

Portland Planning and Sustainability Commission

June 7, 2018

2:00 p.m.

Meeting Minutes

Commissioners Present: Jeff Bachrach (arrived 2:06 p.m.; left at 4:10 p.m.), André Baugh, Ben Bortolazzo, Mike Houck, Andrés Oswill, Katie Larsell, Chris Smith, Katherine Schultz (by phone, 2-3 p.m.), Eli Spevak, Teresa St Martin

Commissioners Absent: Michelle Rudd

City Staff Presenting: Morgan Tracy, Sandra Wood, Shannon Buono; Kristin Cooper (BDS)

Vice Chair Smith called the meeting to order at 2:03 p.m. and gave an overview of the agenda.

Documents and Presentations for today's meeting

Consent Agenda

Consideration of Minutes from May 22, 2018 PSC meeting

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

The Consent Agenda was approved with an aye vote.

(Y8 – Baugh, Bortolazzo, Houck, Larsell, Smith, Schultz, Spevak, St Martin)

Residential Infill Project

Work Session: Morgan Tracy, Sandra Wood, Shannon Buono; Kristin Cooper (BDS)

Vice Chair Smith: At each of the PSC meetings on the RIP proposed draft, we have addressed the potential for PSC Commissioners to have conflicts of interest related to the proposed code changes.

In general, the changes proposed with the Residential Infill Project affect such a broad class of property owners in single-family zones we do not believe they create a potential conflict of interest for PSC members. Still, in the interest of transparency, we have made the following declarations:

- Commissioners *Smith*, *Baugh* and *Bachrach* do not own properties in single-family zones in Portland.
- All other PSC Commissioners own between 1 and 3 properties that are in single-family zones.

I also want to add that *Commissioner Spevak* will recuse himself from participation in the deliberations and voting any changes to provisions related to cottage cluster development in the Residential Infill Project. PSC will organize its discussion so all cottage cluster elements will be discussed separately.

Presentation

Sandra introduced the staff and provided a schedule/timeline for PSC Work Sessions (slide 2).

Joe reminded everyone of the goals PSC members had shared about RIP. He emphasized the need to stay focused to get the project to City Council by the end of the calendar year, which means we need to aim for a PSC vote this summer. The amount of community interest is great, we'll have a change in at least one of the City Council offices, and as we look at the sequence of projects coming through, we want RIP to lead. The goals PSC members had shared were grounding and helpful to remind us all that three things are the highest priorities: equitable benefits and costs; more housing options; and less expensive options.

Vice Chair Smith noted today we'll be taking straw polls... direction for staff before real votes on July 24. We will use a thumbs-up / thumbs-down approach to get us through everything today.

The worksheet of options and proposals is what we're working off of today.

What size of house?

Morgan introduced the issue and the possible options (slides 6-8)

- Option 1 – Retain existing code (big house)
- Option 2 – Staff proposal (small house)
- Option 3 – Reduce even more (even smaller house)
- Option 4 – Reduce house size, but not as much as proposed (medium house)
- Option 5 – Vary size by neighborhood

Commissioner Bachrach noted the gap between Option 2 and 3.

- Morgan: Don't fixate on the numbers specifically.

Commissioner Oswill suggested Option 3, possibly combined with Option 5. A scaling FAR model (more units = larger house size) we should start smaller than the proposed .5 FAR.

Between 2500 square feet and something a bit larger.

Commissioner Bortolazzo: Does this lock us into an FAR discussion?

- Sandra: We're trying to use the square footage as a proxy. What's foundational is that the house is proportional to the lot size.

Commissioner St Martin: I think a major concern is how the house feels on the street next to the neighbors. This has to do how you measure from the street. Also we have to be respectful of people who own homes who want to do remodels. Confining to 2500 square feet may limit what people want to do to their existing home.

Commissioner Baugh: Size is not a determinant of bedrooms, so increasing size doesn't necessarily mean a family-sized house. Scale in the neighborhood and bedrooms can be more important than size.

Morgan: To address concerns with small additions, the proposal allows existing houses to be expanded once every 5 years up to 250 square feet without having to meet FAR limits. Regarding Commissioner Baugh's concept of measuring by bedroom, I think it's fair to say BDS would have implementation/plan review concerns trying to verify what was or wasn't a bedroom versus a bonus room, office, etc.

