

IMPACT STATEMENT

Legislation title: Accept the Residential Infill Project: Concept Report to Council as general conceptual parameters for subsequent zoning code and zoning map amendments (Resolution)

Contact name: Sandra Wood

Contact phone: 503-823-7949

Presenter name: Morgan Tracy

Purpose of proposed legislation and background information:

The Residential Infill Project: Concept Report to City Council contains recommendations to guide future revisions of rules for single-dwelling zones to meet the changing housing needs of current and future generations of Portlanders. Revised rules to the Portland Zoning Code are anticipated to be adopted by ordinance in late 2017, following the legislative amendment procedures required by state law and City code. This project will help advance multiple goals and policies of the 2035 Comprehensive Plan. It will also address expressed resident concerns about the size of new houses, and the rising cost and lack of housing choices.

Financial and budgetary impacts:

There are no financial and budgetary impacts of accepting the Residential Infill Project: Concept Report to City Council.

The financial and budgetary impacts of developing revised rules to implement the concepts in the report are anticipated to include:

- \$100,000 for the procurement, performance and compensation of professional services to perform conduct citywide outreach and public workshops in FY 16-17; and
- \$200,000 for two full-time city planners in FY17-18.

Community impacts and community involvement:

Community involvement has been instrumental in informing and refining the recommendations identified within the Residential Infill Project Concept Report to City Council. Public participation opportunities included:

- **Stakeholder Advisory Committee (SAC), September 2015 – October 2016:** A SAC was established to advise project staff on issues related to the project and participate in the development of draft recommendations. Twenty-six SAC members were appointed by Mayor Charlie Hales to represent neighborhood residents (homeowners and renters), those involved in construction or selling of houses (i.e. builders, architects and realtors) and those representing interests such as housing equity, historic preservation, seniors and sustainability. Members were chosen to ensure the SAC provided a balance of age, gender and geographic distribution. Committee members shared their advice, insight and expertise and provided project updates to their diverse group of networks and organizations. In addition to 16 meetings between September 2015 and October 2016, SAC members also participated in neighborhood walks (October and November 2015) and an all-day charrette (January 2016). The committee also exchanged ideas, photos and key articles on a Facebook group page,

visible to the public. All SAC meetings were open to the public and included time for public comment. Written and verbal public comments were incorporated in SAC meeting minutes.

- **Online questionnaire, December 2015:** More than 7,200 people participated in an online questionnaire between December 2015 and January 2016. The survey provided an opportunity for Portlanders to share their thoughts about residential infill issues. Project staff used the results to help identify key community values and target additional outreach to reach people not well represented in the survey. An analysis of the results and a summary of the nearly 8,600 comments received is available in the survey report on the project website.
- **Public open house, January 2016:** After a day-long SAC charrette, the public was invited to view the charrette graphics and flipcharts, learn more about the project and provide feedback.
- **Public review of concepts, June – August 2016:** The public was engaged over a two-month period through a variety of means, including six open houses and hosted forums at neighborhood coalition offices and meetings with advocacy organizations. In addition, the project team gained feedback from 2,375 respondents through a concurrent online open house/questionnaire. An analysis and summary of the results from 1,562 comments received from questionnaires, comment forms, flipchart notes, emails and letters is available in a summary report on the project website.
- **Project communication:** Regular communications about the Residential Infill Project were made available through the project website, monthly e-mail updates to the project mailing list, Bureau of Planning and Sustainability newsletters, social media sites (Facebook, NextDoor and Twitter) and media releases in addition to briefings with city commissions and committees.

In addition, future community involvement will include:

- **Public review of draft code language and zoning map changes:** After further direction through Council adoption of Residential Infill Project: Concept Report to City Council, project staff will craft Zoning Code amendments and develop more specific mapping proposals. The public will have an opportunity to review and offer feedback on these specific draft proposals before they are presented to the Planning and Sustainability Commission.
- **Planning and Sustainability Commission hearings on proposed code and map changes:** Following development of specific zoning code and map proposals with the public's input, the Planning and Sustainability Commission will conduct a public hearing and make a formal recommendation to City Council.
- **City Council hearings on recommended code and map changes:** City Council will conduct additional public hearings prior to making a final decision on recommended changes.
- **Ongoing project communication:** Regular communications about the Residential Infill Project will continue through the project's duration via the project website, monthly e-mail updates to the project mailing list, Bureau of Planning and Sustainability newsletters, social media sites (Facebook, NextDoor and Twitter) and media releases.

