 30% is recommended maximum             |                    |  |
|                |                             |            |  | be as high as      |  |
| income         | Rent/month                  | \$2,219    | Min gross rent from above  | Ũ                  |  |
|                | Utilities/month             | \$200      | All utilities  | market will        |  |
| required for   | Housing cost                | \$2,419    |  | hoar               |  |
| the rent to be | Min income/month            | \$8.064    | Housing cost / 30%: this is lowest monthly income tenant can have                | bear               |  |
| the rent to be | Min income/year             | \$96,765   | Min income/month x 12 -lowest viable annual income of tenant                     |                    |  |
| "affordable" _ |                             | <b>T</b>   |  | 11                 |  |
|                |                             |            |  | X X                |  |

Are these numbers right?

Here is a chart presented by the Portland Small Developers Association (PSDA) and Portland For Everyone (P4E) in testimony to the PSC.



Portland **Small Developer** Alliance

The developers' association said the lowest rent for a RIP quadplex will be about \$2,297/mo.

They called this *affordable*.

In most areas of Portland, rent at this level drives gentrification and displacement.

# **Four+ Plexes for Affordability**

For the market to deliver units affordable to average Portland households, it must be allowed at least four units on a lot.

|                                   | !  | Single Family | Duplex     | Triplex      | 4-Plex       | 8-Plex       |  |
|-----------------------------------|--|---------------|------------|--------------|--------------|--------------|--|
| Size (SqFt)                       |  | 2500          | 2500       | 3,600        | 4,400        | 4,400        |  |
| FAR                               |  | 0.5           | 0.5        | 0.72         | 0.88         | 0.88         |  |
| Unit Size (SqFt)                  |  | 2500          | 1250       | 1,200        | 1,100        | 550          |  |
| Property Acquisition              | \$   | 350,000       | \$ 350,000 | \$ 350,000   | \$ 350,000   | \$ 350,000   |  |
| Total Development Cost            | \$   | 750,000       | \$ 862,500 | \$ 1,110,000 | \$ 1,260,000 | \$ 1,280,000 |  |
| Sales Price per Unit (Buy)        | \$   | 750,000       | \$ 431,250 | \$ 370,000   | \$ 315,000   | \$ 160,000   |  |
| Rent/Unit/Month                   | \$   | 5,469         | \$ 2,734   | \$ 2,698     | \$ 2,297     | \$ 1,167     |  |
| Pro-forma for inner neighborhoods |  |               |            |              |              |              |  |
| ortland, OR                       | tland, OR Residential Infill Project April |               |            |              |              | April,       |  |

Let's be very clear. RIP will produce new infill housing that is much more EXPENSIVE than average existing Portland housing, and NOT AFFORDABLE by any standard.

New RIP infill will rent for \$2,200 for a 1,000 sqft quadplex unit - or more. That is . . .

33% more than the average rent for two bedroom apartments in Portland which is \$1,645.1

40% more than the **affordable level for 80% MFI** which is **\$1,580**.

85% more than the affordable level for 60% MFI which is \$1,190.

1/ State of Housing 2018, Portland Housing Bureau https://www.portlandoregon.gov/phb/article/707182

*Okay, RIP will not produce affordable or even average-priced housing. But Portland needs expensive, not-affordable housing too - right?* 

Portland is building new expensive, not-affordable apartments at a record rate. In the Portland metro area, right now there are 26,830 total apartment units in the development pipeline.<sup>1</sup> The vacancy rate for new, expensive apartments (4 and 5 star) is nearly 10%.<sup>2</sup> We have LOTS of expensive, non-affordable housing being built.

1/ Berkadia 3Q19 Portland region report. https://www.berkadia.com/research-and-resources

2/ Barry Apartment Reports, 2019. http://www.barryapartmentreport.com/reports



# **RECOMMENDATION FOR ISSUE #1:**

Require affordability as the tradeoff for additional density in single family zones. **Permit a triplex or quadplex in a RIP zone only if one unit in each triplex or quadplex should be permanently affordable at 60-80% of MFI.** The affordable unit should be **equivalent** to the market-rate units in size, accessibility, and amenities.

Allow **demolitions of** existing sound, naturally affordable housing only if **at least one replacement unit is permanently affordable at 60-80% of Median Family Income.** This should apply to duplexes as well as tri/quadplexes.

# **ISSUE #2:** A Bureau of Planning and Sustainability economic analysis has concluded that RIP will yield a relatively

City of Portland, Planning and Sustainability Commission

Residential Infill Project – 3.12.19

'NO' votes

modest number of new housing units, but will likely displace concentrations of existing residents, particularly those living in more affordable housing units.



#### Commissioner Baugh

We are considered one of the whitest cities [in the country] and I think RIP really becomes, as I said before, **Institutional Racism** - to create THE whitest city. How do we really respond as a city and recognize the value of people in this economic class? It's not only minorities,

but it's low-income, it's working people that are going to serve your coffee tomorrow and your dinner tonight, that you can now say 'Portland's not for you'. I think there's also a Fair Housing issue here, if you dig deep enough into the displacement, I do disparity studies, there is disparity here in the Fair Housing Act. I think we are making a bad decision.

#### Commissioner St. Martin

The one thing I think we can't ignore is the **displacement risk**. It's a tough problem and I know that there's no easy solution that's just waiting for us. But I still really have a concern that we don't have targeted and funded programs to help with that and that **we're doing some** 

**exacerbation**. It is really important to recognize that the diversity of our city makes it a vibrant city. But in terms of **displacement**, I believe the most effective method is to **PREVENT the displacement**. So taking care of some of those low-income homeowners that we have and helping them to stay and figure out how to create that generational wealth, that those things take time and we really need to put those in place. So because I would like to send that signal that **displacement**, we just can't ignore it, I will respectfully vote no.

Every person of color on the PSC voted "NO" on RIP due to the displacement that it will bring.



#### Commissioner Larsell

I really don't think that just by having it go to City Council there will be any pressure on them to do anything about [displacement] mitigation. You know, we'll have a letter, but I would really like to see East Portland be able to come and meet this piece of, I guess you'd call it

legislation, come and meet this change and have some resources at its disposal to be able to take advantage of this so that it can help the people that are homeowners there now, and for the renters, and for the different groups of **people that may struggle under this**. I would at least like City Council to be able to say 'Well, why did they vote against it?'. I think the more message we can give them that we have concerns about this, BIG concerns, I do. So I'm voting no.



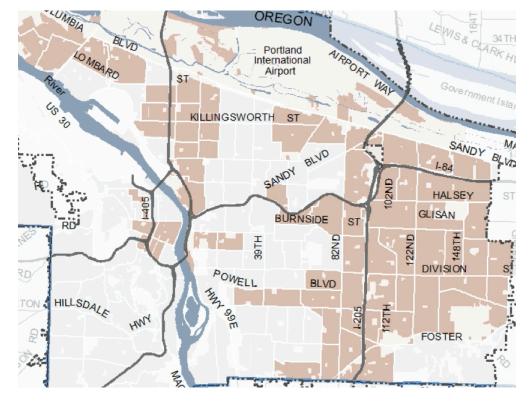
#### **Commissioner Quiñonez**

I share a lot of the same concerns as Commissioner Baugh and Commissioner Larsell. I think when you're somebody who has experienced **displacement** yourself, being somebody who has worked with a lot of people who have experienced **displacement**, there's a sort

of intuitive knowledge that is sometimes really hard to articulate about what will cause your **displacement**, what will cause your community to really transform into **something that is no longer for you** and is now for people who earn much more money than you, for example. I say this with having this experience of **displacement** but also as a planning student. Given the history of planning. So due to that and also as Commissioner Larsell was saying, I don't think a strong worded letter to City Council will be enough to get them to really act boldly on **anti-displacement** under RIP. I'm **voting no.** 

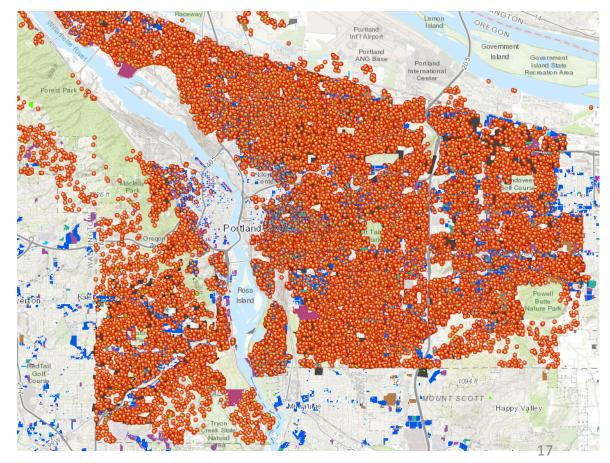
# Issue #2: A Bureau of Planning and Sustainability economic analysis has concluded that RIP will yield a relatively modest number of new housing units, but will likely displace concentrations of existing residents, particularly those living in more affordable housing units.

These maps show Displacement Risk Areas (per 2018 assessment) and Portland's rental houses (*red dots*). The Portlanders living in these houses, who make less than \$100,000/yr, cannot afford the new RIP infill housing and are threatened with displacement.



Displacement Risk Areas (2018 city assessment)

Red dots = rental; single-family houses in Portland



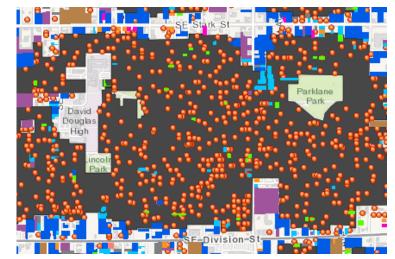
Issue #2: A Bureau of Planning and Sustainability economic analysis has concluded that RIP will yield a relatively modest number of new housing units, but will likely displace concentrations of existing residents, particularly those living in more affordable housing units.



Kenton & Arbor Lodge

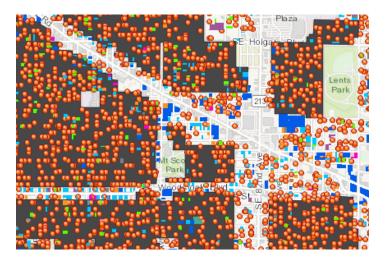


Concordia, Woodlawn, Vernon



Powellhurst-Gilbert, Centennial

Here is a closer look at some of the Portlanders who are at risk of displacement (the *red dots*)



Mt Scott, Lents, Foster-Powell

Issue #2: A Bureau of Planning and Sustainability economic analysis has concluded that RIP will yield a relatively modest number of new housing units, but will likely displace concentrations of existing residents, particularly those living in more affordable housing units.

*Is displacement only going to happen in a few neighborhoods?* 

NO – people will be displaced from every neighborhood; every neighborhood has rental houses.

Will only the residents of demolished houses be displaced?

NO – RIP redevelopment will displace lower-income Portlanders through gentrification and rising rents.

"The changes to neighborhood housing markets that lead to the displacement of lower-income residents are not and should not be unpredictable (particularly not when increased market activity by higher-income households and consumers is an express goal of the development/redevelopment)." 2013 Gentrification and Displacement Study

But won't RIP create replacement housing for those displaced?

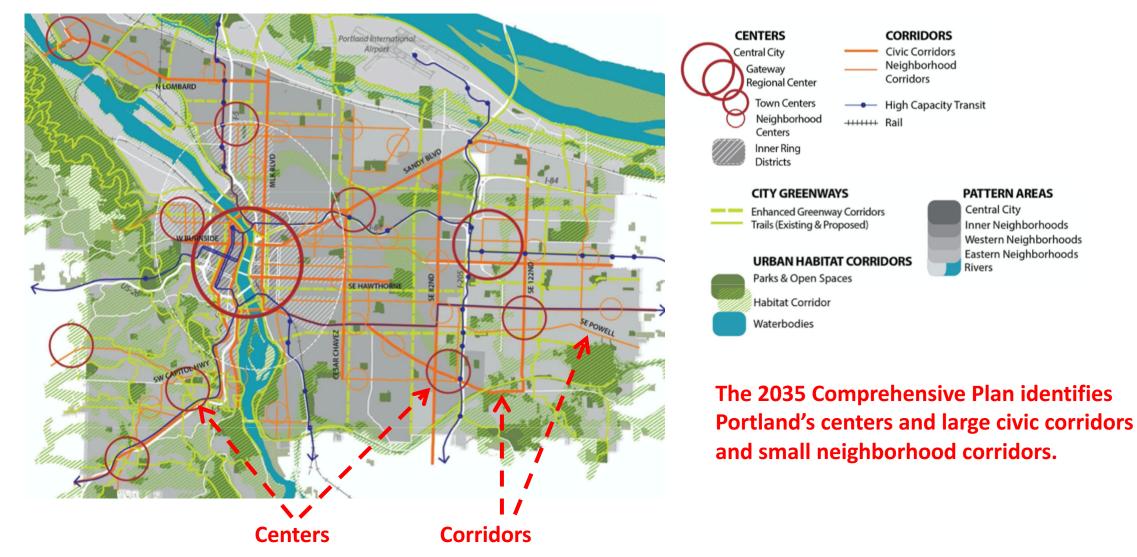
NO – because many displaced Portlanders cannot afford the RIP housing; they don't make \$100K/yr

Issue #2: A Bureau of Planning and Sustainability economic analysis has concluded that RIP will yield a relatively modest number of new housing units, but will likely displace concentrations of existing residents, particularly those living in more affordable housing units.

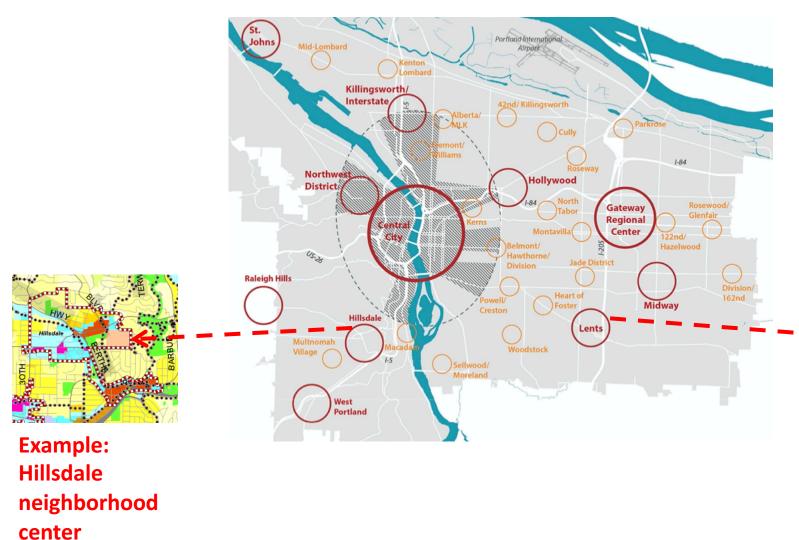
# **RECOMMENDATION FOR ISSUE #2:**

To avoid intensifying already serious displacement problems, **before adopting RIP**, **the city should complete an Anti-Displacement Action Plan**, assure long-term **funding for its implementation**, and develop a system for tracking its effectiveness.

**ISSUE #3:** RIP allows scattershot densification that fails to advance Portland's walkability, sustainability, and transportation goals. It conflicts with policies of the 2035 Comprehensive Plan.



Issue #3: RIP allows scattershot densification that fails to advance Portland's walkability, sustainability, and transportation goals. It conflicts with policies of the 2035 Comprehensive Plan.

