



# Better Housing by Design

City Council

September 10, 2019





# Better Housing by Design







# Housing Affordability Overview



# HUD Area Median Income (2019)

Household Size	30% Extremely Low Income	60% Very Low Income	80% Low Income	100% Median Income	120% Moderate Income
1	\$18,480	\$36,960	\$40,040	\$61,530	\$73,836
2	\$21,120	\$42,240	\$56,320	\$70,320	\$84,384
3	\$23,760	\$47,520	\$63,360	\$79,110	\$94,932
4	\$26,370	\$52,740	\$70,320	<b>\$87,900</b>	\$105,480



# Monthly affordable rent

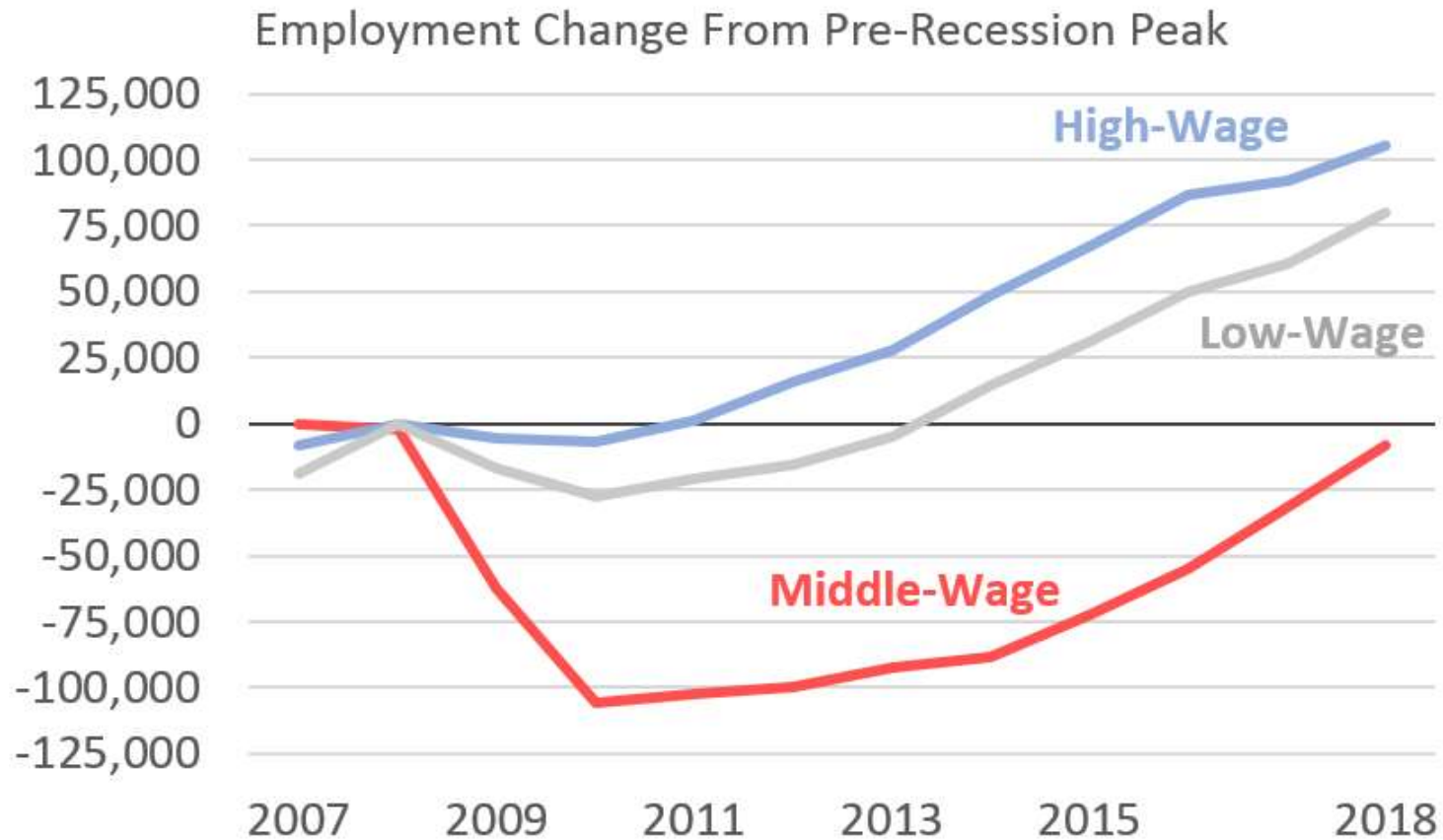
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Household Size	30% Extremely Low Income	60% Very Low Income	80% Low Income	100% Median Income	120% Moderate Income
Studio	\$462	\$924	\$1,232	\$1,538	\$1,845
1BD	\$495	\$990	\$1,320	\$1,648	\$1,977
2BD	\$594	\$1,188	\$1,584	\$1,977	\$2,373
3BD	\$685	\$1,371	\$1,829	\$2,285	\$2,742