Budgetary Impact Worksheet**Does this action change appropriations?**

- YES: Please complete the information below.
 NO: Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount



37252

Bureau of Planning and Sustainability
Innovation. Collaboration. Practical Solutions.

MEMO

DATE: October 17, 2016

TO: Mayor Hales
Commissioner Fish
Commissioner Fritz
Commissioner Novick
Commissioner Saltzman

FROM: Susan Anderson, Director

SUBJECT: Residential Infill Project

I am pleased to share *the Residential Infill Project: Concept Report to City Council*. This project was initiated in response to community concerns related to new infill, housing affordability and compatibility, demolitions, and the need for more housing choices in Portland's neighborhoods.

The report recommendations, while fairly detailed, are at a concept level, and reflect hundreds of conversations with stakeholders and community members. The recommended concepts will:

- Help infill housing fit better into existing neighborhoods.
- Allow for more than one dwelling unit on each lot to provide more access for Portland residents to wonderful, walkable, amenity-rich neighborhoods.
- Improve the design of houses on narrow lots.
- Clarify where narrow lots are allowed.
- Promote more inclusive and diverse neighborhoods.

I believe these recommendations move Portland in the right direction - creating more housing choices, and advancing our goal to accommodate 80 percent of Portland residents in complete neighborhoods.

Over the next month, you will hear from the public, and subsequently provide direction to BPS to begin the legislative process to formally amend the zoning code and zoning map. The legislative project will include hearings at the Planning and Sustainability Commission before advancing to City Council next year.



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I look forward to discussing the report and recommendations at the following times:

- November 1 from 9:30am - 11:30am (Council work session)
- November 9 from 2pm - 5pm. (Council hearing)
- November 16 from 2pm - 4pm. (Council hearing)

Over the next week, Morgan Tracy and Sandra Wood from BPS will arrange meetings with your staff to provide an overview and answer questions.

Please let me know if you need more information, or would like to meet with me. Thank you.





Bureau of Planning and Sustainability
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MEMO

DATE: December 7, 2016

TO: City Council

FROM: Morgan Tracy, Project Manager

CC: Susan Anderson, Director
Joe Zehnder, Chief Planner
Sandra Wood, Planning Manager

SUBJECT: Residential Infill Project: Potential Amendments List

This memo includes a list of potential amendments to the *Residential Infill Project: Concept Report to City Council*. These potential amendments have been offered by Commissioners for discussion at a City Council worksession on December 7, 2016. By identifying a possible change, the sponsoring commissioner is expressing an interest in further discussion, but has yet to introduce the amendment or committed to vote for the change. Other amendments may also be introduced by Council members during Council's deliberation.

On November 1st, Council held a worksession with staff to learn more about the details in the Residential Infill Project. Council then held two hearings on November 9th and November 16th to gather feedback on Staff's concept recommendations. The record remained open until November 23rd for additional written testimony. Since that time, each council office has identified potential amendments you may be interested in making to the concept recommendations.

The Council's decision on the concept report and these amendments will set the general direction for staff's subsequent work in the coming year to develop more detailed map and code proposals for consideration through a full legislative process.



SCALE OF HOUSES	
CONCEPT	POTENTIAL AMENDMENT
<p>1. Limit the size of houses while maintaining flexibility</p>	
<p>a) <i>Establish a limit on house size that is proportional to lot size and zone using a floor area ratio (FAR).</i></p>	<p>AMENDMENT #1</p> <p>REPLACE – Create more deterrents to demolition and 1:1 replacement inside the overlay zone (Hales)</p> <p>a) Establish a limit on house size that is proportional to lot size and zone.</p> <ul style="list-style-type: none"> • Outside the Housing Opportunity Overlay – no change (i.e. 2500 sf house on a 5000 lot in R5) • Inside the Housing Opportunity Overlay zone: <ul style="list-style-type: none"> - Smaller scale for a single-family house, for example 2000 sf house on a 5000 sf lot in R5. - No change (i.e. 2500 sf duplex on a 5000 sf lot in R5) for duplex, duplex with ADU, and triplex on corner. <p>AMENDMENT #2</p> <p>REPLACE – Smaller house size, but larger than staff's proposal (Novick)</p> <p>a) Establish a limit on house size that is proportional to lot size and zone using a floor area ratio (FAR). Revise the concept report and examples shown to indicate a larger FAR allowance, but still lower than current allowances.</p>
<p>b) <i>Exclude basements and attics with low ceiling heights from house size limits.</i></p>	
<p>c) <i>Allow bonus square footage for detached accessory structures (0.15 bonus FAR).</i></p>	
<p>d) <i>Maintain current building coverage limits.</i></p>	<p>AMENDMENT #3</p> <p>REPLACE – Provide more usable outdoor yard area (Fritz)</p> <p>d) Direct Bureau of Planning and Sustainability staff to explore options for decreasing building coverage and providing adequate private areas outside the home, such as a larger back or side yard.</p>