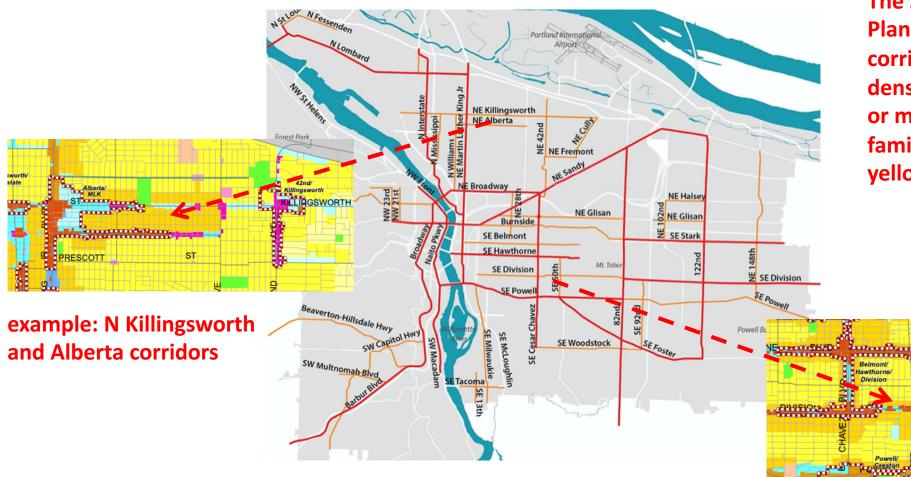


The 2035 Comprehensive Plan identifies Portland's centers where high density multifamily development is permitted (blue on zoning maps below).



Example: Lents neighborhood center

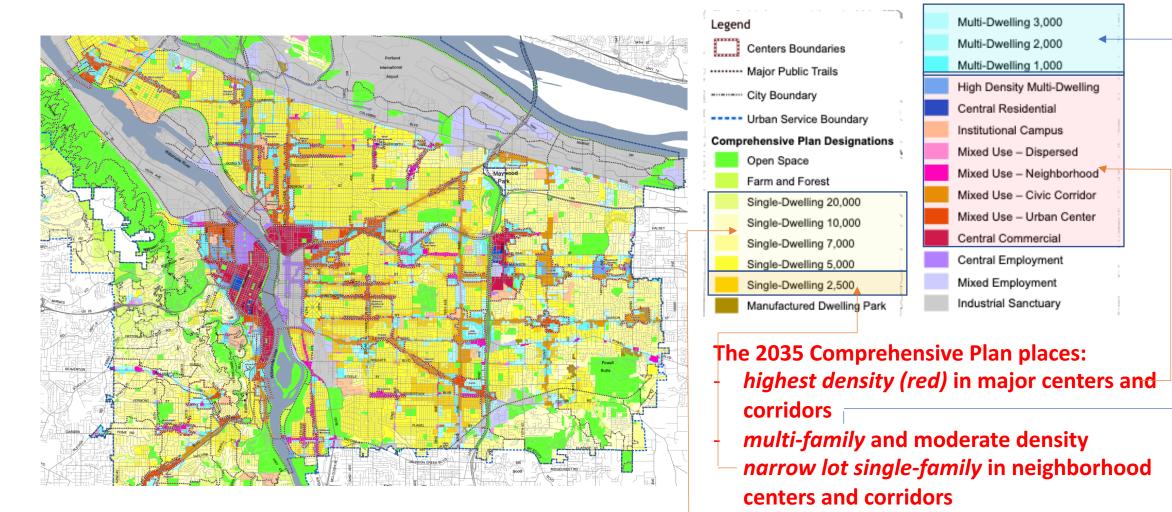
Issue #3: RIP allows scattershot densification that fails to advance Portland's walkability, sustainability, and transportation goals. It conflicts with policies of the 2035 Comprehensive Plan.



The 2035 Comprehensive Plan identifies Portland's corridors where high density multi-family (blue) or moderate density singlefamily on narrow lots (dark yellow) is permitted.



**Example: SE Hawthorne, Division, Powell corridors**  Issue #3: RIP allows scattershot densification that fails to advance Portland's walkability, sustainability, and190093 transportation goals. It conflicts with policies of the 2035 Comprehensive Plan. Multi-family



*lower density single-family* away from
centers and corridors

Issue #3: RIP allows scattershot densification that fails to advance Portland's walkability, sustainability, and transportation goals. It conflicts with policies of the 2035 Comprehensive Plan.

The 2035 Comprehensive Plan **requires** Portland to focus density and growth on centers and corridors, while maintaining stability in lower-density single-family house neighborhoods.

GOAL 3.C: Focused growth

Household and employment growth is focused in the Central City and other centers, corridors, and transit station areas, creating compact urban development in areas with a high level of service and amenities, while allowing the relative stability of lower-density single-family residential areas.

Ç

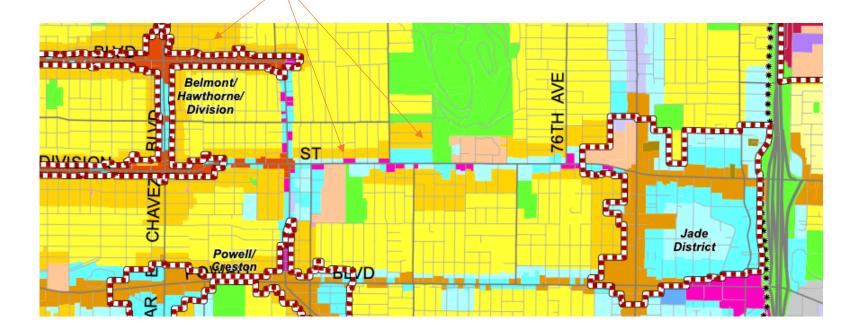
Policy 3.2 Growth and stability. Direct the majority of growth and change to centers, corridors, and transit station areas, allowing the continuation of the scale and characteristics of Portland's residential neighborhoods.

The 2035 Comprehensive Plan committed Portland to maintain the scale, characteristics, and stability of lower-density single-family residential areas Issue #3: RIP allows scattershot densification that fails to advance Portland's walkability, sustainability, and transportation goals. It conflicts with policies of the 2035 Comprehensive Plan.

How can Portland adjust RIP to comply with both the 2035 Comprehensive Plan and with HB2001?

Permit duplex development throughout single-family residential areas. This is required by HB2001.

Permit triplex, quadplex, cluster, townhouse development in the R2.5 single-family areas already zoned for moderate-density narrow lot single-family (dark yellow). This is permitted by HB2001.



Issue #3: RIP allows scattershot densification that fails to advance Portland's walkability, sustainability, and transportation goals. It conflicts with policies of the 2035 Comprehensive Plan.

# **RECOMMENDATION FOR ISSUE #3:**

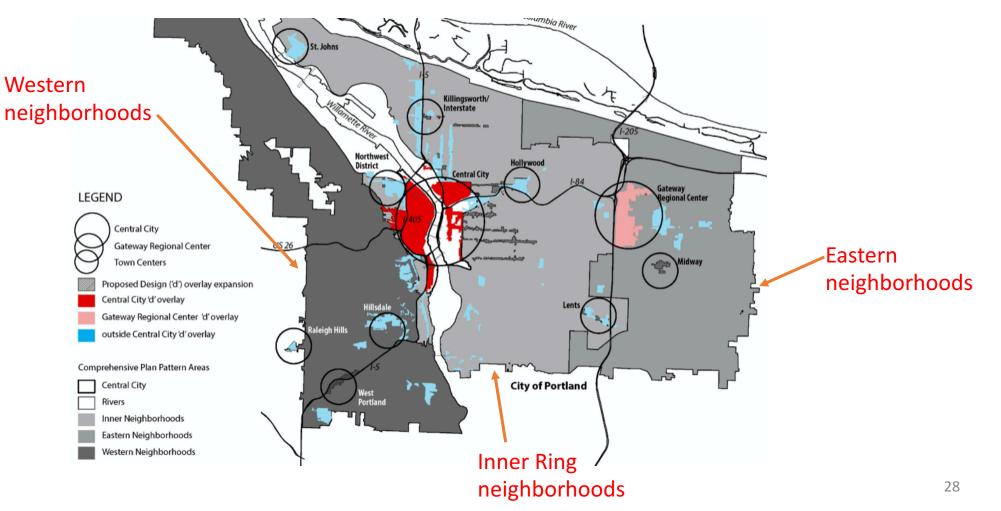
Allow all middle housing only in R2.5 zones already designated for moderatedensity narrow lot single family. Allow duplexes throughout single-family zones.

Focus density on centers and along corridors with frequent, reliable and safe transit service. (See <u>Comp Plan Policies 3.2</u> and 5.23, pp. GP3-8 & GP5-9) Analyze the transportation impacts of scattershot densification.

As called for in the Comprehensive Plan, "[e]nsure that new high-density and largescale infill development adjacent to single dwelling zones incorporates design elements that soften transitions in scale and limit light and privacy impacts on adjacent residents." (Comp Plan Policy 4.30, p. GP4-9)

**ISSUE #4:** Portland is a city of distinctive neighborhoods, yet RIP takes a "one-size-fits-all" approach by applying the same housing-scale and density allowances to residential neighborhoods throughout the city. This approach conflicts with at least 11 policies in the Comprehensive Plan (CP I-27)

The 2035 Comprehensive Plan recognizes the distinct characteristics of Portland's neighborhoods: the "Western", "Inner Ring", and "Eastern" neighborhood areas.



Issue #4: Portland is a city of distinctive neighborhoods, yet RIP takes a "one-size-fits-all" approach by applying the same housing-scale and density allowances to residential neighborhoods throughout the city. This approach conflicts with at least 11 policies in the Comprehensive Plan (CP I-27)

The 2035 Comprehensive Plan **requires** development rules be tailored to recognize and enhance the characteristics of each neighborhood area.

# For the Inner Ring Neighborhoods

- "The Inner Ring Districts include some of Portland's oldest neighborhoods, with several historic districts and a broad diversity of housing types . . . These policies acknowledge that growth in the Inner Ring Districts plays an important role in allowing more people to have access to their many opportunities, but also acknowledge that this growth should be integrated into these areas' historic urban fabric."
- "Maintain and enhance the distinct identities of the Inner Ring Districts and their corridors. Use and expand existing historic preservation and design review tools to accommodate growth in ways that identify and preserve historic resources and enhance the distinctive characteristics of the Inner Ring Districts . . . "
- "Acknowledge that these areas are historic assets and should retain their established characteristics and development patterns, even as Inner Ring centers and corridors grow. Apply base zones in a manner that takes historic character and adopted design guidelines into account."
- "Fill gaps in the urban fabric through infill development on vacant and underutilized sites and in the reuse of historic buildings on adopted inventories."
- "Continue the patterns of small, connected blocks, regular lot patterns, and streets lined by planting strips and street trees in Inner Neighborhood residential areas."

Issue #4: Portland is a city of distinctive neighborhoods, yet RIP takes a "one-size-fits-all" approach by applying the same housing-scale and density allowances to residential neighborhoods throughout the city. This approach conflicts with at least 11 policies in the Comprehensive Plan (CP I-27)

The 2035 Comprehensive Plan **requires** development rules be tailored to recognize and enhance the characteristics of each neighborhood area.

# For the Eastern Neighborhoods

- "[C]ontinue the area's verdant character and provide a more livable environment, while reducing disparities . . ."
- "[B]uild on positive aspects of the area's large blocks, such as opportunities to continue mid-block open space patterns and create new connections through blocks that make it easier to access community destinations."
- "Require that land be aggregated into larger sites before land divisions and other redevelopment occurs. Require site plans which advance design and street connectivity goals."
- "Encourage development and right-of-way design that preserves and incorporates Douglas fir trees and groves, and that protects the area's streams, forests, wetlands, steep slopes, and buttes."
- "Encourage landscaped building setbacks along residential corridors on major streets."

Issue #4: Portland is a city of distinctive neighborhoods, yet RIP takes a "one-size-fits-all" approach by applying the same housing-scale and density allowances to residential neighborhoods throughout the city. This approach conflicts with at least 11 policies in the Comprehensive Plan (CP I-27)

The 2035 Comprehensive Plan **requires** development rules be tailored to recognize and enhance the characteristics of each neighborhood area.

# For the Western Neighborhoods

- "Enhance the village character of the Western Neighborhoods' small commercial districts and increase opportunities for more people to live within walking distance of these neighborhood anchors."
- "Encourage new development and infrastructure to be designed to minimize impacts on the area's streams, ravines, and forested slopes."

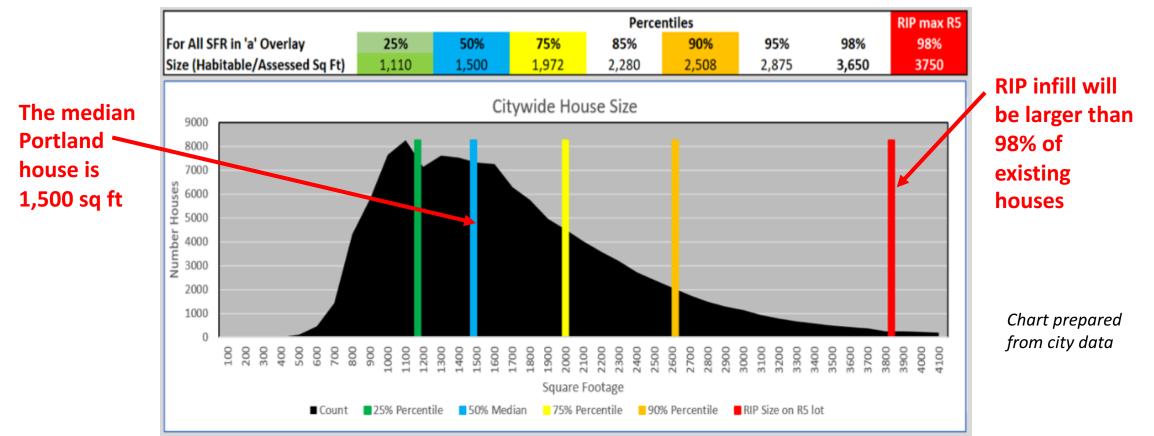
Issue #4: Portland is a city of distinctive neighborhoods, yet RIP takes a "one-size-fits-all" approach by applying the same housing-scale and density allowances to residential neighborhoods throughout the city. This approach conflicts with at least 11 policies in the Comprehensive Plan (CP I-27)

RIP fails to comply with the Comprehensive Plan. It applies identical "cookie-cutter" rules for size, height, setback, design, form and scale to every neighborhood and every lot. It encourages cookie-cutter development that conflicts with neighborhood characteristics, and will be grossly out of scale in many neighborhoods



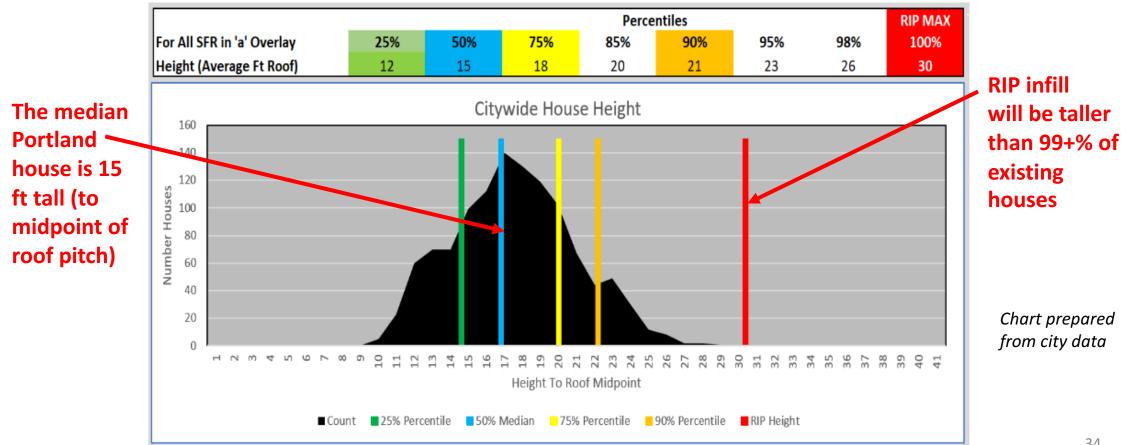
Issue #4: Portland is a city of distinctive neighborhoods, yet RIP takes a "one-size-fits-all" approach by applying the same housing-scale and density allowances to residential neighborhoods throughout the city. This approach conflicts with at least 11 policies in the Comprehensive Plan (CP I-27)

RIP fails to comply with the Comprehensive Plan. It applies identical "cookie-cutter" rules for size, height, setback, design, form and scale to every neighborhood and every lot. It encourages cookie-cutter development that conflicts with neighborhood characteristics, and will be grossly out of scale in many neighborhoods.