# Increasing income inequality



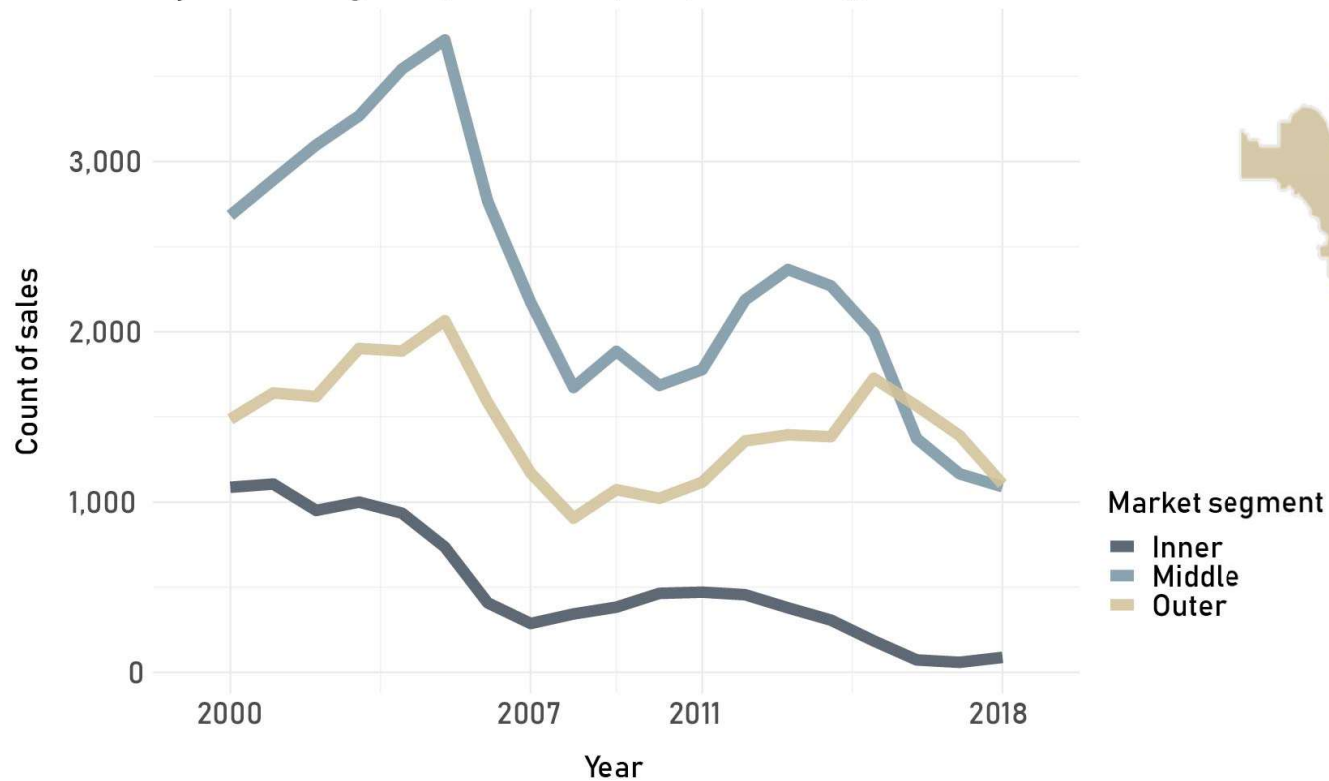
Occupational data grouped median wages | Source: BLS, Oregon Office of Economic Analysis



# Affect on housing access

## Count of single-family home sales under \$400k

By market segment, RIP zones (R2.5, R5 and R7), 2000–2018



Source: Regional Multiple Listings Service (RMLS); Portland Bureau of Planning and Sustainability.