SCALE OF HOUSES

CONCEPT	POTENTIAL AMENDMENT
<p>2. Lower the house roofline</p>	<p>AMENDMENT #4 (Novick)</p>
<p>a) Restrict height to 2½ stories on standard lots.</p>	<p>Either: Keep existing building height limits</p> <p>OR: Lower height, but taller than staff's proposal.</p>
<p>b) Measure the basepoint from the lowest point 5 feet from a house, not from the highest point.</p>	
<p>c) For down-sloping lots, allow use of average street grade as a basepoint alternative.</p>	
<p>d) Ensure that dormers are a secondary roof mass.</p>	
<p>3. Improve setbacks to better match adjacent houses</p>	
<p>a) Increase minimum front setback by 5 feet; provide an exception to reduce setback to match existing, immediately adjacent house.</p>	<p>AMENDMENT #5</p> <p>AMEND – Front setback flexibility for tree retention (Fritz)</p> <p>a) Increase minimum front setback by 5 feet; provide an exception to reduce setback to match existing, immediately adjacent house. <u>Allow flexibility if tree retention is a consideration.</u></p>
<p>b) Encourage building articulation by allowing eaves to project 2 feet into setbacks and bay windows to project 18 inches into setbacks.</p>	

HOUSING CHOICES

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CONCEPT	POTENTIAL AMENDMENT
4. Allow more housing types in select areas and limit their scale to the size of house allowed	
a) Within the Housing Opportunity Overlay Zone in R2.5, R5 and R7 zones, allow: <ul style="list-style-type: none"> • House with both an internal and detached accessory dwelling unit (ADU) • Duplex • Duplex with detached ADU • Triplex on corner lots. 	
b) Establish minimum qualifying lot sizes for each housing type and zone.	
c) Require design controls for all proposed projects seeking additional units.	
	<p>AMENDMENT #6</p> <p>ADD - Age-Friendly Requirement (Saltzman)</p> <p>d) Within the Housing Opportunity Overlay Zone in the R2.5, R5 and R7 zones, pursue age-friendly requirements, such as visitability or accessibility standards for additional units.</p>
	<p>AMENDMENT #7</p> <p>ADD – Bonus Unit for Affordability (Fritz):</p> <p>e) Within the Housing Opportunity Overlay Zone in the R2.5, R5 and R7 zones, allow an additional unit beyond 4.a if they are affordable.</p>
	<p>AMENDMENT #8</p> <p>ADD – Bonus Unit for Tree Preservation (Fritz):</p> <p>f) Within the Housing Opportunity Overlay Zone in the R2.5, R5 and R7 zones, allow an additional unit beyond 4.a if additional trees are preserved above the minimum Title 11 requirements.</p>

HOUSING CHOICES

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CONCEPT	POTENTIAL AMENDMENT
<p>5. Establish a Housing Opportunity Overlay Zone in select areas</p>	
<p>a) Apply a housing opportunity overlay zone within the following areas:</p> <ul style="list-style-type: none"> • ¼ mile (about five blocks) of Centers • ¼ mile (about five blocks) of corridors with frequent bus service • ¼ mile (about five blocks) of high capacity transit (MAX) stations • within the Inner Ring neighborhoods, and • medium, medium-high and high opportunity housing neighborhoods. 	
<p>b) Exclude areas within the David Douglas School District until school district capacity issues have been addressed.</p>	
<p>c) Prior to adopting any specific zoning changes, refine the Housing Opportunity Overlay Zone boundary to produce a boundary that considers property lines, physical barriers, natural features, topography and other practical considerations.</p>	<p>AMENDMENT #9</p> <p>ADD – Transportation infrastructure (Novick)</p> <p>Add “transportation infrastructure constraints” to the list of mapping considerations.</p>