Issue #4: Portland is a city of distinctive neighborhoods, yet RIP takes a "one-size-fits-all" approach by applying the same housing-scale and density allowances to residential neighborhoods throughout the city. This approach conflicts with at least 11 policies in the Comprehensive Plan (CP I-27)

RIP fails to comply with the Comprehensive Plan. It applies identical "cookie-cutter" rules for size, height, setback, design, form and scale to every neighborhood and every lot. It encourages cookie-cutter development that conflicts with neighborhood characteristics, and will be grossly out of scale in many neighborhoods.



Issue #4: Portland is a city of distinctive neighborhoods, yet RIP takes a "one-size-fits-all" approach by applying the same housing-scale and density allowances to residential neighborhoods throughout the city. This approach conflicts with at least 11 policies in the Comprehensive Plan (CP I-27)

# **RECOMMENDATION FOR ISSUE #4:**

Respect context. Make building design compatible with surrounding areas in single family zones especially with respect to the size, height, front setbacks and form of nearby structures<sup>1</sup>.

Transition building scale from higher to lower density using "middle housing" forms. Create affordable housing through financial and regulatory incentives, not through Floor Area Ratio bonuses that increase the allowable size.

1/ For example: "New infill development may be X% taller than tallest house on the block, up to Y feet max". Note BPS/BDS have a city database of the height and size of every house in Portland.

# **Issue #5:** RIP fails to adequately address environmental and waste stream impacts of housing demolitions and undermines the benefits from large tree canopies.

Residential demolition is a leading source of lead and other toxic pollution of soil and air in neighborhoods. Council passed an ordinance in 2018 requiring lead mitigation during demolitions.

The ordinance is not working. City inspectors monitor less than 20% of demolitions. The ombudsman's office says: "A key portion of city code is not being enforced. It's unacceptable," Tony Green tells WW. "Code unambiguously requires inspectors onsite during demolitions. Otherwise, there's no way to hold builders accountable to protect public health. The city is failing in its obligation to protect children from exposure to life-altering, toxic lead dust."

... The demolition of homes, particularly older ones, presents real public health risks.

- ... The paint on a house from the 1920s or 1930s ... may contain 50 or 60 pounds of pure lead
- ... much of the lead from a tear-down can spread the length of a football field in all directions.

... Lead neither decays, degrades nor washes away. Lead dust is a potent neurotoxin that may cling to the fingers of a toddler crawling around the backyard and then get into her mouth and eventually to her brain, causing permanent damage ... The American Academy of Pediatrics declares there's "no safe level of lead in blood."

... The health effects fall hardest on the most vulnerable children. (Willamette Week, Nov 12, 2019.)

RIP encourages more demolitions in residential neighborhoods. This means more lead exposure for vulnerable children.

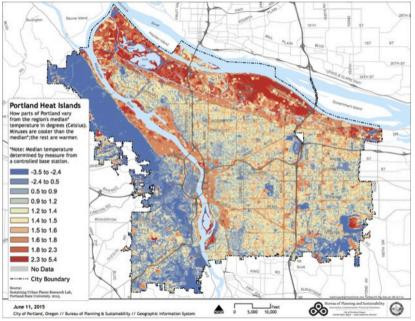
# Issue #5: RIP fails to adequately address environmental and waste stream impacts of housing demolitions and undermines the benefits from large tree canopies.

Portlanders value our urban tree canopy. Our city's trees reduce urban heat, improve air quality, and remove CO2. Portland needs more trees, not fewer.

Our lowest-income neighborhoods typically have the greatest need for more tree canopy. (PSU map shown)

Demolition and redevelopment almost always results in removal of the site's trees. Even where our tree code ostensibly protects trees, the fee to remove mature trees is so nominal that developers routinely clear every tree from an infill lot.

Demolition also generates 90% of construction and demolition waste, which fills landfills at twice the volume of municipal garbage. (US EPA.)



RIP encourages more tree cutting and more demolition waste. It contains no incentives to preserve trees, and only minor incentives to retain and expand/convert existing buildings.

190093

Issue #5: RIP fails to adequately address environmental and waste stream impacts of housing demolitions and undermines the benefits from large tree canopies.

## **RECOMMENDATION FOR ISSUE #5:**

Limit demolition of sound existing housing to reduce the impact of replacement construction on the waste stream and on our carbon footprint.

Encourage rehabilitation and adaptive reuse where appropriate to minimize carbon and waste impacts, preserve mature trees, minimize community disruption, and provide more affordable homes (Comp Plan Policy 4.17, 4.48, & 4.60 at pp. GP4-7, GP 4-11, & GP 4-13).

Require that RIP analysis include energy, environmental, and waste stream impacts.

**ISSUE #6:** RIP's promise to produce or induce "right-sized housing" and offer more "housing options" is untried, untested, and unproven in the face of market demand and economics. Portland will need to begin planning for beyond 2035 but not in haste, not without carefully assessing the options.

RIP is not necessary to accommodate population growth. According to City Principal Planner, Eric Engstrom:

"Q: Without the Residential Infill Project, could we still accommodate the expected number of people moving to Portland?

A: In pure numbers terms, yes. This isn't really about hitting our numbers. The plan anticipated about a hundred and twenty-three thousand households that would be - that the city would grow by that amount in the next twenty years. We can accommodate that number of people without the RIP project." (KBOO interview of Eric Engstrom, City Principal Planner, September 2018; see also Buildable Lands Inventory)

Instead, RIP is intended to encourage more "housing options" aka "middle housing".

The negatives of RIP – displacement, demolition, deforestation, expensive housing for the high income – mean that Portland should proceed with this experiment in carefully.

Portland has a history of well-intentioned urban renewal programs that have led to disastrous results – usually concentrated on vulnerable communities. As seen in Albina and North Portland, it is almost impossible to reverse these consequences. After property is upzoned, downzoning is very difficult.

Issue #6: RIP's promise to produce or induce "right-sized housing" and offer more "housing options" is untried, untested, and unproven in the face of market demand and economics. Portland will need to begin planning for beyond 2035 but not in haste, not without carefully assessing the options.

## **RECOMMENDATION FOR ISSUE #6:**

Pilot the proposal.

Before applying RIP's far-reaching and potentially irreversible concepts city-wide, conduct and assess pilot projects in a few self-selected neighborhoods to determine whether the results line up with the desired goals.

Create locally appropriate strategies by involving these communities.

The Portland Coalition For Historic Resources (PCHR) is an umbrella organization including representatives of historic preservation organizations, housing affordability advocates, civic groups, and other civic-minded individuals.

PCHR welcomes the opportunity to further discuss how Portland can make RIP work for all Portlanders and especially those at the greatest risk of displacement.

Please direct questions to PCHR at <a href="mailto:pchr.chair@gmail.com">pchr.chair@gmail.com</a>

#### John Liu

#### #82996 | January 15, 2020

#### Testimony to Portland City Council on the Residential Infill Project, Recommended Draft

The Portland Coalition for Historic Resources (PCHR) is a broad consortium of Portlanders that includes community leaders, Restore Oregon, United Neighborhoods for Reform, members of the Residential Infill Project Stakeholder Committee, architects, planners, and others. We are committed to ensuring that Portland is a place where all are welcome and a city that builds for the future while maintaining assets that contribute to its success and livability for everyone. Contact us at pchr-chair@gmail.com. PCHR shares widespread concerns about the lack of affordable housing and strongly supports efforts to address this need in ways that are consistent with the 2035 Comprehensive Plan. While the Residential Infill Project (RIP) Recommended Draft makes a number of recommendations that we support, we find that it is overall problematic. RIP seems likely to exacerbate, rather than alleviate, housing affordability and dislocation problems. RIP also falls short in addressing major goals of the 2035 Comprehensive Plan, including and especially Goal 4.A: context-sensitive design and development, which calls for "new development [that] is designed to respond to and enhance the distinctive physical, historic and cultural qualities of its location." To be very clear: RIP is NOT needed to accommodate Portland's future growth. - On February 25, 2019, the City of Portland (Joe Zender, Director, Bureau of Planning and Sustainability) testified to the State Legislature: "Our zoning map provides twice as much capacity as forecasted growth" and "Portland recently completed an eight-year process, with extensive public engagement, to update our comprehensive plan. Through that process, the City re-committed to a strategy that focuses our growth in our transit-oriented mixed-use centers and corridors (see map). In addition to the comprehensive plan update, the City also updated the Central City plan, which included increases in building heights, density and affordable housing bonuses." https://olis.leg.state.or.us/liz/2019R1/Downloads/CommitteeMeetingDocument/163170?fbclid=IwAR041HgSuUjJGuPbcIzG9PSVIot0b5muUreKDUA7L\_z9J0tQH4YymwHOTfY - On February 25, 2019, Metro (Andy Shaw, Director of Government Affairs) testified: "The capacity of zoning is not really the challenge that the Portland Region faces. We have capacity for approximately 1.3 million more homes in the Portland Region. We don't expect to need that many homes. The challenge is more of a market and infrastructure challenge in our area." https://olis.leg.state.or.us/liz/2019R1/Downloads/CommitteeMeetingDocument/163408?fbclid=IwAR3Ri5VcQu5Yq62UegQs78\_n0jfZ88yaTWUWm34impS\_k\_DIU7dPtqfnP1Y RIP is also NOT required to provide capacity for middle housing. - In Portland's single family zones, duplexes are already permitted on every corner lot (about 25% of all single family zoned lots) and ADUs are permitted on all lots. - Approximately 16,000 single family houses now sit on lots zoned for multifamily which includes middle housing. What RIP will do is: - Accelerate demolition of smaller, less expensive single family houses and displacement of vulnerable communities and renters, in a repeat of previous ill-considered efforts at "urban redevelopment" in North Portland and elsewhere. - Produce expensive middle housing units, accessible only to higher income households (income of \$100,000 and up), by replacing existing naturally affordable housing. - NOT produce housing accessible to median or lower income households, and NOT produce "affordable" housing. - Displace lower income renters, vulnerable persons and communities of color, to be replaced by higher income households in an acceleration of the displacement and gentrification that has already "priced out" tens of thousands of Portlanders. - Produce scattershot densification without regard to the Comprehensive Plan goals of focusing density in centers and corridors served by frequent transit. - Apply a one-size-fits-all zoning to a city of distinctive neighborhoods, without regard to the existing size and scale of houses. - Accelerate destruction of our urban tree canopy and toxic lead pollution from demolition operations. PCHR requests that city council consider the following serious issues with RIP and adopt the following recommendations: Issue #1: RIP upzoning provides no assurance that new replacement housing will be either affordable or family-friendly while it incentivizes the demolition of smaller, less expensive houses, thereby dislocating families. Recommendation: Require affordability as the tradeoff for additional density in single family zones. Allow demolitions of sound, affordable housing only if replacement units are permanently affordable at 60-80% of Median Family Income. Issue #2: A Bureau of Planning and Sustainability economic analysis has concluded that RIP will yield a relatively modest number of new housing units, but will likely displace concentrations of existing residents, particularly those living in more affordable housing units. Recommendation: To avoid intensifying already serious displacement problems, before adopting RIP, the city should complete an Anti-Displacement Action Plan, assure long-term funding for its implementation, and develop a system for tracking ADAP's effectiveness. Issue #3: RIP allows scattershot densification that fails to advance Portland's walkability, sustainability, and transportation goals. It conflicts with policies of the 2035 Comprehensive Plan. Recommendation: Focus density around centers and along corridors with frequent, reliable and safe transit service. (See Comp Plan Policies 3.2 and 5.23, pp. GP3-8 & GP5-9) Analyze the transportation impacts of scattershot densification. As called for in the Comprehensive Plan, "[e]nsure that new high-density and large-scale infill development adjacent to single dwelling zones incorporates design elements that soften transitions in scale and limit light and privacy impacts on adjacent residents." (Comp Plan Policy 4.30, p. GP4-9) Issue #4: Portland is a city of distinctive neighborhoods, yet RIP takes a "one-size-fits-all" approach by applying the same housing-scale and density allowances to residential neighborhoods throughout the city. This approach conflicts with at least 11 policies in the Comprehensive Plan (CP I-27) Recommendation: Respect context. Make building design compatible with surrounding areas in single family zones especially with respect to the size, height and front setbacks of nearby structures. Transition building scale from higher to lower density using "middle housing" forms. Create affordable housing through financial and regulatory incentives, not through Floor Area Ratio bonuses that increase the allowable size. Issue #5: RIP fails to adequately address environmental and waste stream impacts of housing demolitions and undermines the benefits from large tree canopies. Recommendation: Constrain demolition of sound existing housing to reduce the impact of replacement construction on the waste stream and on our carbon foot print. Additionally, encourage rehabilitation and adaptive reuse where appropriate to minimize carbon and waste impacts, preserve mature trees, minimize community disruption, and provide more affordable homes. (Comp Plan Policy 4.17, 4.48, & 4.60 at pp. GP4-7, GP 4-11, & GP 4-13). Require that RIP analysis include energy, environmental, and waste stream impacts. ISSUE #6: RIP's promise to produce or induce "right-sized housing" and offer more "housing options" is untried, untested, and unproven in the face of market demand and economics. Portland will need to begin planning for beyond 2035 but not in haste, not without carefully assessing the options, and not without a vision beyond door-count planning offered by the RIP. Recommendation: Pilot the proposal. Before applying RIP's far-reaching and potentially irreversible concepts city-wide, conduct and assess pilot projects in a few self-selected neighborhoods to determine whether the results line up with the desired goals. Create locally appropriate strategies by involving these communities. As Portland and many other cities learned from the urban-renewal era, well-interhirograms sometimes yield disastrous results. According to the Buildable Land Inventory, Portland's existing zoning already provides a 20 year supply of land for all types of housing, including the promised "innovative housing". The high demand regionally for single family houses suggests that RIP may result in additional pressure on the region's urban reserves, drive inequity, and reduce diversity in the City's housing choices. We attach a presentation with illustrations, maps, charts, calculations, and data underlying our recommendations. This presentation is clear and readable, and we would very much appreciate your review of it. John Liu Chair, Portland Coalition for Historic Resources pchr-chair@gmail.com

Adam Zielinski 6488 SW Capitol Hwy Portland OR 97239

#### **Residential Infill Project Comment Letter**

January 15, 2020

Dear Mayor and City Commissioners,

I am writing in support of the proposed Residential Infill Project proposal, and I encourage you to pass it as it stands now, while also beginning work immediately on a Phase II proposal for additional amendments and expansions.

As a long time renter here in Portland, housing affordability is an issue I am intimately familiar with.

I also work in the construction industry as a Building Science Advisor, working with infill and new home builders by providing insulation, blower door and duct blaster tests, and energy modeling and verification services for homes that comply with various energy efficiency and environmental sustainability certification programs, including the Energy Trust of Oregon's New Homes EPS program, and the Environments for Living certification program.

I am convinced that the primary reason for high rental and housing prices in Portland is the fact that housing supply has not kept up with the growth in population and household formation over the past 25 years or so. Although there has been a fair amount of new construction recently, it hasn't kept pace with the large numbers of people who have moved here from other parts of the country.