# Creating less expensive housing ...





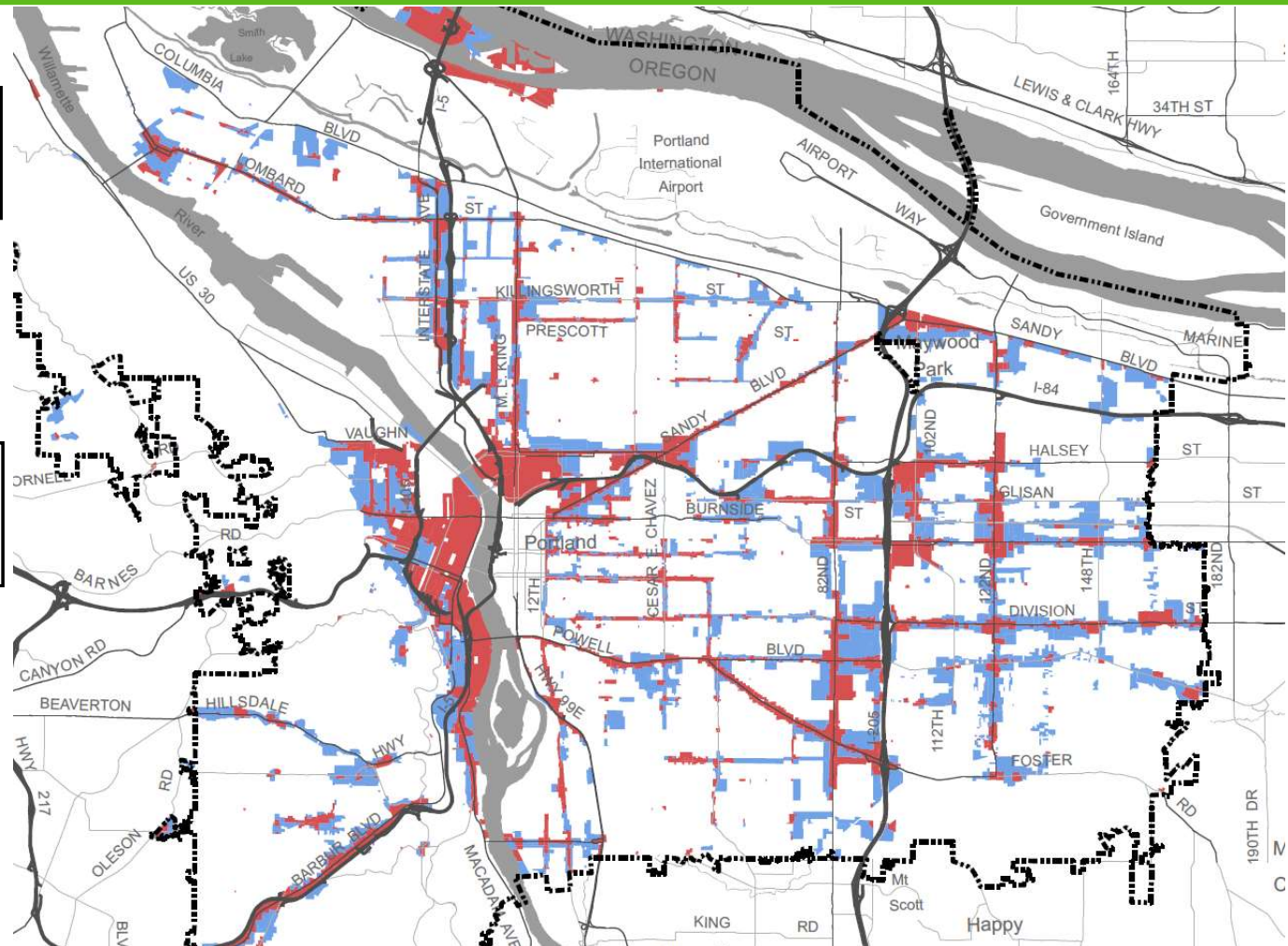


# Better Housing by Design Project Scope

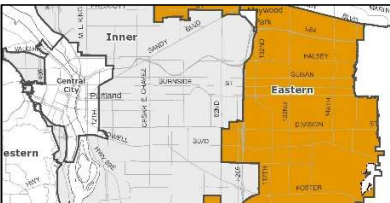


# Multi-dwelling zoning

Multi-dwelling zones:  
8% of Portland's land area







- Diverse housing options and affordability
- Outdoor spaces and green elements
- Building design and scale
- East Portland and street connections
- Historic district provisions



# Diverse and less expensive housing options

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Past



Duplex



Fourplex

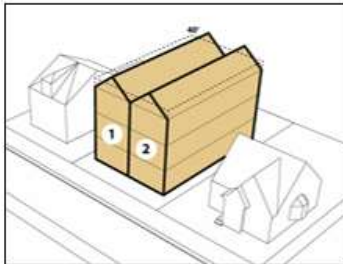


Small Apartment Building (eightplex)



Courtyard Apartments

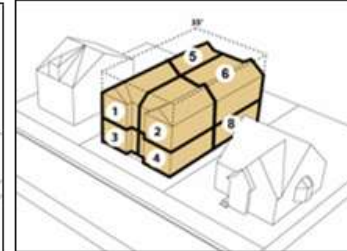
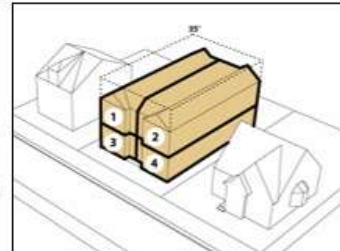
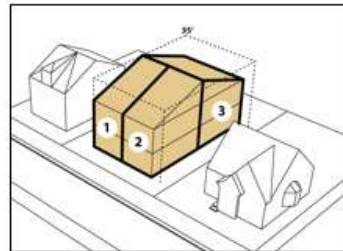
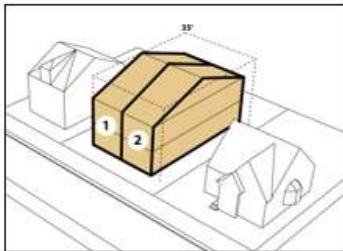
Present



*R2 zone regulated by unit density (maximum 2 units on 5,000 sq.ft. lot)*

Regulate by building scale instead of unit density – allowing more diverse and less expensive housing options

Proposed





# Base and bonus building scale

## New Multi-dwelling Zones

**RM1**

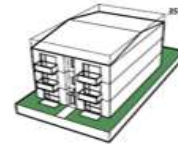
Current: R2 and R3

Base FAR



1 to 1

Bonus FAR



1.5 to 1

**RM2**

Current: R1



1.5 to 1



2.25 to 1

**RM3**

Current: RH (2:1 FAR)



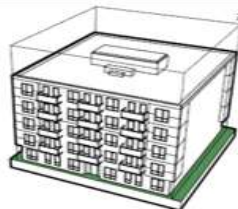
2 to 1



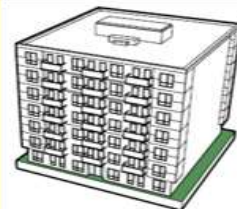
3 to 1

**RM4**

Current: RH (4:1 FAR)