HOUSING CHOICES

CONCEPT	POTENTIAL AMENDMENT
<p>6. Increase flexibility for cottage cluster developments on large lots citywide</p>	
<p>a) On single-dwelling zoned lots of at least 10,000 square feet in size, allow cottage clusters subject to Type IIX land use review.</p>	
<p>b) Cap the total square footage on a cottage cluster site to the same FAR limit [see Recommendation 1] and limit each new cottage to 1,100 square feet.</p>	
<p>c) Inside the Housing Opportunity Overlay Zone [see Recommendation 5], the number of cottages allowed equals the same number of units that would otherwise be permitted.</p>	
<p>d) Outside the Housing Opportunity Overlay Zone, allow one ADU for each cottage.</p>	
<p>e) Develop specific cottage cluster rules to ensure that development is integrated into the neighborhood.</p>	
<p>f) Allow additional units, when the units are affordable or accessible</p>	
<p>7. Provide flexibility for retaining existing houses</p>	
<p>a) Scale flexibility:</p> <ul style="list-style-type: none"> • Allow modest additional floor area for remodels, additions and house conversions. • Allow modest additional height when an existing house's foundation is being replaced or basement is being converted. 	
<p>b) Housing choice flexibility:</p> <ul style="list-style-type: none"> • Inside the Housing Opportunity Overlay Zone [see Recommendation 5], allow an additional unit when an older house is converted into multiple units or retained with a new cottage cluster development. • Pursue additional flexibility for house conversions, such as parking exemptions, systems development charge (SDC) waivers or reductions, building code flexibility and City program resources that facilitate conversions. 	<p>AMENDMENT #10 AMEND – Encourage house retention by allowing internal conversions everywhere (Hales)</p> <ul style="list-style-type: none"> • Inside the Housing Opportunity Overlay Zone [see Recommendation 5], Allow an additional unit when an older house is converted into multiple units or retained with a new cottage cluster development. <p>AMENDMENT #11 ADD – Clearly define internal conversions (Fritz)</p> <ul style="list-style-type: none"> • Direct Bureau of Planning and Sustainability Staff to clearly define internal conversions, including distinguishing between demolition and remodeling, and promoting preservation of the exterior of a home whether converting to ownership/condo or rental units.

NARROW LOTS

CONCEPT	POTENTIAL AMENDMENT
8. Rezone historically narrow lots to R2.5 in select areas	AMENDMENT #12 REPLACE with –
a) Allow historically narrow lots to be built on by rezoning them to R2.5 if located within the Housing Opportunity Overlay Zone (see Recommendation 5).	8. Do not allow historically narrow lots to be built on (Fritz) STAFF NOTE: This amendment means that historically platted R5 lots that are less than 36 feet wide or 3,000 s.f. could not be built on either inside or outside the Overlay Zone, regardless of whether they are vacant.
b) Remove provisions that allow substandard lots to be built on in the R5 zone.	
9. Citywide improvements to the R2.5 zone	
a) On vacant R2.5 zoned lots of at least 5,000 square feet, require at least two units when new development is proposed. Allow a duplex or a house with an accessory dwelling unit (ADU) to meet the requirement.	
b) Reduce minimum lot width from 36 feet to 25 feet for land divisions.	
c) Allow a property line adjustment to form a flag lot when retaining an existing house.	
d) Require attached houses when a house is demolished.	
e) Allow 3-story attached homes and limit detached houses on narrow lots to 2 stories.	
10. revise parking rules for houses on narrow lots	
a) Allow, but don't require parking on narrow lots.	
b) When a lot abuts an alley, parking access must be provided from the alley.	
c) Allow front-loaded garages on attached houses on narrow lots if they are tucked under the first floor of the house and the driveways are combined.	
d) Do not allow front-loaded garages for detached houses on narrow lots.	AMENDMENT #13 DELETE (Fritz)

Summary of the Residential Infill Project

CONCEPT REPORT



Portland is changing.

By 2035, the city will grow by approximately 123,000 households. About 20 percent of this growth is expected to be in single-dwelling residential zones. The composition and housing needs of the population also is changing. The city is becoming more diverse and older. The average household will be smaller with fewer children per household. The goal of the Residential Infill Project is to adapt Portland's single-dwelling zoning rules to meet the needs of current and future generations.

Your input is needed on these concept recommendations in November 2016.

