

Portland Planning and Sustainability Commission

April 24, 2018

5:00 p.m.

Meeting Minutes

Commissioners Present: Jeff Bachrach, André Baugh (left at 6:59 p.m.), Ben Bortolazzo, Mike Houck, Andrés Oswill, Chris Smith, Katie Larsell, Eli Spevak, Teresa St Martin, Katherine Schultz

Commissioners Absent: Michelle Rudd

City Staff Presenting: Morgan Tracy, Sandra Wood, Tom Armstrong; Matthew Tschabold (PHB)

Chair Schultz called the meeting to order at 5:01 p.m. and gave an overview of the agenda.

Documents and Presentations for today's meeting

Items of Interest

- *Commissioner Smith* shared that he was impressed with the quality of candidates for the PSC youth commissioner during interviews.
- *Commissioner Spevak* participated in a working group with Metro and 11 jurisdictions' planners updating their code to meet the State's new ADU requirements.
- *Commissioner Baugh* wanted to follow up on the solid waste and recycling rate increase – City Council supported the PSC's additional asks, and Commissioner Baugh spoke with the mayor about plastic silverware. The mayor is working on that issue.
- *Commissioner Houck:* Tim Beatley, director of the Biophilic Cities Project at UVA, will be speaking at PSU's Institute for Sustainable Solutions on May 31st. Biophilia is the innate connection people have to nature. He and Richard Louv (author of *The Last Child in the Woods*) will be meeting with Moda Health the next day to discuss access to nature's importance to physical and mental health.

Director's Report

Susan Anderson

- Susan showed commissioners the BPS Strategic Plan for 2018-2020. Some commissioners were interviewed for it. It focuses on equity, affordable housing, middle-wage jobs, climate action, and other issues. Susan will find agenda time to walk through it in May or June with the PSC.

Consent Agenda

- Consideration of Minutes from the April 10, 2018 PSC meeting

Commissioner Smith moved to approve the Consent Agenda. *Commissioner Baugh* seconded.

The Consent Agenda was approved with an aye vote.

(Y10 – Bachrach, Baugh, Bortolazzo, Houck, Oswill, Smith, Larsell, Spevak, St Martin, Schultz)

Residential Infill Project

Briefing: Morgan Tracy and Sandra Wood

Sandra introduced the project for the briefing and provided a presentation. It's been a two-year effort so far. Sandra introduced and thanked other staff working on the project. The proposal allows more housing units to be built in residential neighborhoods, but only if they follow new size limits.

Sandra gave an overview of previous PSC briefings on the project's background in February and March and the agenda for today's briefing.

Sandra went through the project deliverables: 8-page summary, Volume 1 (staff report), Volume 2 (zoning code amendments), and Volume 3 (appendices, including guidance from the Comprehensive Plan, economic analysis, and detailed map refinements).

The project scope concerns the single-dwelling zones. The proposal delivers on several solutions:

- Current rules allow for houses to be built quite larger than existing houses. This proposal should result in smaller houses that better fit existing neighborhoods.
- Projects being built in the city are either multi-dwelling or single-family, and this proposal allows more housing choices in between.
- Current rules about narrow lots allow for narrow houses in areas where people don't expect them, and the proposal includes clear and fair rules for narrow lot development.

This project is really about people – we heard from Portlanders who are concerned about affordability and lack of housing opportunities for themselves, parents, adult children, and newcomers including teachers and nurses who can no longer afford the city.

Balancing multiple goals:

- Provide diverse housing opportunities
- Support housing affordability and extend access to amenities
- Be resource-efficient and environmentally sensitive
- Avoid increasing the risk of displacement
- Allow homes to adapt over time
- Be economically feasible
- Provide clear rules for development
- Fit neighborhood context

Sandra gave an overview of the process with the Stakeholder Advisory Committee, concept report, questionnaires, open houses, testimony at City Council, Discussion Draft, and Proposed Draft. Sandra went through the different types of input staff has received by the numbers, plus 600 questions so far and 6 drop-in events with the Proposed Draft.