4 to 1



6 to 1

**Bonus scale  
allowed for:**

- Affordable units
- Accessibility
- Preservation



# Affordable housing and visitable units

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Base FAR	Bonus FAR Up to 50% above base	Bonus FAR 100% above base
<ul style="list-style-type: none"><li>▪ Allowed by right</li><li>▪ Varies by zone</li></ul>	<ul style="list-style-type: none"><li>▪ <b>Inclusionary housing</b> (60-80% AMI): <b>full 50% bonus</b></li><li>▪ <b>Moderate income family housing</b> (100% AMI): <b>25% bonus</b></li><li>▪ <b>Preservation of existing affordable housing</b> (60% AMI) (development transfer)</li><li>▪ <u>Visitable units</u>: <b>25% bonus</b></li></ul>	<ul style="list-style-type: none"><li>▪ <b>Deeper housing affordability bonus</b> <i>(half of units must be affordable at 60% AMI)</i></li></ul>

Development incentives prioritize affordable housing and visitable units



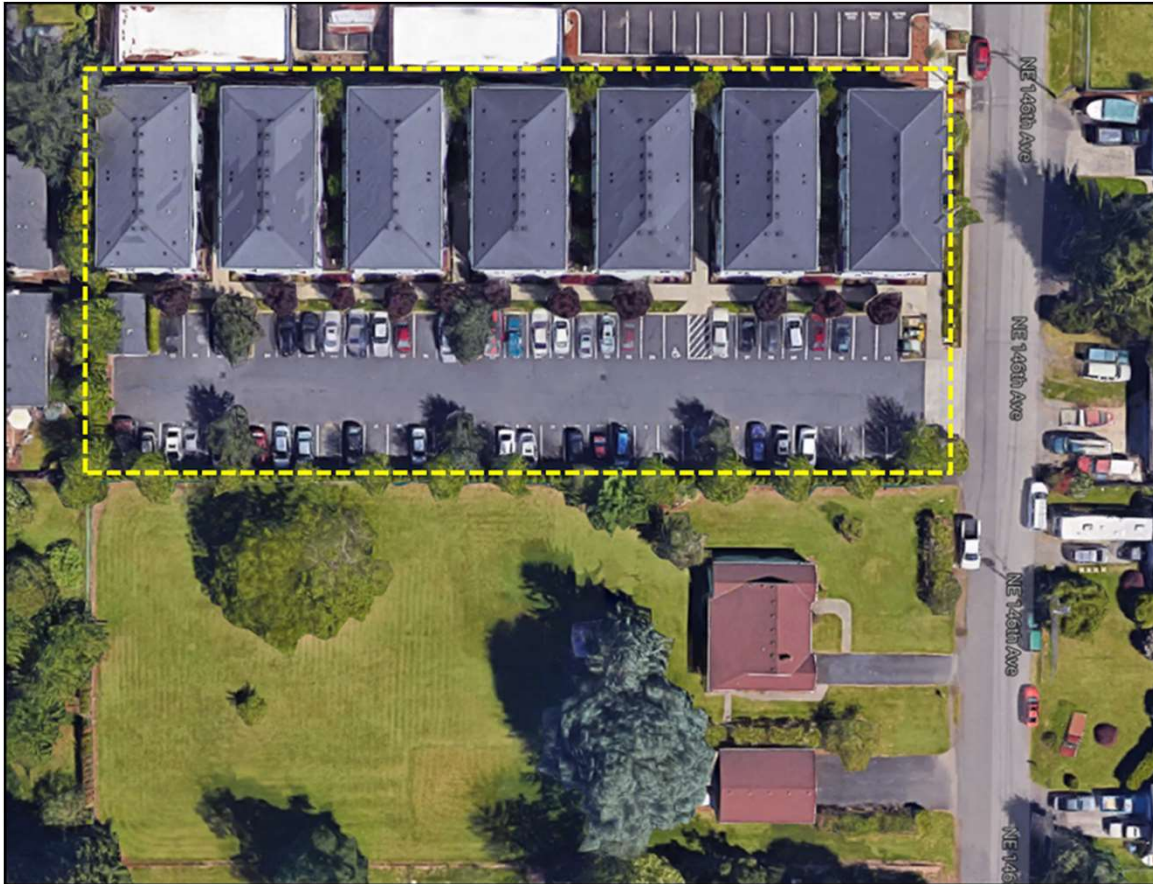
# Outdoor spaces and green elements



- Require outdoor spaces in all multi-dwelling zones
- Common areas / courtyards for large sites
- Provisions for green options: ecoroofs and stormwater planters



# Reduction of urban heat islands



Limit large surface parking lots to reduce urban heat islands



# Parking flexibility

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*Project providing current required 1-to-1 parking ratio*



*Five-plex with no parking on small site*

- Small sites: Make parking optional
- Larger sites: Reduce minimum parking ratio to 1 space for every 2 units



# Building design and scale

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- Limit front garages and front parking
- Require front setbacks that relate to context and provide privacy
- Building height transition next to single-dwelling zones