City Council will hold public hearings on these 10 concept recommendations on November 9th and 16th, 2016 at Portland City Hall.

Based on City Council's direction, specific code amendments will be developed for consideration through a separate legislative process in 2017, that will include required public notice, review and hearings.

Scale of Houses Limit the size of houses while maintaining flexibility. Lower the house roofline. Improve setbacks to better match adjacent houses.

Housing Choice Allow more housing types in select overlay zone areas within the size allowed for a house. Increase flexibility for cottage clusters on large lot citywide. Provide flexibility for existing houses.

Narrow Lots Rezone historically narrow lots to R2.5 in select areas. Make citywide improvements to the R2.5 zone. Revise parking rules for narrow lots.



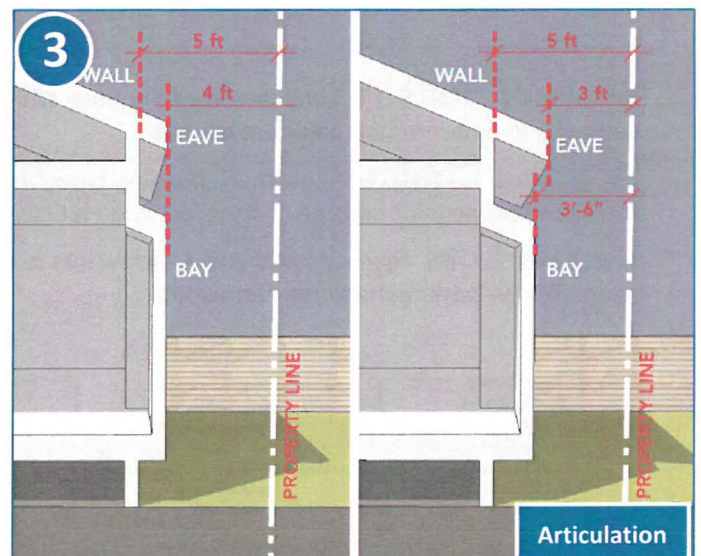
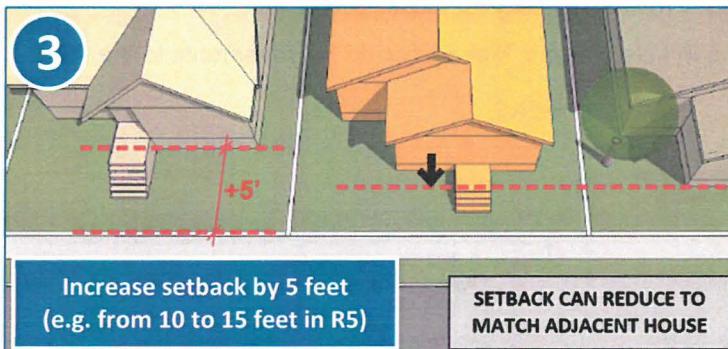
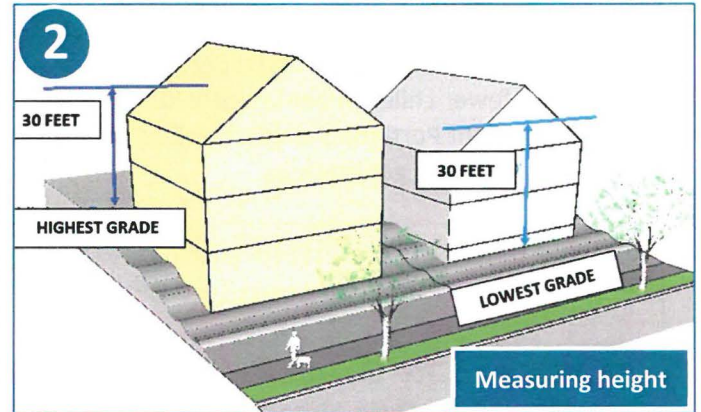
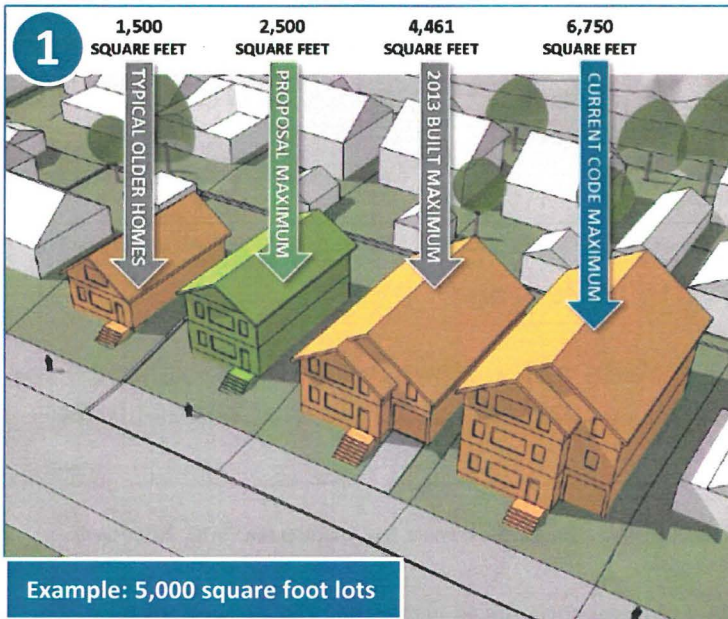
The Bureau of Planning and Sustainability is committed to providing equal access to information and hearings. If you need special accommodation, please call 503-823-7700, the City's TTY at 503-823-6868, or the Oregon Relay Service at 1-800-735-2900.