Restrictive zoning regulations are the primary reason why builders are not building "missing middle" type housing that is more affordable to average people. The triple decker or quadruple decker apartment buildings so ubiquitous in many cities on the east coast are actually illegal to build in most residential parts of Portland. Yet this type of housing is the backbone of middle class housing affordability.

I am concerned that the longer that implementation of this infill project is delayed, the worse housing affordability and displacement will get in Portland.

Smaller, older homes will continue to be demolished/de-constructed and replaced with much larger single-family homes, as the market continues to do the only thing it's allowed to do under the existing single family zoning code.

Gentrification and displacement are caused by a lack of adequate housing supply in upper middle class and wealthier neighborhoods. When wealthier people bid up prices in the most desirable neighborhoods, then upper middle class and middle class people are priced out of those neighborhoods and in turn bid up prices in poorer neighborhoods. This then prices out lower middle class people out of the poorer neighborhoods.

The only solution is to legalize building more housing of many different types to accommodate everyone who wants to live here.

There are many small and large builders, developers, and non profits who would be willing and able to meet the demand for missing middle and more affordable housing types if only they were legalized and allowed.

I believe we need to take a step back and take a fresh look at all the complicated zoning regulations that are in place. Why were they adopted in the first place? Why are they needed? What problems are they supposed to be solving? If you look around town at older neighborhoods and how they evolved and grew organically before restrictive zoning codes were adopted in the 1950's, you realize that things would probably be just fine if most of the zoning regulations were just repealed or liberalized even much more than anyone is currently proposing.

We need to get back to first principles. Property owners should basically have the fundamental property right to build what they want to on their own property, as long as it does not materially impact or harm the public or any neighboring property owners.

Any zoning regulations should have to pass the test of whether or not they are necessary for some compelling public or governmental purpose or need.

Busybody neighbors trying to exert micro-managing control over property they do not own is not a compelling public purpose and not something government should accommodate or facilitate.

I think an objective review of existing zoning regulations would show that most do not exist to serve any compelling public or governmental purpose. They are there primarily to benefit and enhance existing landowners' and homeowners' property values at the expense of those who do not own land or homes. They were created to keep certain socio economic classes and types of people out of certain neighborhoods, and that is still the main reason they still exist.

Does an extra unit or two in a fourplex or eightplex building really have any impact on neighboring property owners and their quality of life? Would anyone or anything really be harmed by a building with a little more FAR than currently allowed? The answer is no, there is no good legitimate public purpose to these kinds of micro managing, nit-picky regulations. Certainly, the reasons are not good enough to override the default assumption that property owners should have the freedom to build what they want, as long as it doesn't materially impact or harm the public or any neighboring property owners.

So I recommend going much further than the current RIP proposal to legalize more housing types and even repeal a lot of the micro-managing regulations that really have little to no compelling public purpose behind their existence.

Nevertheless as I said above, I support passing the current RIP proposal as is, because we can't afford delay any longer. Work should then begin immediately on a RIP Phase II package to expand and improve on the RIP Phase I zoning changes.

I am basically in agreement with the Portland Small Developers Alliance, whose letter I signed onto, as well as the Portland: Neighbors Welcome recommendations, although personally I would go even further in liberalizing the code to legalize and allow an even wider variety of housing types, heights, and sizes.

Here is a list of some ideas that could be included in a RIP Phase II package:

- Affordability Bonus: Allowing up to eight homes (8-plexes) on a lot if at least 20% of the homes are affordable to 60% AMI and 20% to 80% AMI, with a max FAR of 1.5, will allow for affordable housing to be built without subsidy, as long as unit size is not regulated. Larger, more expensive units can cross-subsidize smaller, more affordable units. That's how the market can be made to work for us.
- **Map Changes:** Certain map changes need to be made to provide equity of opportunity in terms of where the benefits of the R2.5 zone are made available. There are areas of R5 applied to lot patterns with a standard lot size of less than 5,000 sq ft, and to areas of historic 2,500 sf lots, near frequent transit where map changes would be the most equitable solution to ensure equal access to opportunity.
- Form Based Code: The scale of the building should be regulated, not the number of units within. While the scale of the building should be increased if the building contains more than one unit, the absolute total number of units within the building should not be capped. Dividing the acquisition and construction costs over more units will act to bring the sales or rental price per unit down, thus resulting in greater affordability. The scale of buildings should be regulated for height, lot coverage, pedestrian-friendliness, relationship to adjacent structures, and relationship to the street. The number of dwelling units within the building envelope should be decided by the developer in response to perceived market demand. Further, a form-based code can be paired with design guidelines to ensure that the resulting style is compatible with neighborhood ideals.
- Housing product diversity promotion: To allow the market to best deliver products that meet the economic needs of our neighbors over the coming decades, we suggest:
  - Height Classification: The height calculation should be changed to clarify that a two-and-a-halfstory house will always be legal in all zones, atop a full-side, full-height daylight basement. Neither should count towards FAR.
  - Height Maximum: R2.5 zones should maintain their 35-foot height limit and not experience a reduction to 30 feet.
  - **Height on Flag Lots:** Houses built on flag lots should maintain the same height limits as all other allowed housing.

- **Height Measurement:** Height should be measured from the midpoint elevation adjacent to a structure, not the low point.
- Scale: If a project meets the criteria of one affordable and one visitable unit, such that at least 50% of all units are both visitable and/or affordable, then the project should be eligible to build up to 1 FAR, 35 feet in height, and with a front setback of ten feet (to maximize the amount of private back yard area shared by residents).
- New Sources of Financing: I agree about the need to explore new low-interest financing sources to enable low-income Portlanders to build their own ADUs and other product types that will be legalized by the infill project. Providing low-interest construction and take-out financing for the development of a diverse range of product types could be a tremendous tool to allow more Portlanders access to the next rungs up on the economic ladder.

I believe that these adjustments to the RIP proposal will allow small developers to work with neighborhoods to provide the diversity of housing types that must be built in order for supply to come back into balance with the changing demographic demands of current and future generations.

With all of the work that has been done on the Residential Infill Project, let's pass the proposed version now, without any further delays. Then, the City should immediately begin working on a Phase 2 package of amendments and improvements, such as those outlined above, to be enacted later.

Sincerely,

delazió

Adam Zielinski 6488 SW Capitol Hwy Portland OR 97239

## Adam Zielinski

### #82997 | January 15, 2020

#### Testimony to Portland City Council on the Residential Infill Project, Recommended Draft

Adam Zielinski 6488 SW Capitol Hwy Portland OR 97239 Residential Infill Project Comment Letter January 15, 2020 Dear Mayor and City Commissioners, I am writing in support of the proposed Residential Infill Project proposal, and I encourage you to pass it as it stands now, while also beginning work immediately on a Phase II proposal for additional amendments and expansions. As a long time renter here in Portland, housing affordability is an issue I am intimately familiar with. I also work in the construction industry as a Building Science Advisor, working with infill and new home builders by providing insulation, blower door and duct blaster tests, and energy modeling and verification services for homes that comply with various energy efficiency and environmental sustainability certification programs, including the Energy Trust of Oregon's New Homes EPS program, and the Environments for Living certification program. I am convinced that the primary reason for high rental and housing prices in Portland is the fact that housing supply has not kept up with the growth in population and household formation over the past 25 years or so. Although there has been a fair amount of new construction recently, it hasn't kept pace with the large numbers of people who have moved here from other parts of the country. Restrictive zoning regulations are the primary reason why builders are not building "missing middle" type housing that is more affordable to average people. The triple decker or quadruple decker apartment buildings so ubiquitous in many cities on the east coast are actually illegal to build in most residential parts of Portland. Yet this type of housing is the backbone of middle class housing affordability. I am concerned that the longer that implementation of this infill project is delayed, the worse housing affordability and displacement will get in Portland. Smaller, older homes will continue to be demolished/de-constructed and replaced with much larger single-family homes, as the market continues to do the only thing it's allowed to do under the existing single family zoning code. Gentrification and displacement are caused by a lack of adequate housing supply in upper middle class and wealthier neighborhoods. When wealthier people bid up prices in the most desirable neighborhoods, then upper middle class and middle class people are priced out of those neighborhoods and in turn bid up prices in poorer neighborhoods. This then prices out lower middle class people out of the poorer neighborhoods. The only solution is to legalize building more housing of many different types to accommodate everyone who wants to live here. There are many small and large builders, developers, and non profits who would be willing and able to meet the demand for missing middle and more affordable housing types if only they were legalized and allowed. I believe we need to take a step back and take a fresh look at all the complicated zoning regulations that are in place. Why were they adopted in the first

place? Why are they needed? What problems are they supposed to be solving? If you look around town at older neighborhoods and how they evolved and grew organically before restrictive zoning codes were adopted in the 1950's, you realize that things would probably be just fine if most of the zoning regulations were just repealed or liberalized even much more than anyone is currently proposing. We need to get back to first principles. Property owners should basically have the fundamental property right to build what they want to on their own property, as long as it does not materially impact or harm the public or any neighboring property owners. Any zoning regulations should have to pass the test of whether or not they are necessary for some compelling public or governmental purpose or need. Busybody neighbors trying to exert micro-managing control over property they do not own is not a compelling public purpose and not something government should accommodate or facilitate. I think an objective review of existing zoning regulations would show that most do not exist to serve any compelling public or governmental purpose. They are there primarily to benefit and enhance existing landowners' and homeowners' property values at the expense of those who do not own land or homes. They were created to keep certain socio economic classes and types of people out of certain neighborhoods, and that is still the main reason they still exist. Does an extra unit or two in a fourplex or eightplex building really have any impact on neighboring property owners and their quality of life? Would anyone or anything really be harmed by a building with a little more FAR than currently allowed? The answer is no, there is no good legitimate public purpose to these kinds of micro managing, nit-picky regulations. Certainly, the reasons are not good enough to override the default assumption that property owners should have the freedom to build what they want, as long as it doesn't materially impact or harm the public or any neighboring property owners. So I recommend going much further than the current RIP proposal to legalize more housing types and even repeal a lot of the micro-managing regulations that really have little to no compelling public purpose behind their existence. Nevertheless as I said above, I support passing the current RIP proposal as is, because we can't afford delay any longer. Work should then begin immediately on a RIP Phase II package to expand and improve on the RIP Phase I zoning changes. I am basically in agreement with the Portland Small Developers Alliance, whose letter I signed onto, as well as the Portland: Neighbors Welcome recommendations, although personally I would go even further in liberalizing the code to legalize and allow an even wider variety of housing types, heights, and sizes. Here is a list of some ideas that could be included in a RIP Phase II package: ? Affordability Bonus: Allowing up to eight homes (8-plexes) on a lot if at least 20% of the homes are affordable to 60% AMI and 20% to 80% AMI, with a max FAR of 1.5, will allow for affordable housing to be built without subsidy, as long as unit size is not regulated. Larger, more expensive units can cross-subsidize smaller, more affordable units. That's how the market can be made to work for us. ? Map Changes: Certain map changes need to be made to provide equity of opportunity in terms of where the benefits of the R2.5 zone are made available. There are areas of R5 applied to lot patterns with a standard lot size of less than 5,000 sq ft, and to areas of historic 2,500 sf lots, near frequent transit where map changes would be the most equitable solution to ensure equal access to opportunity. ? Form Based Code: The scale of the building should be regulated, not the number of units within. While the scale of the building should be increased if the building

contains more than one unit, the absolute total number of units within the building should not be capped. Dividing the acquisition and construction costs over more units will act to bring the sales or rental price per unit down, thus resulting in greater affordability. The scale of buildings should be regulated for height, lot coverage, pedestrian-friendliness, relationship to adjacent structures, and relationship to the street. The number of dwelling units within the building envelope should be decided by the developer in response to perceived market demand. Further, a form-based code can be paired with design guidelines to ensure that the resulting style is compatible with neighborhood ideals. ? Housing product diversity promotion: To allow the market to best deliver products that meet the economic needs of our neighbors over the coming decades, we suggest: ? Height Classification: The height calculation should be changed to clarify that a two-and-a-half-story house will always be legal in all zones, atop a full-side, full-height daylight basement. Neither should count towards FAR. ? Height Maximum: R2.5 zones should maintain their 35-foot height limit and not experience a reduction to 30 feet. ? Height on Flag Lots: Houses built on flag lots should maintain the same height limits as all other allowed housing. ? Height Measurement: Height should be measured from the midpoint elevation adjacent to a structure, not the low point. ? Scale: If a project meets the criteria of one affordable and one visitable unit, such that at least 50% of all units are both visitable and/or affordable, then the project should be eligible to build up to 1 FAR, 35 feet in height, and with a front setback of ten feet (to maximize the amount of private back yard area shared by residents). ? New Sources of Financing: I agree about the need to explore new low-interest financing sources to enable low-income Portlanders to build their own ADUs and other product types that will be legalized by the infill project. Providing low-interest construction and take-out financing for the development of a diverse range of product types could be a tremendous tool to allow more Portlanders access to the next rungs up on the economic ladder. I believe that these adjustments to the RIP proposal will allow small developers to work with neighborhoods to provide the diversity of housing types that must be built in order for supply to come back into balance with the changing demographic demands of current and future generations. With all of the work that has been done on the Residential Infill Project, let's pass the proposed version now, without any further delays. Then, the City should immediately begin working on a Phase 2 package of amendments and improvements, such as those outlined above, to be enacted later. Sincerely, Adam Zielinski 6488 SW Capitol Hwy Portland OR 97239

# Dan Handel

## #82998 | January 15, 2020

#### Testimony to Portland City Council on the Residential Infill Project, Recommended Draft

I am submitting testimony in support of the Residential Infill Project. My wife and I are currently renters in the Montavilla neighborhood and we hope to become homeowners in the future. We are in our late 20s and the biggest challenge for us is affordability. Even with both of us working professional full-time jobs, it is challenging to save substantially on a monthly basis after taking into account student loan payments, car payments, and the standard bills. Factoring in the various programs for first-time buyers, a downpayment still remains in the multiple tens of thousands of dollars and means we will have to save for much longer than we'd like to. Beyond personal circumstances, we support RIP because if the City has an opportunity to utilize land use regulations to increase supply of housing throughout the neighborhoods. Spreading these new allowances around the city would help provide options in a variety of locations, helping people to choose where they would like to live rather than focusing on where they can afford to live. Another concern of ours is climate change, a topic that very much relates to housing. Each year produces new record temperatures, decreased snowpack in the mountains, and more dangerous storms. RIP helps to create higher densities along and near main thoroughfares, which in turn support a multimodal transportation system. If our society is to overcome its reliance on personal vehicles for transportation, cities need be transformative in how they house and move people. Portland has the opportunity to become a leader in this transformation. Finally, reducing homelessness starts with increasing the supply of housing. So many of our fellow Portlanders are one unexpected financial burden away from becoming homeless. Many already experiencing it are just out of reach of securing a place to call home. Increasing housing supply is not the silver bullet cure, but it is a vital step in creating a community focused on lifting people up rather than adding to their daily anxieties. In closing, we sincerely thank all the staff and elected officials for your time and effort put towards making Portland a city that seeks to grow sustainably and equitably. We hope you approve the RIP proposal.

## Sam Bones

## #82999 | January 15, 2020

Testimony to Portland City Council on the Residential Infill Project, Recommended Draft

NO! NONONO! Back to your hell, you evil demons of infill. NO!