Vice Chair Smith: Both *Chair Schultz* and *Commissioner Rudd* had provided written comments about the proposals. *Chair Schutz* is on the phone.

I'm not sure what the right metrics are to determine the right size. Maybe it is something along the lines of what *Commissioner Baugh* is saying. Larger isn't necessarily bad, but I want the size to match the context of the neighborhood. I think it's between staff's proposal and some of the larger homes we see today.

Commissioner Spevak: I think staff's proposal isn't a bad starting spot. I would like to incent more smaller units, so starting small-ish is ok. It would be a mistake for the City to try to regulate bedrooms, and that still doesn't get to a thing. I do hope that "small" is not the label for a 2500 square foot house.

Commissioner Oswill: The sweet spot would be in multiple smaller units for me. There is a correlation between size and cost. I'm curious about the challenge of counting the number of bedrooms in a development.

Commissioner Bachrach: I appreciate *Commissioner Spevak's* perspective and the focus on small homes. But there is still a marketplace for a larger house here. We should at least give some ability for the niche of the market viable. I agree that measuring bedrooms would be a nightmare.

Commissioner Houck: My interests are less expensive houses and more opportunity for people that own houses to become landlords. What I'm hearing right now leads me to think about the 2500 square foot range, hoping that there are opportunities then for the individual to increase their wealth through development of ADUs, etc. I would like to see internal conversions and other non-demo approaches. I'm leaning towards staff's proposal at this point.

Commissioner Bortolazzo: The Johnson Economics report noted that putting a cap will make building in Portland less profitable, which is not what we're trying to do here. I'm leaning towards the medium house, which offers more choices in the future because you could potentially sub-divide with interior units. Also, the house size is a factor in multi-generational living. So putting a lower-end cap could prevent some of that and discriminate against larger families. We want to provide more flexibility.

Vice Chair Smith: Bonusing more area for more units will be another conversation later today.

Commissioner Larsell: Things that united people in testimony was that they don't like destruction of existing houses. And they don't object to ADUs generally. I'm leaning towards Option 2. If there was a way to do Option 5, I'd choose that as well.

Commissioner St Martin: People do more than sleep in bedrooms... specifically people work from home, which is increasing and positively affects our climate action plan goals. Economics around existing house size: if you reduce the new build size possibility, you'll make larger existing houses more expensive. If we cut the size way down, we limit the possibility for future internal conversions as *Commissioner Houck* pointed out.

Commissioner Spevak: I want to put pressure on builders. Start with staff proposal, then you can earn your way up by supporting other housing along the way.

Option 2 = 5 votes

Option 4 = 4 votes

Commissioner Rudd did not comment about this.

This is quite representative of the public's opinion too.

Joe: The range is 3000-2500 square feet. We can put a bookmark there, and then talk about the next issue.
[confirmed]

What size for a building with more than one living unit?

Commissioner Spevak: I'm thinking 2500, and whatever over, there should be a public benefit. Eligible would be funds for affordable housing and more units. I like when you add units is that you get more volume to work with. I could see one size step going up to 2 units, another size for 3+ units. I think .1 FAR could be an appropriate increase. I see some trouble with how detached ADUs are handled, but otherwise .1 works.

Commissioner St Martin noted the Telluride, CO example about big houses being built... you were required to add nanny quarters. So houses were built like this, but were not allowing others to live in these spaces.

Commissioner Baugh: We should put a limit to how big you can go with the bonuses. A public benefit is really important to getting more units.

Vice Chair Smith: if you build an internal ADU, does that count?

- Morgan: Above the basement level, it counts. But the basement is "free" in terms of the square footage perspective.

Scaling up by about 500 feet for the first 2 units on a 5000-square foot lot.

Commissioner Spevak: It depends on cost. If it's insignificant, we won't achieve anything. I don't know what the number is.

Commissioner Bachrach: You do need to allow a "bigger box" for more units. I'm not sure exactly the size. I'm bothered by a policy question... our goal is to get more density. So if we're approaching that with having to show a public benefit, I thought that the benefit is having more units being built.

Commissioner Spevak: If you want to build a single home larger than 2500, then you do more units or pay into a fund is what I was proposing.