Morgan described the project proposals.

Scale of houses

- 1. Limit the size of houses while maintaining flexibility
 - Morgan went through the size of typical older homes, maximum allowed today, largest built in 2017 (4,720 square feet), and proposed size – 2,500 square feet for a 5,000 -square-foot R5 lot.
 - Increase yard potential

- Floor area ratio for different zones (.4 for R7, .5 for R5, .7 for attached houses or duplexes in R2.5, .5 for detached houses in R2.5)
- Basements (at least 50% combined wall area below grade) and portions of low attics are excluded from FAR
- 2. Revise how height is measured – switch from measuring from highest grade to lowest grade
- 3. Increase R5 setback to better reflect those of adjacent houses – from 10 to 15 feet. Allow reduction to match in R5, R7, and R2.5.
- 4. Improve building design
 - Front door within 4 feet of grade
 - 2-foot eave projections
 - Require alley access when parking is provided and an alley exists (all zones – houses, duplexes, and triplexes)

Chair Schultz read a statement from commissioners disclosing potential conflicts of interest for commissioners. All commissioners except *Commissioners Oswill, Baugh, and Bachrach* own between one and three properties in single-family zones.

Questions:

- *Commissioner Smith* asked how the increase in setback may change the form of the rest of the lot, like tree preservation, backyard size – what’s the consequence?
 - Morgan: There is a tradeoff with the rear yard, but this is a compromise to respond to recent infill development sitting proud of the houses next to them. In an optimal situation we would like to reinforce the front yard continuity of homes. We pulled back the proposal to increase the setback in R2.5 zone because the lots are smaller, but typical R5 lots are 100 feet deep, so even when accounting for a 30 foot deep house, a 20 foot deep detached ADU or garage, and separation between those structures there’s still at least 20 feet of back yard.
- *Commissioner Smith* asked if the 15-foot standard is adjustable if tree preservation is a consideration
 - Morgan: Yes, as it is currently.
- *Commissioner Smith* read in the code where parking is waived or required to be configured in a certain way.
 - Morgan noted that will be covered later (narrow lots).
- *Chair Schultz* asked if the reason we’d gone away from 15 feet was because we had previously allowed a larger scale of house that we’re now reducing? What caused that change?
 - Sandra: We’re not sure.
- *Commissioner Bachrach* asked about the background and thinking on size limitation. Has read through testimony for Discussion Draft and Proposed Draft and thinks very few people said limits were right; many said they were too small. Average house size is 2,800 square feet.
 - Sandra: That average is for new construction.
 - Morgan: You will likely also hear testimony on the opposite direction – that smaller is better. There is [data?] – I did say “science” but...science behind the FAR in that we tested it on different zones, lots, and houses that already exist in order to not create an inordinate amount of non-conforming situations while also having an impact.
 - Sandra: One thing that helped us think about size limit was 2.5 stories as a reasonable size of house. When you consider setbacks, floor plate uses, accessory structures, etc. we got to 2,500 square feet.
 - Morgan: As we get into housing type provisions, there are some FAR bonuses. And we need to be cognizant of where the FAR standards of multi-dwelling zones picks up.
- *Commissioner Bachrach* asked if the goal in setting this restriction neighborhood context – being consistent with the majority of houses already existing.