## **Chris Mommsen**

## #83000 | January 15, 2020

#### Testimony to Portland City Council on the Residential Infill Project, Recommended Draft

Dear Mayor Wheeler and Commissioners, Please consider my strong support in favor the Residential Infill Project. My wife and I have a young daughter, and the type of housing options that would be made more abundant by this policy have already had a huge positive impact on our lives. When looking for housing in Portland, it quickly becomes clear that: 1. The "starter home" (small single family house) of our parents' generation generation is no longer affordable in most of Portland except at a fairly high income. This applies whether you rent or buy. 2. The new-build apartments that have made up most of the recent building boom weren't great for our family because they are all built on busy arterial streets. We want to be able to go for a walk with our kid without having her in danger of walking into 40 MPH car traffic right out the front door. For the past two years we've been living in a duplex while a third tenant lives in an ADU. Having the land cost split across three households makes this an affordable option for us compared to the neighboring single family homes, but allows us to live a block from the car-related noise and danger of the arterials. These options could be even more affordable if we allowed four-plexes everywhere! Unfortunately, due to the current zoning code the arrangement that allowed this duplex many years ago isn't available to most young families like mine. Please legalize these housing options so more families can benefit. Thanks for your consideration. Best, Chris Mommsen



January 15, 2020

Office of the Council Clerk 1221 SW 4<sup>th</sup> Avenue, Room 130 Portland, OR 97204

Re: The Residential Infill Project

Mayor Wheeler and Members of the Portland City Council,

I am here today on behalf of Home Forward, the Housing Authority for Multnomah County, in strong support of the proposed Residential Infill Project. Our strategic plan states that: "We'll work tirelessly to add more affordable housing in our community, regardless of our role or ownership stake..." and the Residential Infill Project will add more affordable housing to our community.

We support this proposal because it will increase the supply of both affordable and market rate housing. I am sure you will hear from many community members in opposition to this proposal who will testify that if it only allowed homes that were 100 hundred percent affordable, they would support it. As a representative of the largest affordable housing provider in the state, I want to push back on that argument. We need subsidized middle housing, but the key to creating subsidized homes is not banning middle-priced homes. It is subsidy. Home Forward's data shows that market-rate middle housing lets our subsidies go further, enabling us to serve more families earning low-incomes in Multnomah County.

The largest affordable housing subsidy in the country is the Housing Choice Voucher program, which we administer in Multnomah County. In 2019, 16 percent of all Home Forward voucher holders lived in a duplex, triplex, or quad. That is over 1,100 families and 3,610 people. We analyzed the average rents of homes that voucher holders were living in by housing type and found that average rents were significantly lower for duplexes, triplexes, and quads compared to single-family homes. While voucher holders pay a percentage of their income towards rent, this is important because it allows us to pay less per household served, so we can serve more households earning low incomes. For example, the average rent of a duplex, triplex, or quad was 22 percent less than a single-family home in 2019.

We estimate that the difference between using those 1,100 vouchers in a duplex, triplex, or quad instead of a single-family home is a cost savings equivalent to serving an additional 585 households.

Finally, we support the proposal because people earning low-incomes in Portland who don't have access to affordable housing are at risk of displacement and the proposal is projected to reduce overall displacement by 28 percent. We understand that the Displacement Risk Analysis identified a few areas where displacement risk would increase in the short-term and we support the formation of a Displacement Task Force to mitigate that risk in meaningful partnership with community-based and culturally specific organizations.

Thank you so much for the opportunity to testify in support of the Residential Infill Project today.

Sincerely, Taylor Smiley Wolfe Director of Policy and Planning Home Forward

# **Taylor Smiley Wolfe**

### #83001 | January 15, 2020

#### Testimony to Portland City Council on the Residential Infill Project, Recommended Draft

January 15, 2020 Office of the Council Clerk 1221 SW 4th Avenue, Room 130 Portland, OR 97204 Re: The Residential Infill Project Mayor Wheeler and Members of the Portland City Council, I am here today on behalf of Home Forward, the Housing Authority for Multnomah County, in strong support of the proposed Residential Infill Project. Our strategic plan states that: "We'll work tirelessly to add more affordable housing in our community, regardless of our role or ownership stake..." and the Residential Infill Project will add more affordable housing to our community. We support this proposal because it will increase the supply of both affordable and market rate housing. I am sure you will hear from many community members in opposition to this proposal who will testify that if it only allowed homes that were 100 hundred percent affordable, they would support it. As a representative of the largest affordable housing provider in the state, I want to push back on that argument. We need subsidized middle housing, but the key to creating subsidized homes is not banning middle-priced homes. It is subsidy. Home Forward's data shows that market-rate middle housing lets our subsidies go further, enabling us to serve more families earning low-incomes in Multnomah County. The largest affordable housing subsidy in the country is the Housing Choice Voucher program, which we administer in Multnomah County. In 2019, 16 percent of all Home Forward voucher holders lived in a duplex, triplex, or quad. That is over 1,100 families and 3,610 people. We analyzed the average rents of homes that voucher holders were living in by housing type and found that average rents were significantly lower for duplexes, triplexes, and quads compared to single-family homes. While voucher holders pay a percentage of their income towards rent, this is important because it allows us to pay less per household served, so we can serve more households earning low incomes. For example, the average rent of a duplex, triplex, or quad was 22 percent less than a single-family home in 2019. We estimate that the difference between using those 1,100 vouchers in a duplex, triplex, or quad instead of a single-family home is a cost savings equivalent to serving an additional 585 households. Finally, we support the proposal because people earning low-incomes in Portland who don't have access to affordable housing are at risk of displacement and the proposal is projected to reduce overall displacement by 28 percent. We understand that the Displacement Risk Analysis identified a few areas where displacement risk would increase in the short-term and we support the formation of a Displacement Task Force to mitigate that risk in meaningful partnership with community-based and culturally specific organizations. Thank you so much for the opportunity to testify in support of the Residential Infill Project today. Sincerely, Taylor Smiley Wolfe Director of Policy and Planning Home Forward

## **Dane Wilson**

## #83002 | January 15, 2020

#### Testimony to Portland City Council on the Residential Infill Project, Recommended Draft

I'm a 62-year-old southwest Portland resident and I support the Residential Infill Project. I have lived in Portland for nearly 30 years and raised two daughters here. I am also an active member of the Portland art community and a fervent follower of the Portland music scene. I have seen my children, my friends, and members of my community priced out of the city because they cannot find an affordable place to live. Many of the artists I knew 20 years ago cannot afford a home here. The same is true for musicians. When I moved here, young musicians made Portland special, and we had a lot of them because they could afford to live here. Now I see far fewer because they need to move to cheaper cities to keep making their art. One of my daughters had to move back home to save money, despite working a good-paying, full-time job. We raised our family in the kind of little house that's basically impossible to find in Portland now. If we were looking to move to Portland now, instead of thirty years ago, we wouldn't be able to find a place we could afford either. We could not have afforded a big house, but that's all there is for sale these days. People can't afford the big houses that are being built in my neighborhood, and neighborhoods across Portland. We could use some smaller homes, so families like ours can get the same chance we did. Triplexes and fourplexes can be those smaller homes. Fourplexes don't scare me. Every fourplex I see in Portland looks basically just like the single-family homes on either side of it. They blend nicely, and they're cheaper than big, single-family houses. We need more of them. What scares me is Portland becoming a city just for the rich. Let's not let that happen. Please pass the Residential Infill Project.

# **Georgeanne Wilson**

## #83003 | January 15, 2020

#### Testimony to Portland City Council on the Residential Infill Project, Recommended Draft

I support the Residential Infill Project. I'm worried about how expensive the city is getting, and I think it's time we did something about it other than just complain. When my husband and I moved to southwest Portland in the early 1990s with our two small daughters, we were able to afford a small home, despite having working-class jobs and very little savings. We watched our children grow up in that little house. It means a lot to us and we love it a great deal. When we moved to the neighborhood, our lovely little house was surrounded by other lovely little homes. Not so much these days. In recent years, we have seen many of the nice little houses around just get replaced by big identical expensive McMansions. Where I part ways with some of my southwest Portland neighbors, though, is that I believe triplexes and fourplexes would help. Our backyard is proof. We have a small house but a big lot. We could build two extra homes on our lot, with room to spare. That would save two classic houses in our neighborhood from being torn down and replaced. The way I see it, people are going to keep moving to Portland, like it or not. If we only let people build one-family houses, we'll keep seeing many, many cute houses torn down and replaced by McMansions. If we let people build triplexes and fourplexes, we can put the people who move here on a lot fewer lots, and save a lot of homes from demolition. That just makes sense to me. Please pass the Residential Infill Project and save my neighborhood from more demolitions. Thank you!

## Irene Jarrett

### #83004 | January 15, 2020

#### Testimony to Portland City Council on the Residential Infill Project, Recommended Draft

Tax Payer concerns about RIP to Mayor Wheeler, Council members and Planning and Sustainability: Spending Tax Payer monies recklessly. When the state level of HB 2001 details have yet to be announced or even voted on, why are you jumping the gun and spending tax payer funds for employees to take any action? The prudent, fiscally responsible, logical, etc answer is not to try and build a house when the foundation has not even been laid out. Lack of parking. How do you expect elderly, families with small children, disabled individuals, etc to do daily required tasks, shopping, go to jobs, sports, visit friends/family, medical visits, groceries and a multitude of other things without a car. Public transit is ok for specific instances, however not an overwhelming population of the tri county area and population. Bicycles and public transportation are not the solution. Seriously, this is mid valley Oregon. Rain and temperatures are not conducive to people/families on a daily basis. 36 inches on average per year. Not to mention the diversity in terrain including steep hills. It applies only to a fraction of the greater Portland population. Duplexes, triplexes and quadraplexes: Fine for major corridors with access to public transit. Not for neighborhoods. Increased traffic and parking for road infrastructure that can not handle it. Reduction in trees, back yards, gardens, birds and all other small wildlife creatures does nothing for the environment or livability. New construction does not equate to reduced home or rental costs. Increased fees and taxes are one factor. Each neighborhood has their attractions because they are not cookie cutter. Each taxpayer chooses different areas for what they offer. By diluting the attractions it does not make it better. Additional dups, tris and quads do nothing but dilute what was attractive to them in the first place. Construction companies and their lobbyists are one time temporary profit players and then they move on to their next profit leaving their marginal construction damage behind and then again move on. They reap financial profits from the city ordinances and the general public ends up paying the price. Construction companies track records with public funding in Portland has a dismal history. Please stop this from happening again. We the tax payers, home owners and renters end up paying taxes in the long run vs the construction industry profiteers. Do not destroy our neighborhoods. Please do not enact RIP until the real state HB 2001 facts are in. Please do not waste our taxes with city employees busy work before the real state HB2001 is determined and there is some accountability. Please remember real we live, bought homes, move to the area for specific reasons, one being livability. Jamming extra dwellings on very corner does NOTHING for livability.

## **Michael Westling**

## #83005 | January 15, 2020

#### Testimony to Portland City Council on the Residential Infill Project, Recommended Draft

Dear Mayor and City Commissioners, Following important progress in tenant protections and funding for subsidized affordable housing, I encourage you to take another step to improve access to housing options across the City of Portland by updating our zoning code to allow for duplexes, triplexes, and fourplexes in every residential neighborhood, with additional units if those units are affordable to Portlanders with lower incomes. I have lived in nine different duplexes, triplexes, and fourplexes in my life. The first was the duplex my parents were renting when they brought me home from the hospital. At the time, my mother was working as a bank teller and my father was worked at a slaughterhouse to pay his way through college. Living in a duplex in a walkable neighborhood gave my family an economic opportunity that helped to set up me and my siblings for success. Since then, I've lived in duplexes and triplexes in Madison, Ann Arbor, Michigan, and Washington, D.C. -each time the availability of this housing type allowed me to live in a neighborhood I otherwise never would have been able to afford. Now, as a homeowner, I look around at my neighborhood in Northeast Portland and I see space for more people to take advantage of the parks, the playgrounds, the grocery store, the small businesses, the university, and the brand new K-8 school that are all within walking distance of our home. The problem is that the only housing type allowed on my block is a single-family home -- and that's not affordable for most people. An ad in my neighborhood newspaper just listed the median home price there at over a half-million dollars. My family couldn't afford to live where we do if we bought a home today. In many ways, proximity has become the equivalent of opportunity in Portland. The location of housing options is just as important as how many options are available. It's past time that we open up our residential neighborhoods to more people than just those who can afford the skyrocketing costs of single-family homes. I'm currently 35 years old and my wife and I have two sons, age 2 and age 4. We plan to live in our home for the next 30 years -- and we welcome new neighbors living in single-family homes -and in ADUs, duplexes, triplexes, and fourplexes. That's the kind of community I want to be a part of for the long term -- one that has the housing options to accommodate families of all sizes, types, and incomes. It's important to remember that we're not making zoning decisions for this year or next. We're updating the rules for decades to come — and the new housing we build today will last for generations. We can choose to continue to only allow expensive McMansions in our residential neighborhoods or we can allow for smaller housing types that, now and in the future, will allow a young family starting out to live in a neighborhood that would otherwise be out of reach. Thank you for your thoughtful consideration of this important change to our city's zoning rules.

January 15, 2020

Mayor Ted Wheeler Commissioners Eudaly, Fritz and Hardesty City of Portland 1220 SW Fourth Avenue Portland, OR 97204

Re: Residential Infill Plan Comments

The Residential Infill Plan (RIP) proposal before you is a "one-size-fits-all" proposal for more residential density within the City of Portland city limits without any regard for whether there is infrastructure to support it. This is contrary to the founding principles of Oregon's Land Use Planning Goals and the City of Portland's Comprehensive Plan. The motivation appears to be an assumption that more housing units = more affordable housing as the primary goal of residential infill. This approach does not factor in the cost of transportation, schools, parks and community centers, stormwater management and other natural resources, and property taxes that affect housing affordability. The only exceptions to the proposed infill zoning are the "z" properties that have natural resources constraints.

I recommend that you go back to the earlier Comprehensive Plan proposal to focus infill in "centers and corridors" that have the infrastructure to support it.

In particular, the current proposal to allow denser infill housing without off-street parking in areas that do not have frequent transit service or other alternative transportation choices will result in more cars on our streets. I am very concerned that this will lead to increases in greenhouse gas emissions and decreases in neighborhood safety and livability. I find this potential unintended consequence unacceptable.

Please re-evaluate the proposed zoning maps with a geographic lens to consider whether there is transit service, sidewalks and bike paths, parks and community centers and public funding to support needed public schools, police and fire services that support residential infill density before allowing multi-family housing without the infrastructure to support it.

The 2035 Comprehensive Plan includes urban design principles based on five geographic Pattern Areas and varying levels of requirements for each area. The existing conditions and planned investments must be analyzed to consider whether the infrastructure can accommodate the density envisioned in RIP. As a <u>comprehensive</u> plan, it considered more than housing affordability in the policies intended to direct growth within the City of Portland.

For example, where I live in SW Portland ("Western Neighborhoods") the Transportation System Plan Policy 3.100 and Policy 3.103 notes geographic features that limit transportation options, including a reliance trails that may not be ADA accessible to all people and therefore may not accommodate access to transit service. Policy 3.103(C) specifically recommends focusing sidewalk and bike routes in Centers and Corridors. According to PBOT data only 34% of SW Portland's busy streets (25% of all streets) currently have sidewalks; considering the data, it does not appear that the proposed residential infill project will support walking and biking because the current infrastructure in SW Portland mainly supports automobile use and the recently adopted PedPDX Pedestrian Master Plan does not propose any pedestrian infrastructure improvements in SW Portland in the near future. This is a very serious concern.

Comprehensive Plan Policy 9.49, Performance Measures, states, *"Establish multimodal performance measures and measures of system completeness to evaluate and monitor the adequacy of transportation services based on performance measures in goals 9.A. through9.I. Use these measures to evaluate overall system performance, inform corridor and area-specific plans and investments, identify project and program needs, evaluate and prioritize investments, and regulate development, institutional campus growth, zone changes, Comprehensive Plan Map amendments, and conditional uses." I do not see any evidence that this has been done in the Residential Infill Plan for Western and Eastern neighborhoods where the mode share target (Policy 9.49e) is much lower than Central City and Inner neighborhoods.* 

Please reconsider the Residential Infill Proposal and proposed zoning in light of the Comprehensive Plan policies cited above, and focus residential density in centers and corridors that have the infrastructure to support it.