# East Portland and street connections

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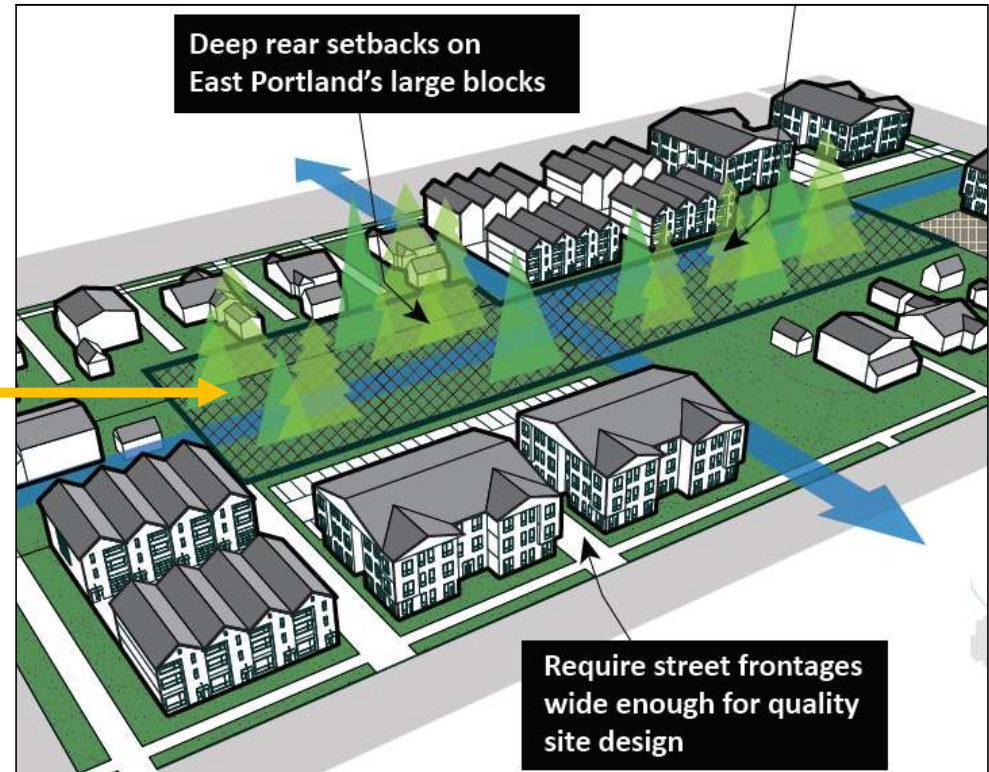
## Issues:

- Large blocks with tree groves
- Infrequent street connections
- Many families with children living in apartments





- Keep centers of blocks greener, less built up
- Ensure sites are large enough for new connections and quality site design