- Sandra: That is one goal; the Comp Plan has goals about design and neighborhood context. We heard loud and clear from many community members frustration about small houses being demolished and big ones replacing them. Current code counts the negative space, not the building itself, so we were surprised to find that 6,750 square feet would be allowed currently.
- *Commissioner Bachrach* noted that BDS was concerned about the difficulty of processing permits with FAR, and it is confusing for the layperson. Is there a reason you didn't just put a blanket square footage limit?
 - Morgan: Picking a number of square feet is also arbitrary and challenging; FAR is relative to lot size. FAR is also a powerful tool to encourage or discourage things – we can count or not count garages; bonus or not bonus for objectives like affordability. To address BDS' concern, we have provided for existing homeowners up to a 250-square-foot addition without meeting or submitting plans that account for FAR.
 - Sandra: Also in response to BDS, the FAR for detached accessory structures is calculated separate from the house, and basements were defined to be the same throughout the code.
- *Commissioner Spevak* if for detached accessory structures, FAR measures the outside of the building.
 - Morgan: Yes.
- *Commissioner Spevak* noted that 800 square feet is currently allowed for ADUs, but the accessory structures FAR bonus allows only 750 square feet for a detached ADU on a typical R5 5,000-square-foot lot, and even less in other zones. Feels like drives down opportunity for detached accessory dwelling units – is this accurate?
 - Morgan: ADU definition uses living area, which is slightly different than floor area. Resulting square footage is less. If the objective is to ensure we have accessory structures to accommodate a full ADU, we would want to modify the proposal. There is a discrepancy in the proposal but the PSC could amend.
- *Commissioner Spevak* asked that since parking (attached garages) is counted as FAR, is this encouraging detached garages?
 - Morgan: Maybe, but this is not a bad thing – detached garages are flexible, break up the massing of the house, and allow for future ADU conversion.
- *Commissioner Spevak* asked why size limits weren't applied to R10.
 - Morgan: We didn't hear a big problem statement from R10.
- *Commissioner Spevak*: Compared to the current code with setbacks and lot coverage, FAR gives more incentive to do two-story houses, so maybe we need to be more flexible on the lot coverage so you get more one-story structures that are more accessible. ADUs are the defining case where you run into floor area and lot coverage limits, so you do two stories to not exceed the lot coverage limit – this is the same for houses.
 - Sandra: Also increases amount of impervious surface, reduces the backyard and trees, and increases the length of house for neighbors. We don't see that many single-story houses being built and as lots get smaller, people will start building up.
- *Commissioner Baugh* asked about the impact on utilities of having a bigger house and/or more units. Have we talked to the utilities?
 - Morgan: We have been coordinating with infrastructure bureaus, but our conversations didn't get to the details of service lines. We can look into it and get back to you.
- *Commissioner Houck* noted that we still have a policy that states we want to go from 27% tree canopy to 33% and this is a very large swath of the city; I have heard a lot of concerns about potential for loss of urban forest canopy. Looking for as much flexibility as possible to combat urban heat islands and climate change.
- *Commissioner Smith* followed up on Jeff's question about smaller house size: to what extent is the .5 FAR about aesthetic compatibility versus an economic limit that's intended to cause less demolition?

- Morgan: They work together, though we came up with the proposal first and then ran the economic analysis. The proposal had the effect of reducing the number of demolitions, but it wasn't designed for that. The more you reduce the FAR, the less development potential there is.
- *Chair Schultz* noted that Sandra described 2.5-story home and certain size of rear yard for greenery. Did the public express concern about houses fronting or siding a neighbor's backyard? Were scale and compatibility question mainly about the front façade or also about how it intrudes in people's backyard?
 - Sandra: It was both. The 2.5-story house was decided because some neighborhoods have 1.5-story houses but we didn't think that was sufficient for a growing city that needs adaptable houses. Most people would agree that a bigger backyard is better but there are other tradeoffs, so we wanted some flexibility.
- *Chair Schultz*: Did people have angst over a one-story house going further into the backyard?
 - Sandra: Yes, and there was angst about that during accessory structures project as well. In our height measurement, we prioritized the front façade as being the façade that most people experience in the public realm. The low point is generally in the front of the house, whereas the high point is in the back.
- *Commissioner Bortolazzo* asked why low attics do not count and whether there was a missed incentive to encourage usable attics within the same form.
 - Morgan: We have heard concern about FAR leading to more flat-roof development because people won't want to lose square footage on gables. There's a slight difference between what the building code counts and what the proposal counts as floor area – taller than 6' 8" is required to be counted as FAR, but the building code will allow 5 feet if at least 50% of the area is taller than 6'8". If you have a gable, you do get some extra square footage that is not counted as FAR.
 - Sandra: Attics count if they're high enough whether or not they're finished.
 - *Commissioner Bortolazzo*: Regular construction with pitched roof could result in attic that's usable or not usable with form looking exactly the same. There could be opportunity to use volume to its full extent.
 - Sandra: Other jurisdictions use cubic yard maximums; too complicated.
 - Morgan: Common question from public is whether basement is finished or unfinished; we don't want to determine what level of improvement counts as finished or not. Same for attic.