Concept Recommendations

SCALE OF HOUSES

- 1. Limit the size of houses while maintaining flexibility**
 - a) Establish a limit on house size that is proportional to lot size and zone using a floor area ratio (FAR).
 - b) Exclude basements and attics with low ceiling heights from house size limits.
 - c) Allow bonus square footage for detached accessory structures (0.15 bonus FAR).
 - d) Maintain current building coverage limits.
- 2. Lower the house roofline**
 - a) Restrict height to 2½ stories on standard lots.
 - b) Measure the basepoint from the lowest point 5 feet from a house, not from the highest point.
 - c) For down-sloping lots, allow use of average street grade as a basepoint alternative.
 - d) Ensure that dormers are a secondary roof mass.
- 3. Improve setbacks to better match adjacent houses**
 - a) Increase minimum front setback by 5 feet; provide an exception to reduce setback to match existing, immediately adjacent house.
 - b) Encourage building articulation by allowing eaves to project 2 feet into setbacks and bay windows to project 18 inches into setbacks.



For additional information, contact Bureau of Planning and Sustainability staff: Morgan Tracy, Project Manager 503-823-6879 Julia Gisler, Public Involvement 503-823-7624

AN UPDATE TO PORTLAND'S SINGLE-DWELLING ZONING RULES

HOUSING CHOICES

4. Allow more housing types in select areas and limit their scale to the size of house allowed

- a) Within the Housing Opportunity Overlay Zone in R2.5, R5 and R7 zones, allow:
 - House with both an internal and detached accessory dwelling unit (ADU).
 - Duplex.
 - Duplex with detached ADU.
 - Triplex on corner lots.
- b) Establish minimum qualifying lot sizes for each housing type and zone.
- c) Require design controls for all proposed projects seeking additional units.

5. Establish a Housing Opportunity Overlay Zone in select areas

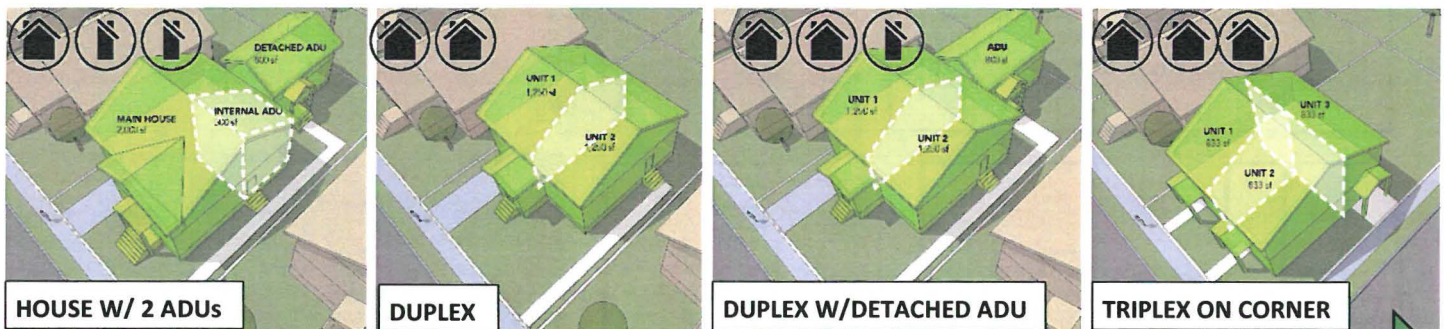
- a) Apply a housing opportunity overlay zone to the following areas:
 - Within a ¼ mile (about five blocks) of centers, corridors with frequent bus service, and high capacity transit (MAX) stations.
 - Within the Inner Ring neighborhoods, and medium to high opportunity neighborhoods as designated in the new Comprehensive Plan.
- b) Exclude areas within the David Douglas School District until school district capacity issues have been addressed.
- c) Prior to adopting any specific zoning changes, refine the Housing Opportunity Overlay Zone to produce a boundary that considers property lines, physical barriers, natural features, topography and other practical considerations.