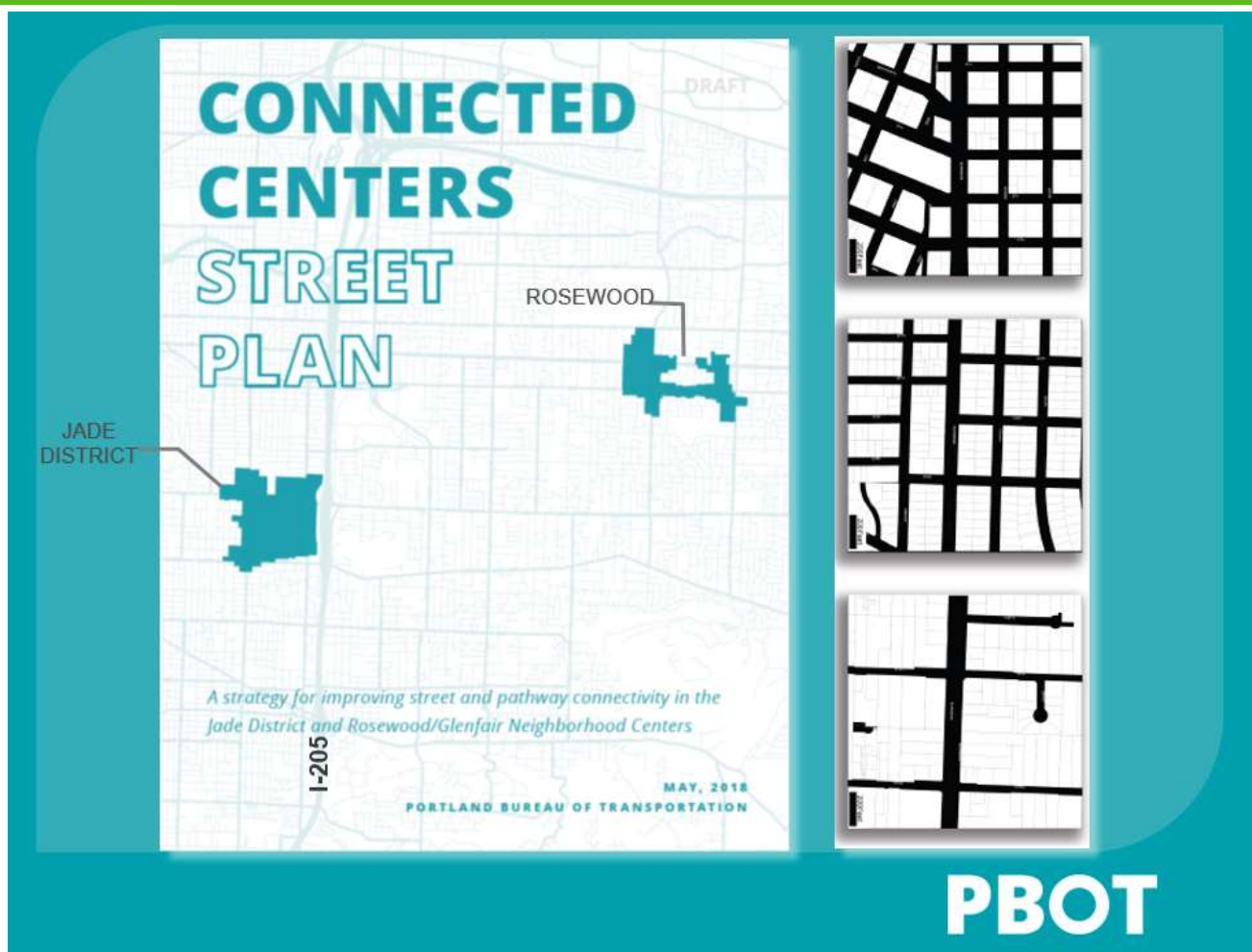


*Center of blocks - provide space for outdoor areas and trees.*



# Connected Centers Street Plan

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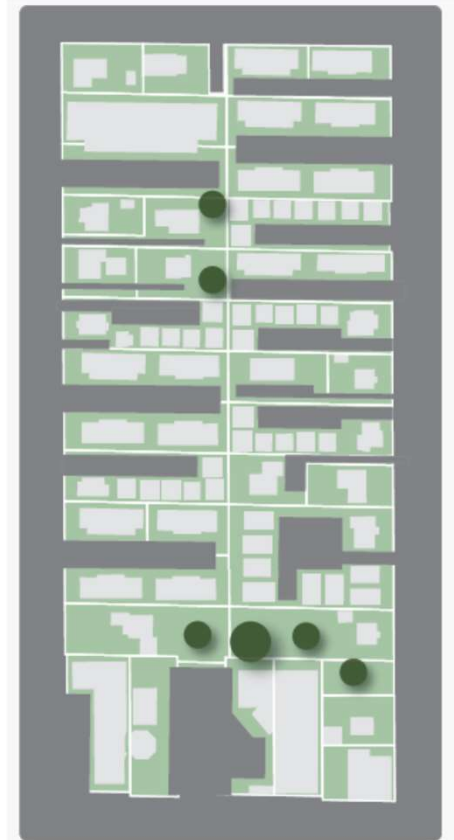




# Connected Centers Street Plan



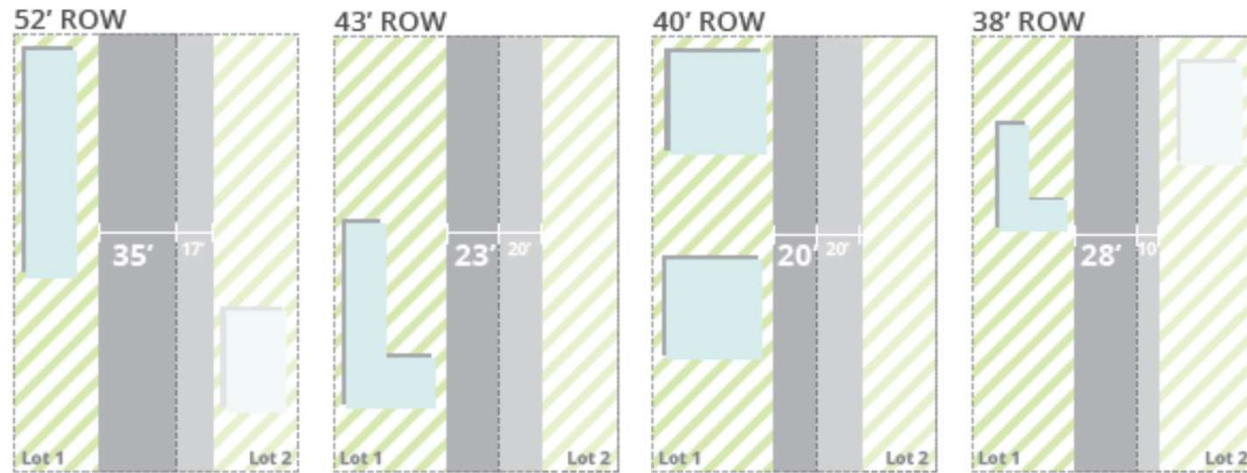
**East Portland today:** Private driveways with no public access



*Continuation of  
current trends*



# Connected Centers Street Plan



## Proposal:

Provide a range of street/pathway options that fit on infill sites





## **Comprehensive Plan policies call for:**

- Zoning compatible with historic districts
- Prioritizing housing growth and affordability in locations close to jobs, services and transit





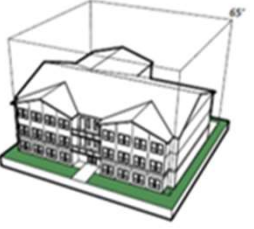

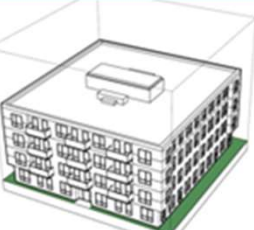



# Historic districts provisions

## “Right size” the zoning:

- Apply a reduced base FAR in the large-scale RM4 zone in historic districts

*and...*

- Expand bonuses for affordable housing in historic districts

	Base FAR	Bonus FAR
RM3	 2 to 1	 3 to 1
RM4 (historic districts)	 3 to 1	 4.5 to 1
RM4 (outside historic districts)	 4 to 1	 6 to 1