Housing choice

- Morgan described the middle housing spectrum and how the project fits in.
- 5. Create a new 'a' overlay zone
 - No parking required on the lot for additional housing types, but allowed
 - Note a concern about PBOT shared driveway requirements that push the duplex 27 or 28 feet back.
 - When there are three units, one must be "visitable" with no-step entry, bathrooms and halls with wider doors, and area to socialize on ground floor
- 6. Apply the new 'a' to select areas
- 7. Incentives for affordability and flexibility for historic resources
 - Option 1: bonus FAR through either making one of the three units affordable up to 80% MFI, or fee-in-lieu per square foot of additional FAR
 - Option 2: bonus unit on corner lots if one of the four units is affordable up to 80% MFI (no fee-in-lieu alternative)

- For historic resources: Combine FAR for the site, more flexibility in unit arrangement, additional limits on exterior alterations that don't require historic resource review, and no 'a' housing options allowed when demolished
- 8. Encourage cottage clusters citywide
 - Streamline review process (Type III to IIx – faster, no public hearing but public input welcome in writing, staff decision, same criteria, aligned with subdivision thresholds)
 - Allow ADUs – fixed a code inconsistency so that detached primary structures on multi-dwelling development sites are also allowed an ADU, as if they were considered a house
 - Require common open space and pedestrian circulation

Questions:

- *Commissioner Spevak* asked whether cottage clusters are also on par with land divisions if in the 'a.'
 - Morgan: There is a new discrepancy between lots created in a land division and multi-dwelling planned developments (PD's). Individual lots in the 'a' are allowed housing types that exceed base zone density. PD's will now be allowed ADU's but otherwise base density for the site still applies.
- *Commissioner Smith* asked why cottage clusters and not courtyards are allowed as a building type.
 - Morgan: They are, through the Planned Development process. No one has attempted to do it.
 - Sandra: What's fundamental to this proposal is that we're keeping the single-dwelling zones having structures on them that look like single-dwelling houses. When something looks completely different, the Type IIx land use review process gives public opportunity to give input.
- *Commissioner Houck* asked why not fourplexes on corner lots.
 - Morgan: Not out of the realm of possibility; we've already adjusted the definition of multi-dwelling structures to not include triplexes (they don't count as single-dwelling structures, either, so they're their own thing). There's a bit of an advantage to separating out the fourth unit as an ADU to meet some building code standards (though triplexes currently have to meet commercial building code, whereas duplexes do not).
 - Sandra: We have also struggled with the need to make the structure bigger if four units is allowed – which we already did for triplexes.
- *Commissioner Bachrach* suggested that the simple answer to the question of why not *five* units is because state lending requirements distinguish between four and five units.
- *Commissioner St Martin* asked about the definition for historic resources.
 - Morgan: There are at least 3 levels – capital-"H" Historic resources, which are designated contributing structures within a historic district or a landmark; conservation resources; and properties on the Historic Resources Inventory. Proposal allows for additional flexibility for HRI properties and creates a stick of not allowing redevelopment with 'a' options when demolished, but that does not apply to HRI because we do not have the authority.
- *Commissioner Baugh* asked why 80% MFI was the target for the affordability bonus versus 60%.
 - Morgan: The proposal we have right now has a high bar to make it work. The deeper level of affordability makes it tougher and tougher to make it work.
- *Commissioner Baugh* asked who will administer the bonus.
 - Morgan: Housing Bureau.
- *Commissioner Spevak* asked if every house in the Piedmont Conservation District is one of the lowercase "h"-homes.
 - Sandra: No, some are contributing structures and some are not.
- *Commissioner Spevak* asked if staff considered extending the current provision to convert existing historic resources to a density of one unit per 1,000 sf/lot area to HRI properties, to simplify the proposal?