Sincerely, /s/ Marianne Fitzgerald 10537 SW 64<sup>th</sup> Drive Portland, OR 97219

## **Marianne Fitzgerald**

## #83006 | January 15, 2020

#### Testimony to Portland City Council on the Residential Infill Project, Recommended Draft

January 15, 2020 Mayor Ted Wheeler Commissioners Eudaly, Fritz and Hardesty City of Portland 1220 SW Fourth Avenue Portland, OR 97204 Re: Residential Infill Plan Comments The Residential Infill Plan (RIP) proposal before you is a "one-size-fits-all" proposal for more residential density within the City of Portland city limits without any regard for whether there is infrastructure to support it. This is contrary to the founding principles of Oregon's Land Use Planning Goals and the City of Portland's Comprehensive Plan. The motivation appears to be an assumption that more housing units = more affordable housing as the primary goal of residential infill. This approach does not factor in the cost of transportation, schools, parks and community centers, stormwater management and other natural resources, and property taxes that affect housing affordability. The only exceptions to the proposed infill zoning are the "z" properties that have natural resources constraints. I recommend that you go back to the earlier Comprehensive Plan proposal to focus infill in "centers and corridors" that have the infrastructure to support it. In particular, the current proposal to allow denser infill housing without off-street parking in areas that do not have frequent transit service or other alternative transportation choices will result in more cars on our streets. I am very concerned that this will lead to increases in greenhouse gas emissions and decreases in neighborhood safety and livability. I find this potential unintended consequence unacceptable. Please re-evaluate the proposed zoning maps with a geographic lens to consider whether there is transit service, sidewalks and bike paths, parks and community centers and public funding to support needed public schools, police and fire services that support residential infill density before allowing multi-family housing without the infrastructure to support it. The 2035 Comprehensive Plan includes urban design principles based on five geographic Pattern Areas and varying levels of requirements for each area. The existing conditions and planned investments must be analyzed to consider whether the infrastructure can accommodate the density envisioned in RIP. As a comprehensive plan, it considered more than housing affordability in the policies intended to direct growth within the City of Portland. For example, where I live in SW Portland ("Western Neighborhoods") the Transportation System Plan Policy 3.100 and Policy 3.103 notes geographic features that limit transportation options, including a reliance trails that may not be ADA accessible to all people and therefore may not accommodate access to transit service. Policy 3.103(C) specifically recommends focusing sidewalk and bike routes in Centers and Corridors. According to PBOT data only 34% of SW Portland's busy streets (25% of all streets) currently have sidewalks; considering the data, it does not appear that the proposed residential infill project will support walking and biking because

the current infrastructure in SW Portland mainly supports automobile use and the recently adopted PedPDX Pedestrian Master Plan does not propose any pedestrian infrastructure improvements in SW Portland in the near future. This is a very serious concern. Comprehensive Plan Policy 9.49, Performance Measures, states, "Establish multimodal performance measures and measures of system completeness to evaluate and monitor the adequacy of transportation services based on performance measures in goals 9.A. through9.I. Use these measures to evaluate overall system performance, inform corridor and area-specific plans and investments, identify project and program needs, evaluate and prioritize investments, and regulate development, institutional campus growth, zone changes, Comprehensive Plan Map amendments, and conditional uses." I do not see any evidence that this has been done in the Residential Infill Plan for Western and Eastern neighborhoods where the mode share target (Policy 9.49e) is much lower than Central City and Inner neighborhoods. Please reconsider the Residential Infill Proposal and proposed zoning in light of the Comprehensive Plan policies cited above, and focus residential density in centers and corridors that have the infrastructure to support it. Sincerely, /s/ Marianne Fitzgerald 10537 SW 64th Drive Portland, OR 97219

To: The Portland City Council Re: Residential Infill Project Date: January 13, 2020

I am writing to you in support of the proposed residential infill project. As a new-ish resident of Portland, I've struggled these past three years to find stable housing I can afford.

I first shared a five-bedroom rental with four other women and that was convenient and affordable at \$700 per month plus utilities. But when one of my housemates decided to have a baby, I looked for months for a similar situation and could not find one. I realized how lucky I had been to find an affordable rental with four other people I could live with.

My other option was to find my own space, but I would have had to pay \$1200-\$1400 a month rent, which would have been challenging on my salary. Luckily I was able to find several inexpensive house-sitting situations but I dread having to move for the third time in less than a year!

Finally I will say that I am privileged to have access to some family money soon so I've started looking for a house to buy. With my lower income, I was hoping to purchase a duplex so I could count on the rent on the other half to help pay the mortgage. I've just started looking, but was dismayed that there are just a handful of duplexes even on the market, some in complete disrepair. I don't want to spend my life commuting to and from my job in the Central Eastside, so I'm hoping to find something within 45 minutes bus commute. There is only permit parking at my work.

I am confident that with the adoption of the Residential Infill Project, there will be more options for people like me, both renters and home owners so that we can keep our city unique, free from traffic nightmares, and welcoming of a diversity of families.

Thank you for your time and consideration.

Sincerely,

Wendy Rae Lynn

# Wendy Lynn

## #83007 | January 15, 2020

Testimony to Portland City Council on the Residential Infill Project, Recommended Draft

Please see the attached letter. Thank you.

## **Brooke Best**

### #83008 | January 15, 2020

#### Testimony to Portland City Council on the Residential Infill Project, Recommended Draft

To Mayor Wheeler and Commissioners: I'm submitting the following testimony regarding the RIP Recommended Draft, and endorse the concerns and recommendations submitted by John Liu on behalf of the Portland Coalition for Historic Resources (PCHR). PCHR is a broad consortium of Portlanders that includes community leaders, Restore Oregon, United Neighborhoods for Reform, members of the Residential Infill Project Stakeholder Committee, architects, planners, and others. We are committed to keeping a growing Portland a place where all are welcome and can afford to live, and which builds for the future without discarding its past and present. RIP is not an effective solution for providing Portlanders with affordable housing options. Instead, it could lead to a number of unintended consequences: Added density will primarily result in small rental units that benefit investor-ownership, not individual homeownership. Proponents claim that RIP will lead to more affordable housing options. However, research overwhelming contradicts this assumption. The City's economist stated that replacement housing will be smaller and not affordable. In a recent analysis, "Housing, Urban Growth, and Inequalities," leading economic geographers found that liberalizing zoning regulations will not solve the housing affordability crisis, but could exacerbate it. They question the premise of "housing as opportunity", something we've heard a lot in reference to RIP. Instead, they warn that "housing is an area where the law of unintended consequences is most powerful." A study by Yonak Freemark found that upzoning in Chicago led to higher, not lower housing prices. Another economist, Tyler Cowen, shares these concerns saying that "the ultimate beneficiaries from zoning and deregulation are landlords and developers." Is this what we wish for with RIP? RIP allows randomly-scattered density rather than planned density focused on transit centers and corridors. This type of random densification fails to advance the city's walkability, sustainability, and transportation goals. Furthermore, it conflicts with policies set forth in Portland's 2035 Comprehensive Plan, specifically Goal 4.A: context-sensitive design and development, which calls for "new development [that] is designed to respond to and enhance the distinctive physical, historic and cultural qualities of its location." The "one-size-fits-all" approach will create out-of-scale infill development that is inconsistent with sensible planning and incompatible with existing neighborhoods. RIP has no compatibility requirements for the variations that exist in Portland's neighborhoods. How does this add to our city's livability? RIP incentivizes demolition of sound, habitable homes. A critical and often overlooked aspect of the housing equation is the loss of existing affordable housing due to demolition and redevelopment of existing housing. Statistics from Seattle over a 2-year period showed demolitions alone led to a net loss of over 400 low-income units.

As a city that prides itself as a sustainable leader, we are not being responsible stewards with RIP as proposed. There's a disconnect regarding the huge impact of demolition waste and carbon footprint. RIP also undermines the benefits from cutting down large tree canopies. Why aren't we considering creative ways to balance our existing resources and future growth? RIP runs the risk of increased displacement. RIP has the potential of redeveloping underserved neighborhoods and developing wealthier neighborhoods in their place. The biggest impact is the huge risk of displacement of low-income families, renters, and vulnerable residents. As proposed, RIP has no displacement policies and programs in place or funded. How is this equitable and inclusionary? No action should be taken until this issue is resolved. As Portland and many other cities learned from the "urban-renewal" era, well-intentioned programs sometimes yield disastrous results. RIP will not right the wrongs of past racist zoning policies and urban renewal efforts. The intent of RIP is good, but are these unintended consequences worth the risk? Portland has time to get things right and the responsibility to do so. Brooke Best PCHR member | Ladd's Addition resident



Portland City Council 1221 SW 4th Avenue Portland, OR 97204

January 14, 2020

Mayor Wheeler and members of Portland City Council:

Portland: Neighbors Welcome is a grassroots pro-housing, pro-tenant organization, and we are proud to testify as advocates for a holistic suite of policies that will address the housing crisis from multiple angles.

With the amendments that Portland: Neighbors Welcome recommends, **the Residential Infill Project is a key piece in the puzzle of housing policies** that will work over the long term to:

- Create more homes for Portlanders in all our neighborhoods;
- Create more regulated affordable homes, including affordable homeownership opportunities;
- Create homes that are less expensive than homes being built today;
- Reduce displacement by reducing needless demolitions; and
- Allow Portlanders with extra space to create homes for others by converting their one-plexes into duplexes, triplexes, and fourplexes.

The Residential Infill Project began in response to concern about one-for-one demolition of single-family homes that are replaced with large, new, and expensive single-family homes. Over the 4.5 years since the project launched, more and more Portlanders have experienced our housing crisis firsthand: The number of rent-burdened Portlanders has grown by over 5,400; average home purchase prices have risen by \$107,000 (32.9%); and thousands of Portlanders have likely been priced out of the city entirely. We also know that those displaced are more likely to be people of color.

In addition, the city has grown in its collective understanding of the <u>racist history of single-family zoning</u> in Portland. Actions by the local and federal government as well as the private sector confined people of color to certain parts of Portland and restricted them from others—the original single-family zones—and today we still see the legacy of the wealth disparities created by inequitable access to homeownership and wealth-building opportunities that these actions created.

Cities and states across the country have passed or are considering similar zoning reforms after formally recognizing the racist history that underlies their current zoning as well as its impact on affordability.

The Oregon State Legislature passed HB 2001 to legalize "missing middle" housing across the state, and as Oregon's most populous city, Portland must lead the way. We are extremely well-positioned to do so after nearly five years of work on this project.

After advocacy by hundreds of organizations and thousands of individuals, input from the Planning and Sustainability Commission, and work by project staff, the Residential Infill Project has evolved to be worlds better than the original proposal. Countless hours of dedication by housing advocates working across the spectrum of housing affordability have shaped the project into an effective response to Portlanders' actual housing needs.

The proposed changes will **reduce the number of homes that are demolished**, which will **reduce direct displacement**. This is because **allowing four units** on one lot—in a **smaller building than is allowed today**—means that **fewer lots need to be redeveloped** to make room for the number of new households estimated for Portland in 2035.

This is the simple mechanism by which the project reduces needless demolitions. At any given level of population growth, fourplex construction means fewer lots need to redevelop than would with triplex construction. In turn, triplex construction means fewer lots need to redevelop than would with duplex construction.

At the same time, it will **increase the number of new homes** that are built in these zones, and those homes will be **less expensive than the homes being built today**. Recent data show that if today's zoning remains in place, 20 years from now the average monthly rent for new homes in these zones would skyrocket to **more than double what it will be if the Residential Infill Project passes**.

The Residential Infill Project is anticipated to **reduce demolition-related displacement citywide by 28%** compared to the zoning we have today. This includes a 21% reduction in displacement in areas that the City has identified to be at high risk of displacement. **Every day that the Residential Infill Project is not passed, more Portlanders are being displaced than otherwise would be.** 

Though this project will reduce displacement, displacement will still continue in Portland. Portland: Neighbors Welcome is advocating for the passage of the Recommended Draft coupled with the following amendments that will reduce the impacts of displacement:

- To deliver more below-market homes, at deeper levels of affordability, create a Deeper Affordability Bonus that will make affordable projects competitive with market rate developers:
  - Allow up to six units and total floor area ratio (FAR) of 1.45 if 50% or more of the homes are regulated affordable (rental or for sale) to households making no more than 80% of area median income.
  - Allow up to eight units and total FAR of 1.50 if 5 of the homes are regulated affordable (rental or for sale) to households making no more than 60% of area median income.
  - Allow waivers of Construction Excise Tax, System Development Charges, and abatement of property taxes for affordable projects.

- To achieve greater strides in citywide anti-displacement:
  - Allow current tenants to have a right of first refusal when properties change hands.
  - Find sustainable options for new revenue to support affordable housing in low-density zones, such as earmarking Construction Excise Tax revenue collected in those zones to also be spent in those zones, earmarking Housing Investment Fund revenue collected from short-term rentals in low-density zones to also be spent in those zones, or allowing additional FAR to be purchased if revenue is used to support affordable housing.
  - Support low-wealth homeowners by connecting ordinary people with information on financing additions to their property that create low-income housing. Commit to supporting experimental programs that could make public housing funds go further by financing below-market ADUs in low-income homeowners' backyards.

#### What the Residential Infill Project already does well

The proposed changes are a win-win-win: fewer needless demolitions (which means less displacement), more homes built for Portlanders, and homes that are more affordable than the ones being built today.

The Residential Infill Project strikes this balance by reducing the overall *size* of new buildings that are allowed to be built while allowing for *more homes* to be built on a piece of land. Since developers care most about how big a building they can build, they will have less incentive to tear down old homes and replace them due to the proposed reductions in scale. Less pressure to redevelop across the city means less displacement risk for the minority of Portland's low-income renters who live in single-family structures.

At the same time, each lot will be allowed to have one, two, three, or four homes. These homes can be built at a lower price because the cost of land can be spread across more units—and because they will be smaller than the nearly 4,000-square-foot homes being built today under current zoning. Each new 1,000-square-foot home will always be significantly more affordable than a 4,000-square-foot home on the same parcel.

#### The Residential Infill Project succeeds in the following ways:

It **expands housing opportunity** by allowing additional housing options (duplexes, triplexes, fourplexes, cottages, and multiple ADUs), which:

- Finally offers a formal recognition of <u>our city's racist zoning history</u> and takes action to reverse exclusionary zoning;
- Legalizes housing choices that allow for **flexibility** through all stages of life; and
- Creates more <u>homes that are **visitable**</u> or accessible for older adults and people living with disabilities, especially because <u>fourplexes trigger full federal accessibility standards</u>.

It introduces a scaled floor area ratio (FAR) approach that benefits Portlanders by:

- Capping the size of single-detached homes, which reduces redevelopment and therefore one cause of displacement;
- Allowing additional space for additional homes;
- Allowing additional space for affordable homes;
- **Outlawing** replacing existing single-unit homes with **large McMansions**; and
- Making it possible for the market to produce homes in fourplexes that are affordable for families making 80 to 100% of the area median income (AMI)—like teachers, nurses, firefighters and bartenders (as opposed to the 200+% AMI McMansions currently being produced by today's zoning!).

It expands preservation and adaptive reuse strategies, making better use of existing housing stock by:

- Creating flexibility to convert existing houses into multiple homes, to add more ADUs, and to create additions; and
- Providing an option to create another small home to be sold separately on a piece of land with an existing house through the formation of a "flag lot."