Sandra noted that staff's proposal is only if you are proposing 3+ units that you can buy in (for affordability).

Commissioner Houck: I'm interested in seeing more 4-plexes. This is how my building is structured with units at 650 square feet. I realize the community space adds to this, but generally the size works.

Commissioner Baugh: I hear an idea coalescing... if you want to build a single-family house, there should be a floor. If you want it larger, you pay into a fund. A bigger structure to build a duplex+ is by right. The idea is to build more housing units.

Commissioner Oswill: I appreciate the scaling question and conversation. I think the starting size should be smaller so you can scale up the envelop size without that being too big. The final size of the home is definitely something we need to consider as we scale, so we might have to start a bit smaller. I like the idea of being able to add more units for FAR, you pay into a fund if you want to stay with a single-family home (the proposal should dovetail with the affordable housing bonus).

Commissioner Bortolazzo: I want to focus on other things than size. A 2500 square foot, bulky-looking home isn't comparable to a better designed 3000 square foot home.

Commissioner Larsell: Getting up to 4-plexes should only be for people who want to build lower-income units.

Vice Chair Smith: We like incremental increases for the second and third unit with a cap. And the possibility to buy a unit of increase if you just want to build a single-family house. [5 confirmed]

Morgan asked about the size increment increase and differentiating between an internal ADU and a duplex.

Vice Chair Smith: Add .1 FAR for the second and third unit? [7 confirmed]

Vice Chair Smith: Allow being able to buy one increment on a single-family house? [6 confirmed]

Commissioner Bachrach: To take a desirable product on the market and tax on that... I think that's a mistake.

Vice Chair Smith: Cap at 2 units per increment (to cap how big the building envelope can get) [5 confirmed]

Sandra: Are you saying in a house with an internal ADU, the house has to fit inside the current box?

- *Commissioner Spevak:* I'd want an incremental addition for an internal ADU conversion. ADUs provide public benefit, so I'd like to see some sort of incentive for building them as well. The FAR discussion will help clear some things up.

Commissioner St Martin: Requiring an ADU would definitely add costs to the home (bathroom and kitchen facilities are most expensive).

An internal ADU (aside from basement) is smaller than the primary (other) unit. For a duplex, there isn't a size relationship consideration, but the duplex units are generally about the same size.

Vice Chair Smith: Internal ADUs should be bonusable like a duplex [6 confirmed]

How to measure the size of buildings?

Is FAR making things too complex?

Commissioner Spevak: I agree with the concerns about FAR, but we might have another idea that poses its own concerns. Is living area easier? It's still harder than setback, but is it a possibility?

Morgan reviewed the alternatives to using FAR. Currently we use height x building coverage (bulk / envelope). We don't see houses filling out that box, but we are starting to see duplexes that are doing so. The proposal is to keep the envelope but limit scale by using FAR (slides 13-20). Slide 16 shows the opportunities and challenges to using FAR. In the current proposal, we don't allow for flexibility in FAR (through Adjustments), but we can consider using the fee-in-lieu option to adjust FAR. The biggest challenge for FAR is that it requires more plan analysis for small building additions.

- Option 7 – Staff proposal (FAR + height, building coverage)
- Option 8 – Use reduced height and building coverage
- Option 9 – Use combination of other tools (Height, Building Coverage, Size of front facade, Setbacks, Building Depth, etc)
- Option 10 – Apply FAR to new construction only

Shannon noted the definition of "Living Area": Total gross living area excluding garage, basement, attic area, and area between the outside of the wall and inside of the wall.

Kristin: The issues in the table capture the concerns. It's neither here nor there with new construction and a full set of plans. You're looking at exactly where space is, where you're counting stairs, etc. We have to keep

in mind how we're handling existing development and not just have new construction in mind. For someone doing a bump-out of 250 feet or less, that's by right. In an internal conversion, this wouldn't generally come into play unless you were changing the ceiling height.

Commissioner Bachrach: If we split it and applied FAR to new construction but not remodels, does that create new complications? What would the limitations be for the remodel? Can we draw a line between a modest expansion versus demo and rebuild?