- *Commissioner Spevak*: You can do attached houses, but you wouldn't have ADU option available in a PD because that's only allowed for detached homes. This is disappointing and not parallel between cottage clusters and subdivisions. What's on the table now is not a cottage cluster code – they usually offer additional density in exchange for smaller homes.
 - Sandra: When we were considering list of issues from public, we made a judgment call on whether to devote resources to cottage clusters versus other issues because cottage clusters aren't used much.
- *Commissioner Bachrach* applauded the work done and wanted to check the following assumptions:
 - We'd like to see more diversity of housing types.
 - One consequence of that is more density. By simply increasing supply of smaller types of housing, we will contribute to affordability in a macro sense. But when we make a condition – affordability – it becomes cumbersome for owner and City and less likely. Hard enough to do inclusionary housing in larger buildings. What is cost/benefit? Are we discouraging?
 - Morgan clarified that the bonus is optional. Sandra clarified that you can also pay a fee-in-lieu.
 - Susan noted that the cost/benefit of having the triplex without affordability makes sense; adding a fourth unit only makes sense *if* it is affordable.
 - *Commissioner Bachrach* is interested in learning more about how staff got there.
- *Commissioner Bachrach*: Why does the City need to regulate basement conversions to ADUs, re: size?
 - Morgan: We have changed the proposal to remove the size limit on ADU basement conversions to prevent walling off basement as unusable.
 - Sandra: With this proposal, there isn't much regulation on ADUs – it's a deregulation of basement ADUs. There is a question of a house with an ADU and a duplex; BDS wants to be consistent on building code requirements, SDCs, etc. so we are coordinating across bureaus.
- *Commissioner Oswill* appreciates the work. He has been hearing conversation about scaling FAR to the number of units provided. Can you talk about the process of deciding why that was not a good idea?
 - Morgan: In addition to the 2.5-story scale being our objective, we started with the premise of figuring out the size of the box and *then* the number of units that goes into it. Mimics how multi-dwelling zones function. Leading with compatibility and following with housing types.
- *Commissioner Oswill* has been hearing concern from affordable housing developers about whether bonus is sufficient.
 - Morgan: We have talked much about it; continuing to think about it.

Narrow lot development

- 9. Rezone some historically narrow lots
 - Morgan gave an overview of the history of historically narrow lots and how they are treated.
 - About half of the 14,000 are proposed for rezone based on proximity to transit and amenities.
 - Morgan showed a diagram comparing existing R5 narrow lot rules and proposed R2.5 rezone narrow lot rules.
 - *Commissioner Larsell* asked to hear the difference between the two zones.
 - Morgan: The current zoning allows for this type of infill with no way of knowing when it could happen – neighbors and property owners would have to understand the underlying plat. The resulting development pattern of skinny houses on 2,500-square-foot lots in the R5 zone is unexpected. This proposal puts some transparency on what would happen. In R5, you would typically expect to see 5,000-square-foot lots being developed, whereas in R2.5 you would see 2,500-square-foot lots.
- 10. Improve building design on lots less than 32 feet wide.