# Historic districts provisions



3 to 1



3.3 to 1



4.3 to 1



3 to 1



3.7 to 1



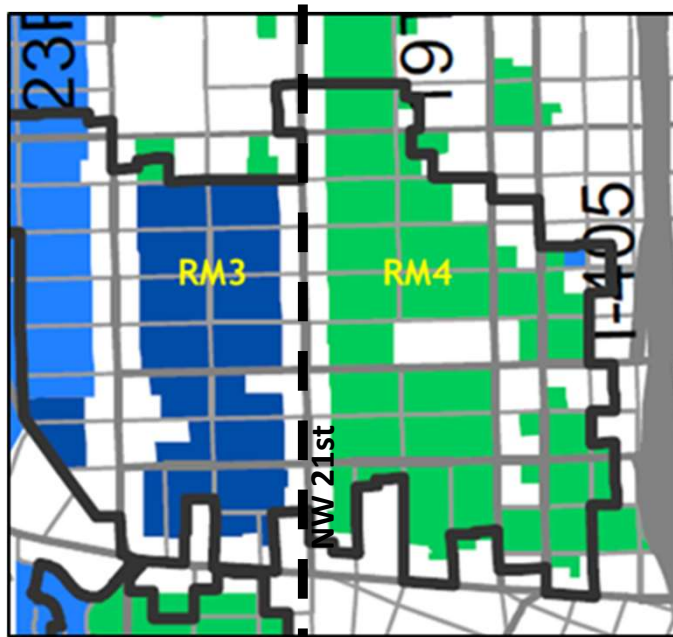
4.7 to 1

RM4 base and bonus FARs of 3:1 and 4.5:1 will allow new buildings similar in scale of larger historic buildings

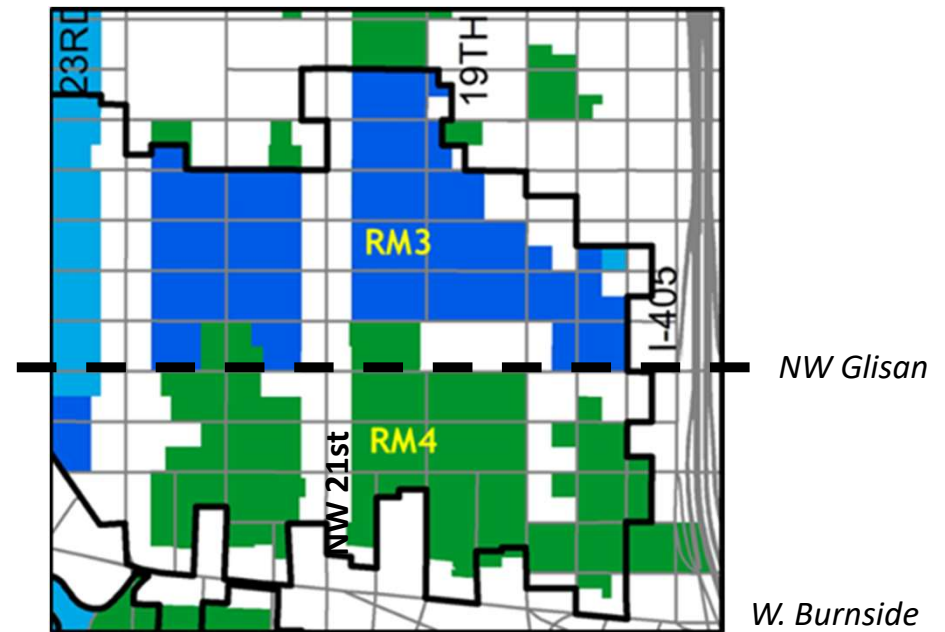
3 to 1 —————→ 4.5 to 1



# Historic districts provisions



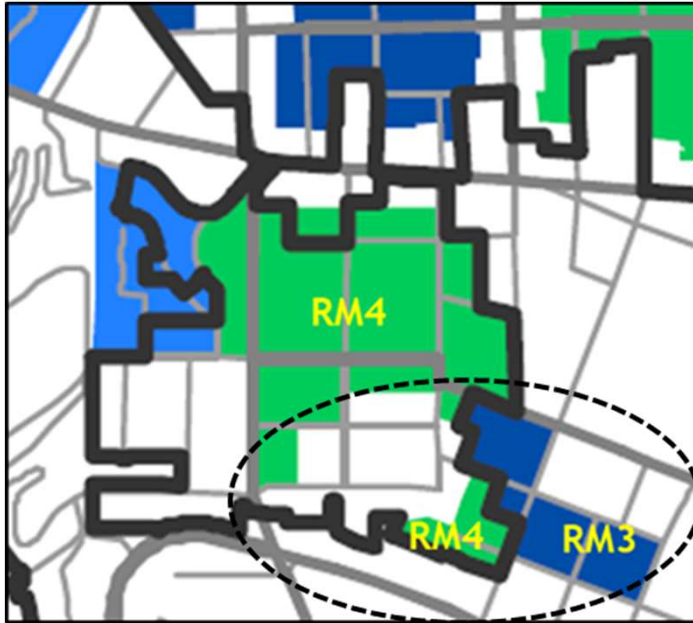
**Original Proposal**  
(based on existing zoning)



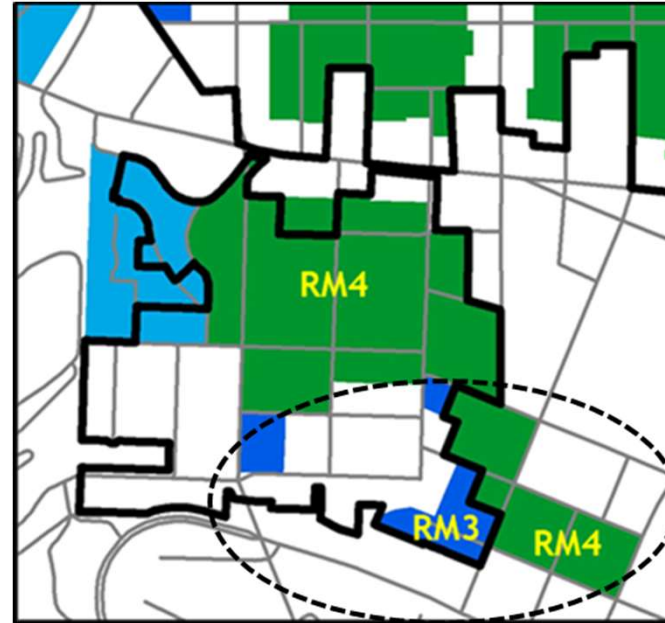
**Recommended Changes**  
(based on historic patterns)