It supports **environmentally sound long-range planning** in the face of the climate crisis by:

- Supporting improved transit access and frequency, especially for East Portland
- Legalizing smaller homes with shared walls, which greatly reduce energy consumption; and
- <u>Using land more efficiently</u>, which makes shorter trips on transit or by bike more likely than when new homes are built in the suburbs. Every home built in transit-rich Portland is a home that is not built on prime farmland outside the city and far from transit.

It **improves development on narrow lots** and allows small homes to be built on small pieces of land meant for housing by:

- Rezoning some "historically narrow lots," as SB534 requires; and
- Making narrow-lot homes more attractive while preserving street trees and public on-street parking by banning front-entry garages on some narrow lots.

Creates more room for **people and trees, not cars**, by:

- Removing minimum parking requirements—if Portlanders want to prioritize off-street parking, it will be an option, but the zoning code won't require Portlanders who don't want off-street parking to pay for it; and
- Leaving more flexibility to preserve trees—and more space for new ones—by removing parking requirements.

#### How the Residential Infill Project could do more

The Residential Infill Project is already a vast improvement over today's zoning, and after nearly five years of work and analysis, it should be implemented as quickly as possible.

However, the project could be even better with several additions. Portland: Neighbors Welcome worked with affordable housing providers and other advocates to inform our proposed amendments below.

#### More details on proposed amendments

These amendments are designed to create more regulated affordable housing and further mitigate the impacts of displacement in Portland, particularly in the five census tracts that staff analysis estimated could see between 2 and 7 additional households displaced altogether per year, even as the analysis predicts a 28% decrease in displacement citywide. While all of these numbers should be taken only as inexact estimates from a model based on one set of assumptions, there is always room for more policy and programs to stem the tide of displacement in Portland.

#### Affordable housing bonuses

Portland: Neighbors Welcome worked with Habitat for Humanity, ROSE CDC, Proud Ground, Portland Community Reinvestment Initiatives, and Catholic Charities to model zoning scenarios that would make development of regulated affordable housing possible for nonprofit affordable housing providers. The FAR and unit counts we propose dramatically lower the amount of subsidy needed per home to create a new homeownership unit for low-income Portlanders. We heard from housing providers that these ownership units are particularly well-suited to existing renters of regulated affordable housing whose incomes have risen enough that they would no longer qualify for affordable housing if they tried to move today, but not enough to afford market-rate housing. These residents could qualify to purchase new affordable housing built under these amendments, thereby creating openings for new low-income renters. In addition, the sixplexes were specifically modeled based on Habitat for Humanity's 1,100-square-foot family-sized unit, and the proposed FARs align neatly with the recently proposed FARs for the multi-dwelling zones as part of the Better Housing by Design project. Affordable housing providers have noted that these amendments are the only way they can financially compete for land against for-profit developers. These amendments will largely be utilized by nonprofit providers, but for-profit developers may also use them. The affordability provisions, such as the time period for compliance and property tax abatements, could align with those of units created through the Inclusionary Housing program and be similarly monitored by the Portland Housing Bureau.

#### Right of first refusal

Portland: Neighbors Welcome supports offering tenants a right of first refusal. It allows tenants the right to purchase the home they rent before an owner puts it out for sale on the open market. The owner must provide tenants and the city with adequate notice of intent to sell in the tenants' primary languages, and it will include the intended price for the property, contact information for tenant support, and other information. During the waiting period, the property may only be sold to the tenants or to a nonprofit housing provider or public-sector housing agency to whom the tenants have assigned their purchase rights.

This policy was created and advocated by the Cully Housing Action Team and Commissioner Eudaly's office. It was modeled on the Tenant Opportunity to Purchase Act in Washington, D.C.

#### Sustainable funding mechanisms

Portland: Neighbors Welcome supports finding sustainable ways to fund the creation and preservation of affordable housing in low-density zones over the long term. Options include earmarking existing revenue gained in low-density zones to support affordable housing in these zones, such as Construction Excise Tax revenue and <u>Housing Investment Fund</u> revenue from short-term rental taxes in these zones. Consider also the ability to purchase additional FAR if revenue is used to support affordable housing.

#### Supporting low-wealth homeowners in creating homes for low-income Portlanders

Portland: Neighbors Welcome supports existing and planned programs that enable lower-wealth homeowners to create additional homes on their property that they can rent to low-income tenants, such as Hacienda CDC's <u>pilot ADU program</u>. Connecting lower-wealth homeowners with information, loan products, and funding will support housing stability for both homeowners and renters. Consider using the funding sources listed above to expand these programs.

These amendments will help the City of Portland reach the following goals and policies laid out in the 2035 Comprehensive Plan:

- **Goal 5.B: Equitable access to housing.** Portland ensures equitable access to housing, making a special effort to remove disparities in housing access for people with disabilities, people of color, low-income households, diverse household types, and older adults.
- **Goal 5.D: Affordable housing.** Portland has an adequate supply of affordable housing units to meet the needs of residents vulnerable to increasing housing costs.
- Policy 5.16 Involuntary displacement. When plans and investments are expected to create neighborhood change, limit the involuntary displacement of those who are under-served and under- represented. Use public investments and programs, and coordinate with nonprofit housing organizations (such as land trusts and housing providers) to create permanently-affordable housing and to mitigate the impacts of market pressures that cause involuntary displacement.
- **Policy 5.29 Permanently-affordable housing**. Increase the supply of permanently-affordable housing, including both rental and homeownership opportunities.
- **Policy 5.34 Affordable housing resources**. Pursue a variety of funding sources and mechanisms including new financial and regulatory tools to preserve and develop housing units and various assistance programs for households whose needs are not met by the private market.
- **Policy 5.38 Workforce housing.** Encourage private development of a robust supply of housing that is affordable to moderate-income households located near convenient multimodal transportation that provides access to education and training opportunities, the Central City, industrial districts, and other employment areas.
- **Policy 5.41 Affordable homeownership**. Align plans and investments to support improving homeownership rates and locational choice for people of color and other groups who have been historically under-served and under-represented.
- **Policy 5.42 Homeownership retention**. Support opportunities for homeownership retention for people of color and other groups who have been historically under-served and under-represented.

#### Future zoning reform work

After the passage of the Residential Infill Project, Portland: Neighbors Welcome suggests that City Council direct Bureau of Planning and Sustainability and Portland Housing Bureau staff to work on the following issues in order to further our goals of abundant and affordable housing for all Portlanders. This work could be done as part of the future project to fully implement HB 2001, to be effective June 30, 2022:

- To further support fee-simple ownership in new middle housing types allowed in the low-density zones, reconsider allowing lot lines to be "dropped" so that homes can be sold on their own lots. Due to existing condominium regulations at the State level, it is difficult to create homeownership units within middle housing types without the ability to put homes on their own lots. HB 3432, proposed in the 2019 regular legislative session, would have addressed some of these issues, but it did not pass.
- To encourage more physically accessible homes, create an accessible housing bonus for the low-density zones that would allow an additional home as well as FAR increases for projects that are 100% physically accessible.

Thank you for your continued attention to the Residential Infill Project. Throughout nearly five years of work by policymakers, advocates, and Portalnders across the city, the project has evolved into a key piece of the puzzle to ensure that Portlanders have access to abundant and affordable housing for generations to come.

Sincerely,

- M/HurJuan

Love Jonson and Madeline Kovacs On behalf of the Portland: Neighbors Welcome Policy & Partnerships Committee

# **Love Jonson**

## #83009 | January 15, 2020

# Testimony to Portland City Council on the Residential Infill Project, Recommended Draft

Please see the attached testimony from Portland: Neighbors Welcome.

# Linnea Rall

## #83010 | January 15, 2020

### Testimony to Portland City Council on the Residential Infill Project, Recommended Draft

I'm in middle school and I will graduate college in about 10 years and will need a place to live. I wouldn't have a lot of money after college, and housing needs to be affordable. Early housing pretty much affects your whole life, like getting a job that's close to where you live. Being able to afford housing with an entry-level job would help me to save money and just have a stable start. When you are close to your job you could walk to work instead of drive, which will also help slow climate change. I want the city council to adopt the RIP with the "deeper affordability" option to allow more housing in Portland. Thank you for your service. -Linnea

# Suzanne Young

## #83011 | January 15, 2020

### Testimony to Portland City Council on the Residential Infill Project, Recommended Draft

Hello, I want to register my opposition to the RIP proposal as it now stands. I believe as it currently is described it will lower overall quality of life in Portland and significantly undermine the character that makes Portland so unique and appealing as a place to live. Key concerns are lack of lack of parking requirements, impact on trees/nature, allowed height and lot-coverage proposals which will result in big boxes crammed on lots impacting quality of life (privacy, light, parking, etc) for neighborhoods, in addition there are no requirements to address affordability which is one of the purported goals of RIP. If we don't build all of this new capacity then the pace of people moving to Portland will slow down. Please strive to maintain character and quality of life in the city while taking a measured and slower approach to increasing density.

## **Matthew Hall**

## #83012 | January 15, 2020

### Testimony to Portland City Council on the Residential Infill Project, Recommended Draft

I'm writing to express my deep support for the Residential Infill Project with the deeper affordability amendment. Portland is at a crossroads. A century of poor planning and bad policy have left us with skyrocketing housing costs and alarming levels of homelessness. We are also staring down a climate crisis that has the possibility of creating instability at a level that's hard to comprehend. Portland can't solve the climate crisis on its own, but it can take important steps to play its part in finding a solution. By enacting the Residential Infill Plan along with the deeper affordability amendment, we can take a dramatic step to address the housing crisis by creating more housing options and by increasing the supply of housing, which can help lower the costs of housing throughout the city. More than that, though, by working to create denser communities, we can encourage living in ways that both lowers our carbon footprint and helps to create richer, more connected and walkable communities. And not just for Portlanders of means. This plan takes a big step to help provide stable housing in good neighborhoods for the many Portlanders who are living daily with economic precarity, especially older Portlanders and Portlanders with disabilities who disproportionately experience homelessness and unemployment. The RIP won't fix all of these issues at once, but it is a necessary step for us to take if Portland is to be the welcoming, climate-leading we city profess ourselves to be.

# Jannike Allen

## #83013 | January 15, 2020

### Testimony to Portland City Council on the Residential Infill Project, Recommended Draft

I support the Residential Infill Project because it is the direction we need to go to make our urban areas more sustainable and smart, and is part of work that needs to be done to achieve climate justice. Please approve the recommended draft and accompany it with a new "deeper affordability" option for below-market developers and the citywide "tenant opportunity to purchase" renter protections advocated by Anti-Displacement PDX.

# Max Blust

## #83014 | January 15, 2020

### Testimony to Portland City Council on the Residential Infill Project, Recommended Draft

I support the Residential Infill Project, because human rights are at stake every time a Portlander is forced to confront this city's lack of affordable housing. Shelter is a right not a privilege, and as written the recommended draft will allow for more multi family homes to be created, more supply for our population's demand.

# **Pauline Allen**

## #83015 | January 15, 2020

### Testimony to Portland City Council on the Residential Infill Project, Recommended Draft

I support the Residential Infill Project because housing justice is climate justice. Please approve the recommended draft and accompany it with a new "deeper affordability" option for below-market developers and the citywide "tenant opportunity to purchase" renter protections advocated by Anti-Displacement PDX. It is important that there are more regulated affordable housing options available in Portland. Thank you for supporting and improving this project.



## Portland **Small Developer** Alliance

#### **RESIDENTIAL INFILL PROJECT COMMENT LETTER**

JANUARY 15TH, 2020

City Council Residential Infill Project Testimony City of Portland 1221 SW 4th Avenue, Room 130 Portland, OR 97201

RE: Residential Infill Project

Dear Mayor and Esteemed Commissioners,

We're writing to ask you to pass the proposed Residential Infill Project now.

We're concerned that the longer that implementation of the infill project is delayed, the worse housing affordability, insecurity, and displacement will get for Portland's most vulnerable.

Out-of-state money will continue to buy up the properties in our single-family neighborhoods, using financial resources brought from elsewhere to outbid locals just looking for a place to live.

Smaller, older homes will continue to be demolished/de-constructed, and replaced with much larger single-family homes, as the market continues to do the only thing it's allowed to do under the existing single family zoning code.

These new homes will be much larger than is affordable to the median-income Portland household, and thus they will continue to contribute to gentrification and displacement within our neighborhoods; according to the Bureau of Planning and Sustainability, 40% more households will be displaced under existing zoning than if the RIP were to pass as currently proposed.<sup>1</sup>

We are currently still in a housing crisis. We need to legalize bringing to market more supply of housing types people want to live in, within the neighborhoods where people want to live.

RIP will help, and the longer we wait in adopting it, the more people will continue to be priced out of our welcoming community. How many people live outside of Portland — whether in Clark County, WA, or in

<sup>&</sup>lt;sup>1</sup> According to the BPS Displacement Risk Analysis (<u>https://beta.portland.gov/sites/default/files/2019-12/</u>

vol 3 appendix b\_displacement\_risk\_and\_mitigation.pdf), 950 renters are at risk of displacement citywide under existing zoning, which is 270 (40%) more than the 680 low-income renters in single-family homes who would be displaced under RIP as currently proposed.

states further away — who are trans, queer, non-white, different, repressed, wanting to move here but not able to afford to do so?

It's hard for some to make the connection, to understand that lives are on the line when questions of housing policy are discussed. Yet we see the effects every day; the homeless on our streets are but one very visible consequence of the imbalance between housing supply at appropriate price points to meet demand at all income levels.

We see the connection. We are small developers and allies who live and work to provide much needed housing in Portland, Oregon. We and our friends, families, and loved ones have lived experience with the housing crisis from both the supply and the demand side of the equation. It is from this perspective that we give our whole-hearted support for passing the currently-proposed infill project. We want to build and to live in the housing types that will be legalized under the infill project proposal.

We would very much like to construct more Missing Middle housing in the city, to create more housing opportunities while participating in the creation of more economic opportunity within our communities. We see the Residential Infill Project as a great opportunity to increase the ranks of small, middle-class developers such as ourselves--regular folks who build our own multiple-unit developments in order to create greater civic amenity and sense of community within our neighborhoods. Each of these projects will create hundreds of thousands of dollars worth of construction spending, translating into good jobs in the trades, jobs that represent good opportunities for folks to work to save up the financial resources to become their own developers of the next generation of projects.

If done with an eye towards most-likely economic outcomes, the Infill Project could be a significant part of the solution to our current shortage of housing affordable to working and middle class households, including both the smaller households that will become more common in the future, as well as families with children and other larger households.

It is our view, as small developers and as neighbors who are concerned about the ability of our children, our aging parents, our friends and other potential new neighbors to afford to live near us in the future, the current Residential Infill Project proposal should be adopted as written, now. We would consider that to be Phase One.

Phase Two should begin immediately following adoption, however. We are in full agreement with other advocate groups in Portland, including Portland:Neighbors Welcome, about the opportunity to provide for deeper affordability. It is our understanding that such a significant change to the infill project would necessitate further study prior to adoption. That's why we encourage the adoption of the current proposal now, with the further study then occurring even as relief begins to arrive to the housing market, and displacement pressure is slowly allowed to begin to ease.

This work on part two of the infill project could then be given the attention and funding it will need, to design and implement an affordable housing bonus, make map changes, and develop a mechanism to provide low-interest financing for low-income community members to build ADUs and other product types to be allowed under RIP.