- Require paints of attached houses, unless precluded by existing development.
- When a detached house is allowed, limit height to 1.5 times width.
- Prohibit parking between building and street due to site challenges and negative impacts.
- 11. Revise rules in the R2.5 zone – apply not just to narrow lots but other lots in R2.5.
 - Double-sized lots (>5,000 square feet) require two units (ADU counts) to make efficient use of scarce R2.5-zoned land.
 - Reduce minimum lot width from 36 feet to 25/20 feet (outside/interior lots) for attached houses.
 - Allow properties with existing house to create flag lot through property line adjustment; flag lot house is limited to 1,000 square feet and 20 feet high.

Morgan gave an overview of parking requirements, both current and proposed.

Mapping the 'a' overlay methodology

Sandra gave an overview of the methodology.

- Step 1: Drawing a bubble
 - ¼ mile from MAX stations, transit, centers, and corridors
 - Medium to high opportunity housing areas
- Step 2: Adjust the boundary based on zoning patterns and street centerlines
- Step 3: Adjust the boundary based on development constraints
 - Base constraints automatically removed the 'a' like sewer conveyance limitations, landslide hazards, Natural Resource Inventory, etc.
 - Other constraints combined could remove an area
- Step 4: Adjust the boundary by district according to proximity to other amenities like smaller neighborhood commercial, parks, community centers, etc.
- Step 5: Adjust the boundary based on displacement risk analysis
 - Do not propose 'a' for three areas with lower opportunity and higher vulnerability
 - We did hear that people advocating that the 'a' be applied here but only if programs are in place; the proposal includes concepts for what anti-displacement programs could look like:
 - Homeowners: technical assistance, financial assistance
 - Renters: education programs, pilot program giving priority of affordable units to households that have been displaced

Commissioner Houck noted that PHB provides those types of assistance and asked if staff is coordinating with them.

Questions – Chair Schultz suggested Commissioners ask questions for later follow-up due to time constraints.

- *Commissioner Oswill* thinks conversation about programs is encouraging and the proposal has made steps in right direction. With anti-displacement programs and in Section 5 [of Volume 1] about proposed conditions for future expansion, Commissioner Oswill worries about timing. When you don't lead with equity and anti-displacement it's hard for it to show up later. In the previous briefings we heard direct examples from past about starting with investments about then following up with programs that didn't materialize successfully. Saying we'll add something later without a detailed funding plan seems difficult.
- *Commissioner Oswill* has heard concerns about excluding 100-year floodplain outright in Lents and other areas. Could this project provide assistance to homeowners living in the floodplain?
- *Commissioner Bortolazzo* seconds Commissioner Oswill's point about thinking about programs now rather than later and shares concern about displacement risk areas – not sure if excluding areas has unintended consequences. These units are units you could build yourself with family, friends, etc. with less conventional funding sources, which provides opportunity to grow and move forward.

Wants to see a more robust set of incentives and programs to fold into this proposal and expand the opportunity to those areas, especially on the east side of town.