6. Increase flexibility for cottage cluster developments on large lots citywide

- a) On single-dwelling zoned lots of at least 10,000 square feet in size, allow cottage clusters subject to Type Ix land use review.
- b) Cap the total square footage on a cottage cluster site to the same FAR limit [see Recommendation 1] and limit each new cottage to 1,100 square feet.
- c) Inside the Housing Opportunity Overlay Zone [see Recommendation 5], the number of cottages allowed equals the same number of units that would otherwise be permitted.
- d) Outside the Housing Opportunity Overlay Zone, allow one ADU for each cottage.
- e) Develop specific cottage cluster rules to ensure that development is integrated into the neighborhood.
- f) Explore additional units when the units are affordable and accessible.

7. Provide flexibility for retaining existing houses

- a) Scale flexibility:
 - Allow modest additional floor area for remodels, additions and house conversions.
 - Allow modest additional height when an existing house's foundation is being replaced or basement is being converted.
- b) Housing choice flexibility:
 - Inside the Housing Opportunity Overlay Zone [see Recommendation 5], allow an additional unit when an older house is converted into multiple units or retained with a new cottage cluster development.
 - Pursue additional flexibility for house conversions, such as parking exemptions, systems development charge (SDC) waivers or reductions, building code flexibility and City program resources that facilitate conversions.