It is in the spirit of offering a few fixes to fulfill the city's stated mission to engender more livability, environmental and economic sustainability, and affordability, that we recommend the following changes

to the current draft of the RIP proposal, to be adopted as Phase Two once they have been properly studied, vetted, and translated into adoption-ready code language:

- Affordability Bonus: Allowing up to eight homes (8-plexes) on a lot if at least 20% of the homes are affordable to 60% AMI and 20% to 80% AMI, with a max FAR of 1.5, will allow for affordable housing to be built without subsidy, as long as unit size is not regulated. Larger, more expensive units can cross-subsidize smaller, more affordable units. That's how the market can be made to work for us.
- Map Changes: Certain map changes need to be made to provide equity of opportunity in terms of where the benefits of the R2.5 zone are made available. There are areas of R5 applied to lot patterns with a standard lot size of less than 5,000 sq ft, and to areas of historic 2,500 sf lots, near frequent transit where map changes would be the most equitable solution to ensure equal access to opportunity.
- Form Based Code: The scale of the building should be regulated, not the number of units within. While the scale of the building should be increased if the building contains more than one unit, the absolute total number of units within the building should not be capped. Dividing the acquisition and construction costs over more units will act to bring the sales or rental price per unit down, thus resulting in greater affordability. The scale of buildings should be regulated for height, lot coverage, pedestrian-friendliness, relationship to adjacent structures, and relationship to the street. The number of dwelling units within the building envelope should be decided by the developer in response to perceived market demand. Further, a form-based code can be paired with design guidelines to ensure that the resulting style is compatible with neighborhood ideals.
- Housing product diversity promotion: To allow the market to best deliver products that meet the economic needs of our neighbors over the coming decades, we suggest:
  - Height Classification: The height calculation should be changed to clarify that a two-anda-half-story house will always be legal in all zones, atop a full-side, full-height daylight basement. Neither should count towards FAR.
  - **Height Maximum:** R2.5 zones should maintain their 35-foot height limit and not experience a reduction to 30 feet.
  - **Height on Flag Lots:** Houses built on flag lots should maintain the same height limits as all other allowed housing.
  - **Height Measurement:** Height should be measured from the midpoint elevation adjacent to a structure, not the low point.
  - Scale: If a project meets the criteria of one affordable and one visitable unit, such that at least 50% of all units are both visitable and/or affordable, then the project should be eligible to build up to 1 FAR, 35 feet in height, and with a front setback of ten feet (to maximize the amount of private back yard area shared by residents).
- New Sources of Financing: We concur with Commissioner Eudaly and others about the need for new low-interest financing sources to enable low-income Portlanders to build their own ADUs

and other product types that will be legalized by the infill project. We agree with those who have suggested that Oregon create a state bank, Metro a regional bank, and Portland a municipal bank to allow this to happen. Providing low-interest construction and take-out financing for the development of a diverse range of product types could be a tremendous tool to allow more Portlanders access to the next rungs up on the economic ladder.

We believe that these adjustments to the RIP proposal will allow small developers to work with neighborhoods to provide the diversity of housing types that must be built in order for supply to come back into balance with the changing demographic demands of future generations.

With all of the work that has been done on the Residential Infill Project, let's pass the proposed version now, without any further delays. Then, the City should immediately begin working on a Phase 2 package of amendments and improvements, such as those we outlined above, to be promptly enacted once they are ready.

Let's legalize true Missing Middle housing, including fourplexes, in our neighborhoods now. Let's stop building new giant single-family homes, and instead allow the market to begin building the next generation of houses will produce more affordable outcomes.

Signed,

Signature: Mary Vogel Mary Vogel (Jan 15, 2020)

**Email:** mary@plangreen.net

Signature: Alec Si

Email: aszielinski@gmail.com

Signature: Holloway Huntley (Jan 15, 2020)

**Email:** holloway.huntley@gmail.com

Signature: Corev Omev (Jan 15, 2020)

Email: comey@emaarchitecture.com

Signature: Garlynn Woodsong (Jan 15, 2020)

**Email:** garlynn@cascadia-partners.com

On behalf of the Portland Small Developer's Alliance.

Planning Director Andrea Durbin, andrea.durbin@portlandoregon.gov., Principal Planner Joe cc: Zender, joe.zehnder@portlandoregon.gov

# **Garlynn Woodsong**

## #83016 | January 15, 2020

#### Testimony to Portland City Council on the Residential Infill Project, Recommended Draft

Dear Mayor and Esteemed Commissioners, We're writing to ask you to pass the proposed Residential Infill Project now. We're concerned that the longer that implementation of the infill project is delayed, the worse housing affordability, insecurity, and displacement will get for Portland's most vulnerable. Out-of-state money will continue to buy up the properties in our single-family neighborhoods, using financial resources brought from elsewhere to outbid locals just looking for a place to live. Smaller, older homes will continue to be demolished/de-constructed, and replaced with much larger single-family homes, as the market continues to do the only thing it's allowed to do under the existing single family zoning code. These new homes will be much larger than is affordable to the median-income Portland household, and thus they will continue to contribute to gentrification and displacement within our neighborhoods; according to the Bureau of Planning and Sustainability, 40% more households will be displaced under existing zoning than if the RIP were to pass as currently proposed. We are currently still in a housing crisis. We need to legalize bringing to market more supply of housing types people want to live in, within the neighborhoods where people want to live. RIP will help, and the longer we wait in adopting it, the more people will continue to be priced out of our welcoming community. How many people live outside of Portland — whether in Clark County, WA, or in states further away — who are trans, queer, non-white, different, repressed, wanting to move here but not able to afford to do so? It's hard for some to make the connection, to understand that lives are on the line when questions of housing policy are discussed. Yet we see the effects every day; the homeless on our streets are but one very visible consequence of the imbalance between housing supply at appropriate price points to meet demand at all income levels. We see the connection. We are small developers and allies who live and work to provide much needed housing in Portland, Oregon. We and our friends, families, and loved ones have lived experience with the housing crisis from both the supply and the demand side of the equation. It is from this perspective that we give our whole-hearted support for passing the currently-proposed infill project. We want to build and to live in the housing types that will be legalized under the infill project proposal. We would very much like to construct more Missing Middle housing in the city, to create more housing opportunities while participating in the creation of more economic opportunity within our communities. We see the Residential Infill Project as a great opportunity to increase the ranks of small, middle-class developers such as ourselves--regular folks who build our own multiple-unit developments in order to create greater civic amenity and sense of community within our neighborhoods. Each of these projects will create hundreds of thousands of

### 190093

dollars worth of construction spending, translating into good jobs in the trades, jobs that represent good opportunities for folks to work to save up the financial resources to become their own developers of the next generation of projects. If done with an eye towards most-likely economic outcomes, the Infill Project could be a significant part of the solution to our current shortage of housing affordable to working and middle class households, including both the smaller households that will become more common in the future, as well as families with children and other larger households. It is our view, as small developers and as neighbors who are concerned about the ability of our children, our aging parents, our friends and other potential new neighbors to afford to live near us in the future, the current Residential Infill Project proposal should be adopted as written, now. We would consider that to be Phase One. Phase Two should begin immediately following adoption, however. We are in full agreement with other advocate groups in Portland, including Portland:Neighbors Welcome, about the opportunity to provide for deeper affordability. It is our understanding that such a significant change to the infill project would necessitate further study prior to adoption. That's why we encourage the adoption of the current proposal now, with the further study then occurring even as relief begins to arrive to the housing market, and displacement pressure is slowly allowed to begin to ease. This work on part two of the infill project could then be given the attention and funding it will need, to design and implement an affordable housing bonus, make map changes, and develop a mechanism to provide low-interest financing for low-income community members to build ADUs and other product types to be allowed under RIP. It is in the spirit of offering a few fixes to fulfill the city's stated mission to engender more livability, environmental and economic sustainability, and affordability, that we recommend the following changes to the current draft of the RIP proposal, to be adopted as Phase Two once they have been properly studied, vetted, and translated into adoption-ready code language: Affordability Bonus: Allowing up to eight homes (8-plexes) on a lot if at least 20% of the homes are affordable to 60% AMI and 20% to 80% AMI, with a max FAR of 1.5, will allow for affordable housing to be built without subsidy, as long as unit size is not regulated. Larger, more expensive units can cross-subsidize smaller, more affordable units. That's how the market can be made to work for us. Map Changes: Certain map changes need to be made to provide equity of opportunity in terms of where the benefits of the R2.5 zone are made available. There are areas of R5 applied to lot patterns with a standard lot size of less than 5,000 sq ft, and to areas of historic 2,500 sf lots, near frequent transit where map changes would be the most equitable solution to ensure equal access to opportunity. Form Based Code: The scale of the building should be regulated, not the number of units within. While the scale of the building should be increased if the building contains more than one unit, the absolute total number of units within the building should not be capped. Dividing the acquisition and construction costs over more units will act to bring the sales or rental price per unit down, thus resulting in greater affordability. The scale of buildings should be regulated for height, lot coverage, pedestrian-friendliness, relationship to adjacent structures, and relationship to the street. The number of dwelling units within the building envelope should be decided by the developer in response to perceived market demand. Further, a form-based code can be paired with design guidelines to ensure that the resulting style is compatible with neighborhood ideals. Housing

### 190093

product diversity promotion: To allow the market to best deliver products that meet the economic needs of our neighbors over the coming decades, we suggest: Height Classification: The height calculation should be changed to clarify that a two-and-a-half-story house will always be legal in all zones, atop a full-side, full-height daylight basement. Neither should count towards FAR. Height Maximum: R2.5 zones should maintain their 35-foot height limit and not experience a reduction to 30 feet. Height on Flag Lots: Houses built on flag lots should maintain the same height limits as all other allowed housing. Height Measurement: Height should be measured from the midpoint elevation adjacent to a structure, not the low point. Scale: If a project meets the criteria of one affordable and one visitable unit, such that at least 50% of all units are both visitable and/or affordable, then the project should be eligible to build up to 1 FAR, 35 feet in height, and with a front setback of ten feet (to maximize the amount of private back yard area shared by residents). New Sources of Financing: We concur with Commissioner Eudaly and others about the need for new low-interest financing sources to enable low-income Portlanders to build their own ADUs and egalized by the infill project. We agree with those who have other product types that will be 1 suggested that Oregon create a state bank, Metro a regional bank, and Portland a municipal bank to allow this to happen. Providing low-interest construction and take-out financing for the development of a diverse range of product types could be a tremendous tool to allow more Portlanders access to the next rungs up on the economic ladder. We believe that these adjustments to the RIP proposal will allow small developers to work with neighborhoods to provide the diversity of housing types that must be built in order for supply to come back into balance with the changing demographic demands of future generations. With all of the work that has been done on the Residential Infill Project, let's pass the proposed version now, without any further delays. Then, the City should immediately begin working on a Phase 2 package of amendments and improvements, such as those we outlined above, to be promptly enacted once they are ready. Let's legalize true Missing Middle housing, including fourplexes, in our neighborhoods now. Let's stop building new giant single-family homes, and instead allow the market to begin building the next generation of houses will produce more affordable outcomes. Signed, The Portland Small Developers Alliance

## **Christine Colasurdo**

### #83017 | January 15, 2020

#### Testimony to Portland City Council on the Residential Infill Project, Recommended Draft

Dear City Council: As a Portland native, in the last ten years I have witnessed Portland lose many big trees, "vacant" lots, and other green features for wildlife. I have seen houses built out to the lot line-thereby destroying habitat for urban wildlife. I have watched air quality degrade, with an increase in unhealthy air days. This is a tragedy not just for wildlife but for humans. In this time of climate emergency, we need all the clean air and green space we can get-especially little green spaces like yards. The RIP has the potential to seriously eliminate habitat for urban wildlife. Taking away backyards to build multiple dwellings might be great for developers, but it robs birds, mammals, insects and plants of crucial space. Front and back yards are essentially de facto wildlife sanctuaries. A big backyard, especially one with trees, is an opportunity for urban wildlife to survive. By viewing yards as merely places to add more housing is depleting survival options for urban wildlife. The RIP ignores the scientific fact that ecosystems are in collapse due to habitat loss, global warming, and pollution. The RIP ignores the scientific fact that we are in the Sixth Age of Mass Extinction-the Anthropocene. We need to nurture our urban flora and fauna, not put more houses on top of our co-inhabitants, the plants and animals that make life worth living, and make life possible. Trees take carbon out of the atmosphere and give back oxygen. Why would we cut down trees in yards for more houses? We need more trees! The RIP neglects to view the Portland landscape as a dwelling place of MANY species, not just Homo sapiens. Removing yards and putting up more houses for one species fails to consider the big picture of ALL species. We need biodiversity! I have seen salamanders, moles, millipedes, birds, spiders, butterflies, bees and other species decline in number in my own yard. Please take a good look around. We are losing biodiversity in Portland. Populations of songbirds are crashing. We need yards! Do we really want a city of little boxes, and no trees in yards? No birdsong because the trees got cut down for ADUs? No butterflies, no squirrels? I could continue with the list. So much depends on a yard. I've already witnessed infill in Portland and have seen the trees go, and the lot bulldozed, and the result is less land for wildlife. Finally, the RIP will destroy the historic character of neighborhoods. Do we not care for our history? Portland is already becoming a generic, developer-happy city without an aesthetic vision or respect for the past. The RIP continues this pro-developer strategy. This is also tragic because there are always opportunities to learn from history. By destroying history you destroy your own identity as a city. I'm sorry that the Portland City Council has ceded so much power to developers. All over the city I am witnessing projects that do not add beauty to the city, nor do they aid wildlife, nor do they site themselves with respect to the river or mountains. Many

### 190093

buildings are plunked down on the land as if they could be from anywhere. They simply profit developers, many of whom do not even live in Portland. Portland will always be my city. But it breaks my heart that it is not a green city. We can do so much more for our urban flora and fauna. We should do so much more. But the RIP, by allowing developers to destroy yards for more dwellings for Homo sapiens only, is not a step toward a livable, green city. It's a step away. Thank you for your consideration. Sincerely, Christine Colasurdo

## **Neon Brooks**

### #83018 | January 15, 2020

#### Testimony to Portland City Council on the Residential Infill Project, Recommended Draft

I am writing to convey my strong support for the current draft of the Residential Infill project, as well as the "deeper affordability" and "tenant opportunity to purchase" amendments that have been put forth by Portland Neighbors Welcome and Anti-Displacement PDX. I grew up in (mostly) Northeast Portland - my parents bought houses in the Concordia and King neighborhoods when I was in middle school (mid-late 1990s). Before that we rented a duplex in Elliot, a house in Lair Hill (in what is now "South Portland"), a house in Richmond, and a house in Sabin. My parents - both single parents, both artists without advanced degrees - struggled financially for much of my youth, but we lived in safe, clean, comfortable houses in neighborhoods where we could quickly drive or ride the bus everywhere we needed to go. After a lengthy rumspringa where I lived in Boston (Wellesley), San Diego, Chicago, and then again Boston (Somerville), I returned to Portland with my husband and one-year-old daughter in 2016. With two professional jobs and a stack of degrees, we were able to rent a unit in a duplex in Richmond and then buy a cosmetic fixer near Grant Park. Portland has changed so much, and many of the changes are fun and exciting. But it's painful to recognize that the life and opportunities that I had as a poor kid growing up in inner Portland neighborhoods is a reality for fewer children each year. Watching our city follow in the path of San Francisco in changing from a lively artistic haven into a playground for the rich, I find myself completely baffled by the suggestion that encouraging a mix of housing types could negatively affect "neighborhood character". We need to do everything possible as a city to address the housing crisis and create a city that works for everyone. That means pulling on every lever, and it certainly means replacing racist zoning restrictions with new inclusionary policies that allow for more duplexes, triplexes, and four-plexes, and that incentivize affordable housing. It is also why it would be so powerful to add deeper affordability options/ incentives to the currently proposed legislation. Not only that, but we must do EVERY SINGLE THING possible to lead the nation and the world in policy that addresses the climate crisis. That means building more attached homes, and building more homes in close-in neighborhoods where residents can easily rely on transit, biking, and walking to get around. The RIP is an excellent example of a lever we can address the climate crisis and to encourage others to do the same. I look forward to celebrating the passage of this legislation and knowing that our city can change and adapt in ways that help families like the one I grew up in continue to thrive in our city.