- *Commissioner Bachrach* asked how many of these sites are served by alleys.
 - Sandra: Not many.
- *Commissioner Bachrach* said it would be helpful to have a one-pager just for parking for all the single-dwelling zones and maybe multi-dwelling.
- *Commissioner Bachrach* noted that the City is still trying to figure out effective anti-displacement programs, in addition to funding questions.
- *Commissioner Spevak* will send some questions electronically but would like to see a map of 'a' overlay and other zoning. Can't tell what areas are in other zones.
- *Commissioner Spevak* noted that adjusting the boundary was done with brilliant spatial analysis with different layers but may be overthought in some ways. In all these areas, we've been allowing houses that are twice the size for decades. We should either decide that no housing is allowed or that we're cutting the size of housing allowed.
- *Commissioner Spevak* noted that the mini flag lot idea is intriguing to help preserve existing houses; those lots would be zoned for two homes, so why not let someone build two homes on it? If house in back is too small, people could still take main house down and build two houses on it.
- *Commissioner Spevak* noted the R2.5 zone is very complicated with many options, while BHD is merging R2 and R3. Why don't we kick this over to multi-dwelling zone code update? Would be simpler. The idea that R2.5 is a single-family zone isn't the case anymore. It should be in the same code chapter as multi-dwelling.
- *Commissioner Baugh* asked how PHB will administer thousands of affordable units, what standards property owners will have to meet, and how often they will be reviewed to make sure they're still habitable. There could be one or two bad apples that create inhabitable spaces. Wants to understand rationale for 80 versus 60% MFI.
- *Commissioner Baugh* brought up unimproved streets – trying to understand if PBOT would still require improvements for new development (e.g., flag lot, ADU), and if so, concerned that having enough redevelopment on a street puts you in a Local Improvement District situation that could push people out because expensive.
- *Commissioner Baugh* noted that our recent history with N/NE programs has been an utter failure. For us to look at programs and try to do the same thing seems to be repeating mistakes.
- *Commissioner St Martin* asked what the uptake will be. Is there a number of current vacant lots in 'a'?
 - Sandra: We sent out 135,000 notices; 6,700 were vacant (not in 'a').
- *Commissioner Larsell* asked why there is so much white on the map [lack of 'a' overlay] in East Portland – ¼ mile from transit, centers?
 - Morgan: Mostly transit and then south of Division is Johnson Creek Plan District.
- *Commissioner Larsell* is encouraged to hear you talk about programs; there's a possibility of keeping people in East Portland if we have the right kind of programs that allow people to build wealth and create units. Worried about not doing anything in East Portland because we don't want to do the wrong thing.
- *Commissioner Smith* noted that it seems perverse that least dense development type is the one that requires parking, though he understands that waiving parking incentivizes density. Since required parking presents a cross-subsidy between housing and transportation, we should consider that our policies don't support that and ask if we should have any parking requirements in sf zones.

Sandra reminded that the first public hearing is May 8th; we'll talk with officers about how to manage testimony. Second hearing is May 15th. For both we'll mostly be listening to testimony.

Manufactured Dwelling Parks

Briefing: Tom Armstrong

Tom introduced the project and provided a presentation. The project establishes a new multi-dwelling base zone for manufactured dwelling parks, which requires Comp Plan policy and map amendments, zoning code amendments, zoning map changes, and changes to other codes like tree and signs. Concerns any site that falls under state law and has more than four manufactured dwellings.

Tom presented the Comprehensive Plan policy 5.37 Mobile home parks. This is part of a continuing workplan that we have about the spectrum of housing.

Tom showed a map of mobile home parks and photos. Two-thirds of parks were built before 1980 and there was a flurry built in the 90s, with no parks built since 2002. Many have 10 to 15 units; others have hundreds of units.

Displacement risk analysis showed that 50 out of 56 parks are located in higher-vulnerability neighborhoods, and 55 out of 56 are located in neighborhoods that have higher percentages of people of color. This a low-income, last-opportunity housing type that we want to provide long-term stability and protection for.

Four parks are located in employment areas, which would slightly reduce our employment industrial land capacity by six acres, or 10%. Three are located in Cully off Killingsworth and Cully Boulevard. Another is located on 82nd south of the Springwater Corridor. Six have higher-density zoning – R1, C/MU – so this would be a downzone. It is awash in terms of residential capacity because some aren't counted as future development capacity. There's a tradeoff between density allowed in this proposal versus what we're counting as redevelopment capacity in the Buildable Lands Inventory.

Proposal is to create a new land use designation in Comprehensive Plan identified as specific to manufactured dwelling parks and a new base zone, RMP, that only allows one type of dwelling. Limited retail sales and service use related to recreational vehicle parks will be allowed. Institutional categories will be limited and/or conditional uses (community service, schools, daycare).

Eighteen non-conforming MDPs become conforming uses. Forty-five MDPs have surplus capacity that could be transferred to other multi-dwelling zones. Could create value to support long-term use if the use of extra spaces is limited for site constraint reasons.