- Morgan: If we don't adjust height and building coverage as a base zone change, they would be subject to today's building coverage rules. Something we heard less from the public is that they were concerned about subsequent additions, except major alterations. The bigger challenge is distinguishing between a demo /new construction and an addition / remodel given the discrepancy in what's allowed for each.
- Kristin: This has been a messy issue re: demolition and rebuild versus expansion. I don't know if FAR is the only tool to get at an additional unit. What are you really looking at limiting? Can we use something other than FAR based on something we're already measuring? We haven't really explored alternatives or what you're limiting and using existing tools. Some of the BDS frustration is that we implement lots, so we aren't really set up to explore alternatives. Size from the street measurement is a concern from people.

Sandra: We developed Option 9 to reflect things that BDS already is calculating. So we could potentially use a combination of measurements. But FAR does give more flexibility. The SAC explored this in depth, and many people were inclined to use FAR but we didn't talk about implementation.

Does FAR for new construction and major remodels get at what we want?

Commissioner Baugh: For new construction, I like FAR. What about in a single-family remodel, does 250 feet cover the majority of people coming in?

- Morgan: They are generally running higher than 250. I was hoping to find that our number was close, but in lots of cases, it's substantially larger. Then we're getting to something beyond a minor addition or minor changes.

Commissioner Baugh: For how we look at scale from the street and people's complaints, does an alternative way of looking at this be able to handle this in the same manner as FAR? Perhaps we can limit height but allow taller buildings with larger front setbacks.

- Sandra: If you want to move off of FAR, we can work with BDS and come back with an alternative on July 24.
- Morgan: A benefit of FAR is that it's flexible. But it's not necessarily targeted at or solving the street-facing presence problem.

Sandra: If you have 1500 square feet and a 250 addition, BDS won't ask for the square footage of your house. 300-500 square foot addition does mean they will look at plans.

Commissioner Spevak: For FAR, I'm interested in Option 9. If we stick with just existing tools, you're already at a 2500 square foot house, so we lose the opportunity to incent. I want to see whether any combination can achieve our goals from the previous conversation. That's why I'm asking about the living area question. Can we provide incentives versus the challenge of regulation?

Commissioner Bortolazzo: Comments and concerns about scale from the public were mostly about what you can see from the street. FAR is the tool we've looked at, but the key issue is what kind of impact you have on

the public realm. I'm not sure there is a quick and easy tool other than FAR, so that's a challenge for staff to focus on the public realm as an alternative.

Vice Chair Smith: Interest seems to be in options 9 and 10.

Staff will bring back options for 9 and 10 at the July 24 PSC meeting.

Commissioner Oswill: It sounded possible that the existing staff proposal might be sufficient. I want to make sure this stays on the table.

Exclude attics and basements from FAR

Potential amendments:

1. Exclude wall thickness beyond 6".
2. Exclude sloped attic less than 8' tall.
3. Exclude basements up to 2'-6" above average grade.

Commissioner Bortolazzo: I think these all incentive (or not penalize) having more energy-efficient construction. My thought was to not count basically the top of the basement. My thought was to allow at least 2.5 feet above the grade level (not include in FAR). This was a misunderstanding for point three... so I'll take it off.

Commissioner Baugh: Attic space slope below 8' feet is an issue. I have at least 2 friends that live in the space above (a finished attic) and it's not 8'. It's free space from an FAR standpoint, but it's part of the house.

Amendment 1 passes with thumbs up.

Amendment 2 does not.

Amendment 3 was not considered.

Chair Schultz had offered an Amendment 4: Exempt basement area below the flood plain. If a house is built at an elevated height by utilizing a tall basement, then the basement area should not count towards FAR... point being to encourage homes in the flood plain to be elevated.

Commissioner Spevak is inclined to go with this amendment.

Commissioner Oswill noted if we're excluding basement FAR for floodplains, we should also boost the height allowance.

There are significant concerns about creating additional development incentives in floodplains. I'm not sure how the FAR exemption affects this. For the floodplain, let's discuss this with policy later so we all understand this.

[Amendment 4 is tabled.]

Commissioners Houck: I agree we need to tackle this head-on and do what we can to keep people out of building in the floodplain.

Item 1.3 - Accessory Structures.

Commissioner Spevak: I suggest we table my amendment until we hear the alternatives to FAR.