HOUSE W/ 2 ADUS

DUPLEX

DUPLEX W/DETACHED ADU

TRIPLEX ON CORNER

4

NUMBER OF UNITS ALLOWED WITHIN SAME HOUSE SIZE LIMIT

Concept Recommendations

NARROW LOTS

8. Rezone historically narrow lots to R2.5 in select areas

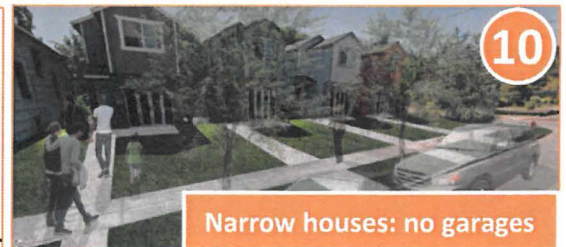
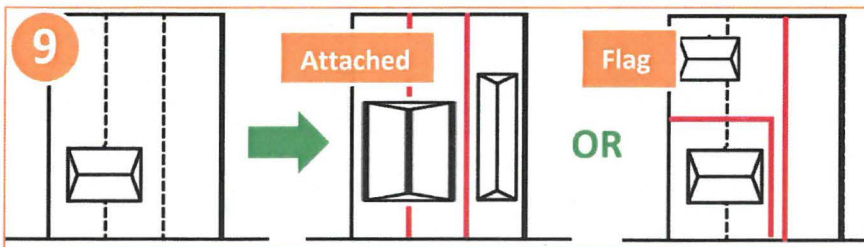
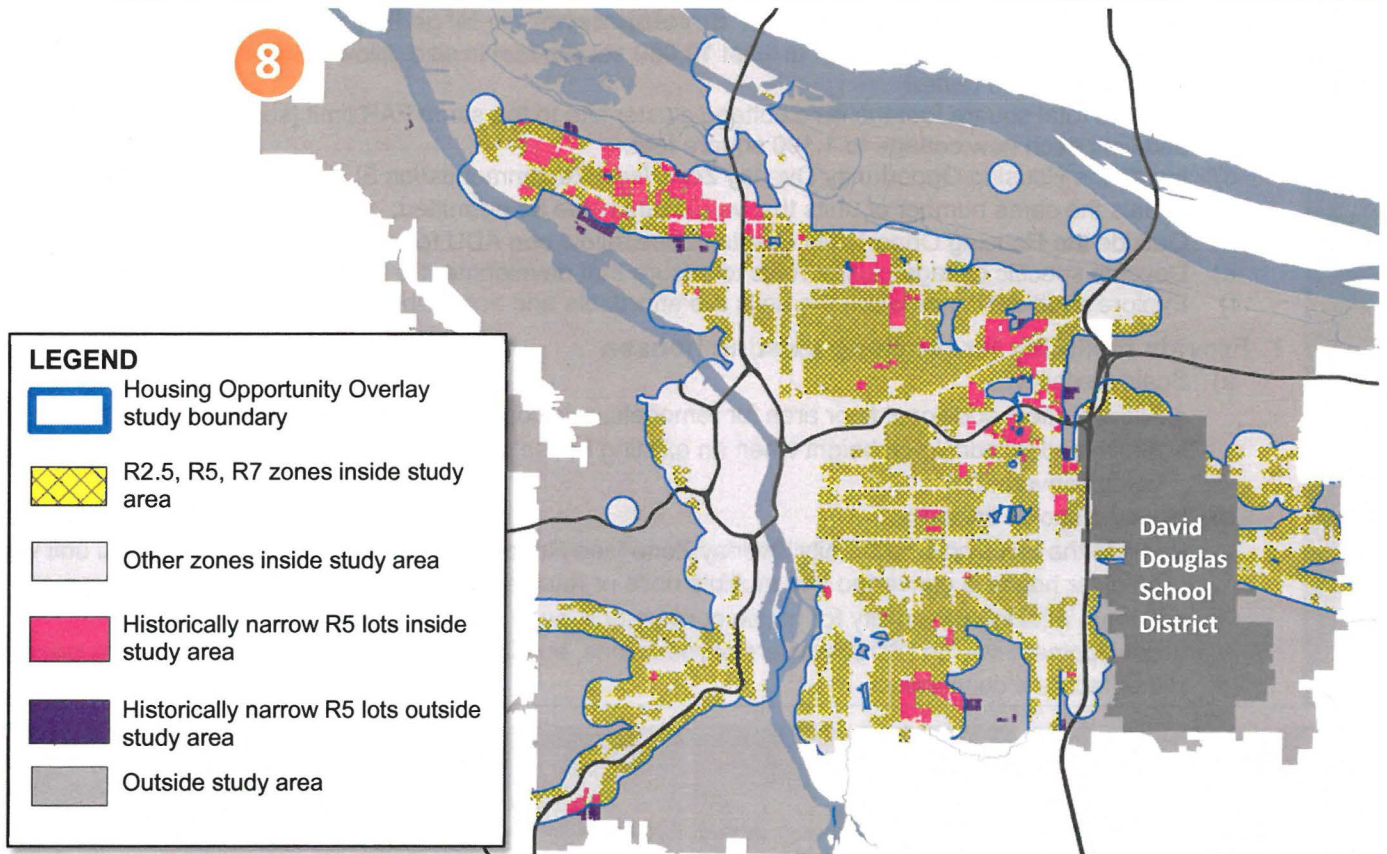
- a) Allow historically narrow lots to be built on by rezoning them to R2.5 if located within the housing opportunity overlay zone [see Recommendation 5].
- b) Remove provisions that allow substandard lots to be built on in the R5 zone.

9. Citywide improvements to the R2.5 zone

- a) On vacant R2.5 zoned lots of at least 5,000 square feet, require at least two units when new development is proposed. Allow a duplex or a house with an accessory dwelling unit (ADU) to meet the requirement.
- b) Reduce minimum lot width from 36 feet to 25 feet for land divisions.
- c) Allow a property line adjustment to form a flag lot when retaining an existing house.
- d) Require attached houses when a house is demolished.
- e) Allow 3-story attached homes and limit detached houses on narrow lots to 2 stories.

10. Revise parking rules for houses on narrow lots

- a) Allow, but don't require parking on narrow lots.
- b) When a lot abuts an alley, parking access must be provided from the alley.
- c) Allow front-loaded garages on attached houses on narrow lots if they are tucked under the first floor of the house and the driveways are combined.
- d) Do not allow front-loaded garages for detached houses on narrow lots.



Narrow houses: no garages