Alphabet Historic District: Assign RM3 and RM4 zoning to reflect historic patterns





**Original Proposal**  
(based on existing zoning)



**Recommended Changes**  
(based on historic patterns)

W. Burnside

SW Madison

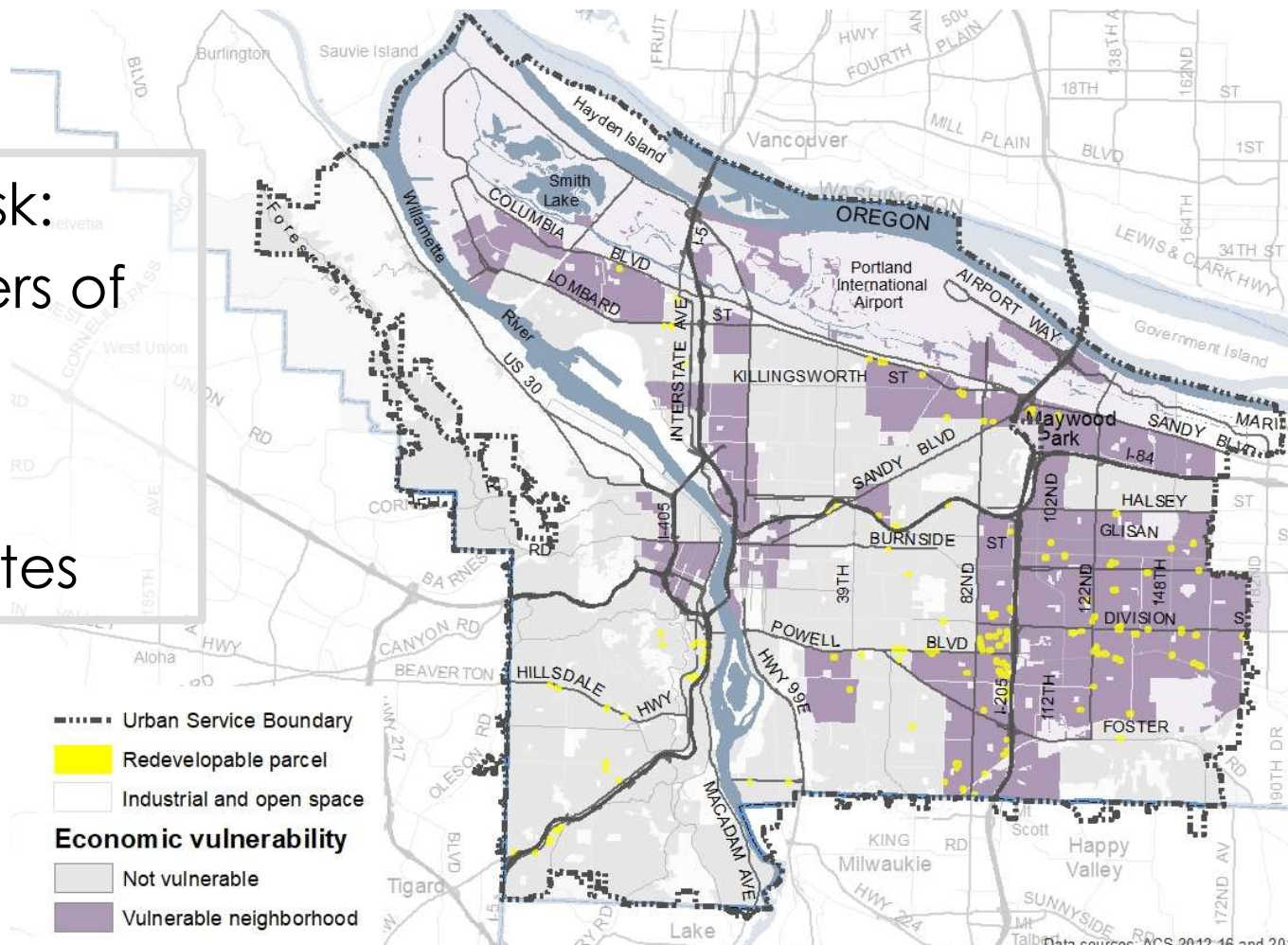
King's Hill Historic District: assign RM3 and RM4 zoning at southern edges to reflect historic patterns



# Displacement risk

Households most at risk:

- Lower income renters of single-family houses
- Residents of older apartments on under-developed sites





# Displacement mitigation

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## Mitigations:

1. Produce more, cheaper units
2. Inclusionary Housing applies
3. Bonus makes larger projects with IH units more feasible
4. Significant bonus for deeper affordability (60% AMI)
5. New FAR transfer preserves existing affordable housing



Data sources: ACS 2012-16 and 201





More flexibility for numbers and types of units +  
New incentives for affordable housing and accessible units +  
Requirements for outdoor spaces & pedestrian-friendly design +  
New approaches for street connectivity +

=

More and better housing options for more Portlanders  
to live close to services, with design that supports active living  
and connected communities