Measuring height

Morgan: The proposal is to change measuring from the high point to measuring from the low point. The potential amendment would instead take the average between the high and low points and measure from that average point. The low point generally takes this from the back to the front of the lot. Where you measure to depends on the type of roof you have. A gable roof gets measured at the mid-point, and that isn't changing in the proposal or amendment.

Commissioner Bortolazzo: This is a way of calculating height that provides a mid-point and goes along the lines of how the roof is measured at the mid-point.

Commissioner Baugh: How does this affect existing house viewpoints and new construction in front of it?

- Sandra: We have seen high point manipulated, creating an artificial high point on the site so they can build higher. We've been asked to fix this, so that was our thought to use the low point, which is usually the street-facing facade.

Commissioner Spevak: I'm generally with staff's proposal.

- Morgan: On a steeply-sloping lot (20 percent average grade drop), height is measured a different way. Also when the difference between the high and low point is greater than 10 feet, the reference point where you measure from is 10 feet above the lowest point.

Commissioner Spevak: Thanks, that addresses my concern.

The amendment does not pass.

No comments were provided on items 2.2 and 2.3, so those will be approved consent.

Increase setbacks to 15 feet in the R5 zone.

The proposed amendment would reverse this and would leave it at 10 feet as in the current code.

Commissioner Houck: People I've been talking ask if you're forcing the house back 15 feet, are we losing more trees? I want as much flexibility on the site, so that was my rationale.

Commissioner Baugh: I'm ok with this, but it has a relationship to how the house looks on the street. It looks smaller if it's farther back on the lot.

Commissioner Spevak: I support the 10-foot proposal (this amendment) because I like active street presence and opportunity for larger yards in the back.

Commissioner St Martin: I agree with the smaller setback. It will allow more space in the backyard for potential ADUs.

Commissioner Bortolazzo: I'm intrigued, but I think we can fold it into the current proposal and not force the shorter setback for specific reasons. I want to keep the 15 because it goes to the relationship between the house and public realm / street.

Vice Chair Smith noted that both *Commissioners Rudd* and *Chair Schultz* agree with the amendment.

The amendment passes.

Item 3.2 did not have comments, but now that we have a 10-foot setback, do you still want to allow a further reduction if the houses next door are closer to the street? This would be for R7, R5 and R2.5 zones.

Commissioner Spevak: I would want to be able to change the base code to allow this to be 10 feet in R7 or allow the space to match the existing house next door. I support 3.2 in lower-density zones, but maybe not closer than 10-feet in the denser zones.

Commissioner Spevak: Right now you can project into a setback into a bay. All the setbacks are to the front of the front porch. Is there a way some of the house could protrude in front of the setback but not the full house face? This relates to street presence.

Commissioner Baugh: Limit Item 3.2 to just the R7 zone. [Amendment does not pass.]

Building design

Potential amendment: Do not require covered entry for duplexes, triplexes or internal ADUs.

Commissioner Spevak: I have lived in a courtyard plex that wouldn't comply with this building design proposal. It feels like a problem that doesn't need to be solved. The zoning code could stay out of this... I don't think we need to regulate for front porches.

Chair Schultz is ok with adding to residential zones and supports staff's proposal.

The amendment passes.

Potential amendment: Do not require separate street-facing entries for duplexes.

Commissioner Spevak: Again, I think this is trying to solve a problem that doesn't necessarily exist.

Commissioner Bortolazzo: This would help with designing a house that better fits the context.

Commissioner Baugh: In a design sense it may make sense, but there seems to be a dislike of multi-units from the public. I'm not in favor of this because it isn't responsive to the public's comments.

Sandra: The historical context is important. This went into effect in 1991, so that's a very different time. The regulation was meant to respond to that, but in the context of multiple dwellings on one lot, that changes this.

The amendment passes.

Item 4.1 Height of main entry doors above grade

Potential amendment: exempt homes in floodplain from meeting this main entrance limitation.

Staff supports the exemption given the requirements to locate living area a minimum distance above the flood level, which may be higher than 4 feet above the grade.

Vice Chair Smith: Table this item until we discuss the other floodplain related issues

Items 4.2 and 4.3 had no comments. These pass on consent.