Comp Plan amendment would be required to change to another zone (Type III through Hearings Officer and City Council for approval based on balance of Comp Plan policies – a high bar).

Tom went over the timeline:

- May 7: Proposed Draft published
- May: Outreach
- June 12: PSC Hearing and Recommendation at PCC Southeast
- July: City Council

Outreach:

- Measure 56 notices to park owners and unit owners, plus occupant postcards
- Map App with testimony submitter
- Reports plus summary handouts, translated into Spanish and other languages as needed
- BPS call center and project email address
- Two Community Service Aides for canvassing

Chair Schultz thanked the visitors who came to the briefing.

Questions:

- *Commissioner St Martin* asked if the canvassers will be Spanish speakers.
 - Tom: At least one.
- *Commissioner St Martin* asked about potential unintended consequences of making landowners make decisions before the change goes into effect.
 - Tom: Yes, one of the reasons we're moving relatively quickly on project. State law does require owners to give 12 months' notice to residents who want to do something different. Weighing the long-term risk of a slow drip of conversions and crises versus the urgency to do something now. If it triggers one or two owners to act quickly, we've weighed and accept that risk for the long-term benefits.
- *Commissioner Schultz* asked whether, if we can get through this process as quick as possible and they have to give a year notice, it be impossible for them to close.
 - Tom: They could file a development permit and have the permit sit while they go through the process.
- *Commissioner Houck* noted how much overlap there is between blue displacement area and parks in that area.
- *Commissioner Bortolazzo* asked Tom to elaborate on the two-mile distance limit on transfer of development rights (TDR).
 - Tom: This is a policy choice for PSC that will come more to light in the Better Housing by Design (BHD) project. Now in multi-dwelling zones zones, there's a limited area in which you can TDR; we're looking to at least expand it to the two-mile radius allowed in mixed use zones. The other consideration is whether we want to create a wider market area – by defining two markets, the Central City and outside the Central City. We don't want to address that policy question as part of this project but will definitely come up as part of BHD.
- *Commissioner Spevak* noted that hopefully we can provide translation during public testimony.
- *Commissioner Spevak* believes TDR is a great policy solution. Also want to point out that mobile home residents are doubly vulnerable – from the potential for redevelopment of the site but also from owning a structure that can't be moved while land rents can increase. Parallel to this timeline, PHB should work on the problem wherein you own a property that can't be moved and people have to pay rent on the land that is increasing rapidly. There is crossover with RIP; there is disparity in how the code treats manufactured dwellings versus similar nicer, more expensive units.

Matthew Tschabold (PHB) talked about their involvement in three components:

- Land use and zoning – what Tom presented
- Regulatory component – what local regulations can be passed to protect either the rent increase of the dwelling unit or the land; or the sale or closure of the park
 - We are fairly preempted by state law in all of these areas, so there are limited regulatory options available other than change to state law and case law.
- Program – what resources can we bring to preserve MDPs or assist residents therein.
 - Currently no standalone program for MDP preservation but preservation of park would fall into general preservation activities.
 - We haven't looked into a program to help people relocate on a voluntary basis if they feel their land rent is increasing quickly; we could look into further.

Questions

- *Commissioner Spevak* has thoughtful ideas from others that are not preempted by the state, like required education programs by owners. Will share more thoughts offline.

- *Commissioner Larsell* asked if Matthew was talking about the state preemption on limiting rent increase that applies to apartments.
 - Matthew: If they own the structure and rent the concrete, there's an additional set of regulatory protections. He confirmed that the renter is the one being protected, not the landlord.

Susan noted that it's a wonder to have come to this point where equity and anti-displacement are the base of our thinking through the Portland Plan and Comp Plan, which has allowed us to move quickly on a project like this; she thanked Commissioners for working through that foundation.

Adjourn

Chair Schultz adjourned the meeting at 7:27 p.m.

Submitted by Love Jonson