

## **ORDINANCE NO.**

Amend the Comprehensive Plan, Comprehensive Plan Map, Zoning Map, Title 33-Planning and Zoning, Title 18-Noise Control, Title 30-Affordable Housing, Title 32-Signs and Related Regulations to revise the Multi-Dwelling Residential designations and base zones. (Ordinance; amend Code Title 33, and Code Title 18 and 32)

The City of Portland ordains:

Section 1. The Council finds:

### General Findings

1. Portland's continued population and economic growth have had a significant impact on rental housing, resulting in citywide rent increases averaging 5 percent or more from 2012-2016. As noted in the City's 2017 State of Housing Report, after four consecutive years of seeing rent increases of 5 percent or more, Portland saw a smaller overall rent increase in 2017 of 2 percent. However, rents for larger units continued to rise—5 percent for two bedrooms and 10 percent for three bedrooms. At the same time, when adjusted for inflation, renter incomes are still below their pre-recession levels.
2. The livability and quality of multi-dwelling housing has a disproportionate impact on the quality of life of people of color and low-income households. Larger proportions of these populations live in multi-dwelling housing than the general population.
3. Multi-dwelling zones provide affordable housing opportunities. These medium- and higher-density zones will continue to play a critical role in providing a broad range of housing to meet the needs of all Portlanders.
4. Between now and 2035, 80 percent of the roughly 100,000 new housing units developed in Portland will be multi-dwelling units. Nearly one-quarter of the total growth will be in multi-dwelling zones outside the Central City. Many of those buildings will be along transit corridors and in mixed use centers.
5. The objective is to revise City regulations to better implement Comprehensive Plan policies that call for:
  - Housing opportunities in and around centers and corridors.
  - Housing diversity, including affordable and accessible housing.
  - Design that supports residents' health and active living.
  - Pedestrian-oriented street environments.
  - Safe and convenient street and pedestrian connections.
  - Design that respects neighborhood context and the distinct characteristics of different parts of Portland.
  - Nature and green infrastructure that are integrated into the urban environment.
  - Low-impact development that helps limit climate change and urban heat island effects.

6. Statewide Planning Goal 10 requires Portland to enact land use measures that “encourage the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing location, type and density.” “Needed housing” includes multi-dwelling residential units.
7. The *Better Housing by Design Recommended Draft* revises development and design standards in Portland’s multi-dwelling residential zones (R3, R2, R1 and RH) outside the Central City. The types of housing allowed in these areas include apartment buildings of varying sizes, fourplexes, townhouses and rowhouses. These medium- to high-density residential zones provide opportunities for new housing to better meet the needs of a growing Portland.
8. The *Better Housing by Design Recommended Draft* includes a range of zoning code amendments that will expand the diversity of housing options in Portland’s multi-dwelling zones, provide new incentives for affordable housing, address the needs for outdoor spaces and green elements, better integrate development into neighborhoods, and provide specific approaches that are responsive to East Portland’s needs and characteristics.
9. The *Better Housing by Design Proposed Draft* was released on May 11, 2018 for review by the public and the Portland Planning and Sustainability Commission (PSC). The PSC conducted a public hearing on June 12, 2018. The PSC voted on April 30, 2019 to forward to City Council their *Better Housing by Design Recommended Draft*.
10. On May 11, 2018 notice of the *Better Housing by Design Proposed Draft* was filed with the Department of Land Conservation and Development in compliance with the post-acknowledgement review process required by OAR 660-18-020. A revised notice, reflecting Planning and Sustainability Commission *Recommended Draft*, was sent to the Department of Land Conservation and Development on August 28, 2019.
11. On May 11, 2018, a notice of the June 12, 2018 Planning and Sustainability Commission public hearing on the *Better Housing by Design Proposed Draft* was sent to the project’s mailing list, individuals and organizations who requested such notice, and other interested parties.
12. On May 11, 2018, a Measure 56 notice was sent to 33,630 property owners potentially affected by the changes, as required by ORS 227.186. Property owners received a separate notice for each property potentially affected by the proposal.
13. On August 1, 2019, BPS published the Planning and Sustainability Commission’s *Better Housing by Design Recommended Draft* (Exhibit B).

14. A public notice of the October 2, 2019 Portland City Council public hearing on the *Recommended Draft* was sent on September 5, 2019 to those who testified to the Planning and Sustainability Commission, individuals and organizations who requested such notice and other interested parties.
15. The Findings of Fact Report, attached as Exhibit A, includes additional findings demonstrating consistency with the Statewide Planning Goals, Metro Urban Growth Management Functional Plan, and the City of Portland *2035 Comprehensive Plan*.
16. Amendments to Title 30, attached as Exhibit E, are necessary to provide a home ownership option for the deeper housing affordability bonus included in the *Better Housing by Design As Amended by City Council* zoning code amendments.

NOW, THEREFORE, the Council directs:

- a. Adopt Exhibit A as additional findings.
- b. Amend the *2035 Comprehensive Plan* to add the policy amendments of the *Better Housing by Design As Amended by City Council* report, as shown in Exhibit B.
- c. Adopt the commentary in Exhibit B, *Better Housing by Design As Amended by City Council*, dated December 2, 2019, as legislative intent and further findings.
- d. Amend Title 33, Planning and Zoning, as shown in Exhibit B, *Better Housing by Design As Amended by City Council*, dated December 2, 2019, but excluding the addition of 33.120.211.C.3 (Three-bedroom unit bonus option).
- e. Amend Title 33, Planning and Zoning, 33.120.211.C.3 (Three-bedroom unit bonus option) as shown in Exhibit B, *Better Housing by Design As Amended by City Council*, dated December 2, 2019.
- f. Amend Title 18, Noise Control, as shown in Exhibit B, *Better Housing by Design As Amended by City Council*, dated December 2, 2019.
- g. Amend Title 32, Signs and Related Regulations, as shown in Exhibit B, *Better Housing by Design As Amended by City Council*, dated December 2, 2019.
- h. Amend the Comprehensive Plan Map as shown on Exhibit C (Map 1).
- i. Amend the official Zoning Map to apply the changes shown on Exhibit D (Map 2).
- j. Amend Title 30, Affordable Housing, as shown in Exhibit E.

Section 2.

The directives in this ordinance shall become effective as follows: directives a, b, c, d, f, g, h, i, and j become effective on March 1, 2020 and directive e becomes effective on June 1, 2020.

Section 3.

If any section, subsection, sentence, clause, phrase, diagram or drawing contained in this ordinance, or the map, report, inventory, analysis, or document it adopts or amends, is held to be deficient, invalid or unconstitutional, that shall not affect the validity of the remaining portions. The Council declares that it would have adopted the map, report, inventory, analysis, or document each section, subsection, sentence, clause, phrase, diagram and drawing thereof, regardless of the fact that any one or more sections, subsections, sentences, clauses, phrases, diagrams or drawings contained in this Ordinance, may be found to be deficient, invalid or unconstitutional.

Passed by the Council:

Mayor Ted Wheeler  
Prepared by: Tom Armstrong  
Date Prepared: September 9, 2019

**Mary Hull Caballero**  
Auditor of the City of Portland  
By

Deputy