ADUs

Sandra: The first thing you have to discuss is what our philosophy about detached structures is. The code was previously written to say the primary structure is there and the detached structure should be smaller. Some of these proposed amendments move away from the primary versus secondary structure... do we care anymore? Reminder that this is in single-dwelling zones.

Commissioner Spevak: There used to be a requirement that the ADU be a one-third the size of the main house. That was changed to be 75 percent. I support ADUs being smaller than the main house generally, but if the small, short main house is there, we should let as much ADU building as another house. The first amendment (apply FAR limit to detached ADUs) is not one I'm wed to.

Vice Chair Smith: Testimony had concerns about 1200 square foot houses to be torn down. I'm open to having more flexibility to have fewer demolitions.

Commissioner St Martin: I generally support this. We have to be aware of side neighbors and their perspective of the structure as well.

Vice Chair Smith: I'm ok with taller for an ADU but probably not other structures (e.g. garages).

Commissioner Spevak: I'm good with an amendment that you get the full 20 feet if it's an ADU.

Sandra: This does add complexity about enforcement and knowing what the structure will be used for.

Vice Chair Smith: I'm more for simplicity and am fine without this friendly amendment.

Commissioner Spevak: The current code does allow for 20 feet.

Morgan: In the worksheet, we skipped over 1.3, which is how we allow FAR to be used. *Commissioner Spevak's* amendment was to allow the FAR to be floated between the primary and accessory structure. There could be an additional limit if there are concerns.

Potential amendment: Do not limit height based on the height of primary structure.

Commissioner St Martin: For the ADUs in the back that are detached, can they be attached?

- Shannon: We'd have to change the code because we don't have that type in our code.

Potential amendment: Remove the .15 limitation with keeping the 75 percent and the 800-square foot maximum. [passes]

Potential amendment: Delete the additional height limits being added relative to the existing unit. Keep existing code. [passes]

Potential amendment: Any combination of ADUs (internal or external in any combination). [passes]

Potential amendment: delete restriction that internal ADUs cannot have entry door facing the street. [passes]

Potential amendment: Clarify definition to recognize that basement ADUs can be equal in size of main structure. [passes]

Potential amendment: Remove porch roof requirement from ADUs. [passes]

Parking

Vice Chair Smith: Only talking about single-family zones. There are institutional uses in residential zones, but we're not talking about those. Also, there is Title 33 (whether parking is/isn't required or allowed) and curb cuts (Title 17; we can make recommendations). We'll focus on the Title 33 issues and if we're interested in the other ideas, we can form a sub-committee to meet with PBOT if we want to get into that.

Required parking? In all the flavors where we allow multiple units, we're waiving required parking. With one-to-one redevelopment, we would require housing unless within proximity to frequent transit. I think this redevelopment and parking requirement doesn't do anything besides privatize a parking place.

Commissioner St Martin: In a single-family home, I think allowing is good, but I'm not sure about requiring.

Proposed Amendment: No minimum parking for household living uses in single dwelling zones (parking for churches, schools, other institutions continue to apply). [passes]

Additional potential amendments: (separate or in combination)

When parking is provided (working with PBOT on these issues)...

- Restrict curb cut width and require at least 2 parking spaces
- Restrict site from parking permit eligibility (where permits are in use)

Commissioner St Martin: Have we talked about a way to implement these restrictions with PBOT?

Vice Chair Smith: Promotes affordability and ultimately would bring back to the PSC.

Commissioner Spevak: What about charging for curb cuts?

Sandra: Eli, Mike and Chris are interested in having conversation with PBOT and Title 17 considerations.

Proposal: If you have an alley, parking should be accessed from it instead of the front of the house. This would apply to all zones and all houses, duplexes and triplexes.

Commissioner St Martin: Many of Portland's alleys are in bad condition and so for me, this would be dependent on the street/alley condition to require that the alley be used.

Sandra reviewed the list of topics that staff will return to the PSC with at future PSC work sessions. We can convene a subgroup of PSC members to look at the FAR alternatives with staff before the July 24 meeting. Kat, Eli, Andres, Ben.

June 15 is the PSC deadline for providing input about housing choice work session potential amendments / comments prior to the June 26 RIP work session on housing choice and internal conversions.

Adjourn

Vice Chair Smith adjourned the meeting at 5:09 p.m.