

Housing Options – PSC Work Session 7/10/18 (continued from 6/26/18)

Legend: Red text = PSC straw polls from 6/26. Blue text = staff notes.

Proposal	Potential Amendments Identified by PSC	Comments Received from PSC organized by TOPIC												
<p>5. Create a new Additional Housing Options overlay zone – the new ‘a’ overlay zone.</p>														
<p>5.1 Allow the following additional housing types in the new ‘a’ overlay if one of the units is “visitable”:</p> <ul style="list-style-type: none"> ▪ House with two accessory dwelling units (ADUs), one attached and one detached ▪ Duplex ▪ Duplex with one detached ADU ▪ Triplex on corner lots 	<p>Issue A – How many units should be allowed?</p> <ol style="list-style-type: none"> 1. Staff’s proposal: variations on the theme of 3 units. 2 PSC members support 2. Allow 3 unit on internal lots and 4 on corner lots. (Bortolazzo) 4 PSC members support 3. Allow 4-units on all lots (Houck) 4 PSC members support <p>Issue B – On what size lots?</p> <ol style="list-style-type: none"> 1. Staff’s proposal: larger minimum lot sizes for multiple units (consistent with corner lot duplex standards) 3 PSC members support <table border="1" data-bbox="926 923 1609 1137"> <thead> <tr> <th>Lot size by zone</th> <th>House, House + ADU, historic conversions</th> <th>House + 2 ADUs, Duplex + ADU, Corner Triplex</th> </tr> </thead> <tbody> <tr> <td>R2.5</td> <td>1,600 sq. ft.</td> <td>3,200 sq. ft.</td> </tr> <tr> <td>R5</td> <td>3,000 sq. ft.</td> <td>4,500 sq. ft.</td> </tr> <tr> <td>R7</td> <td>4,200 sq. ft.</td> <td>6,300 sq. ft.</td> </tr> </tbody> </table> <ol style="list-style-type: none"> 2. Change R7 minimum lot size from 6,300sf to 5,000sf. (Spevak) 4 PSC members support 3. Delete table - No increased lot sizes for different housing types 3 PSC members support 	Lot size by zone	House, House + ADU, historic conversions	House + 2 ADUs, Duplex + ADU, Corner Triplex	R2.5	1,600 sq. ft.	3,200 sq. ft.	R5	3,000 sq. ft.	4,500 sq. ft.	R7	4,200 sq. ft.	6,300 sq. ft.	<p><u>Comments RE: allowing more units on lots:</u></p> <ul style="list-style-type: none"> • Concern about more cars, how to park, impacts on street parking • 4plexes is how to get to more affordable units • 4plexes more frequently trigger comm code/other barriers, limits uptake • 4 units should be tied to affordability • 4 units is not required, but should be an available opportunity <p><u>Comments RE: Lot sizes</u></p> <ul style="list-style-type: none"> • Ditch the table entirely • This begins to cut up single dwelling zones too much • The scale is controlled by lot size, so as lots get smaller, the structure gets smaller. • Smaller units are more affordable • Not sure we want micro apartments in these zones • Three issues: structure size, people, cars. We are addressing the size, we are not afraid of more people, it’s about the cars • What is the units per acre at 1,600 s.f. lots? Is it transit supportive? A: At 3 units per lot=81 (about RH density) 15-20 units are preferred minimums per acre.
Lot size by zone	House, House + ADU, historic conversions	House + 2 ADUs, Duplex + ADU, Corner Triplex												
R2.5	1,600 sq. ft.	3,200 sq. ft.												
R5	3,000 sq. ft.	4,500 sq. ft.												
R7	4,200 sq. ft.	6,300 sq. ft.												

Issue C – In what building form(s)?
 See diagrams below: #1-6 for three units; #7-13 for four units

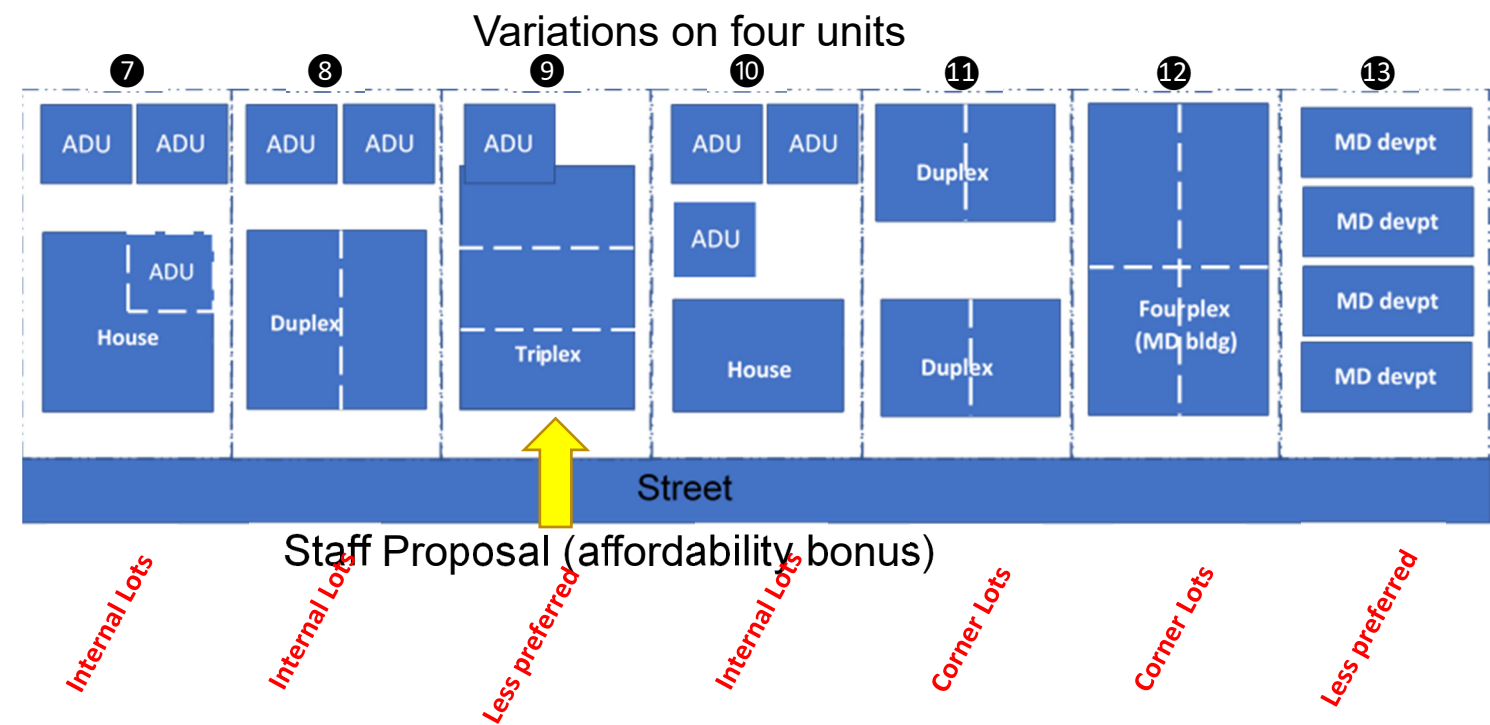
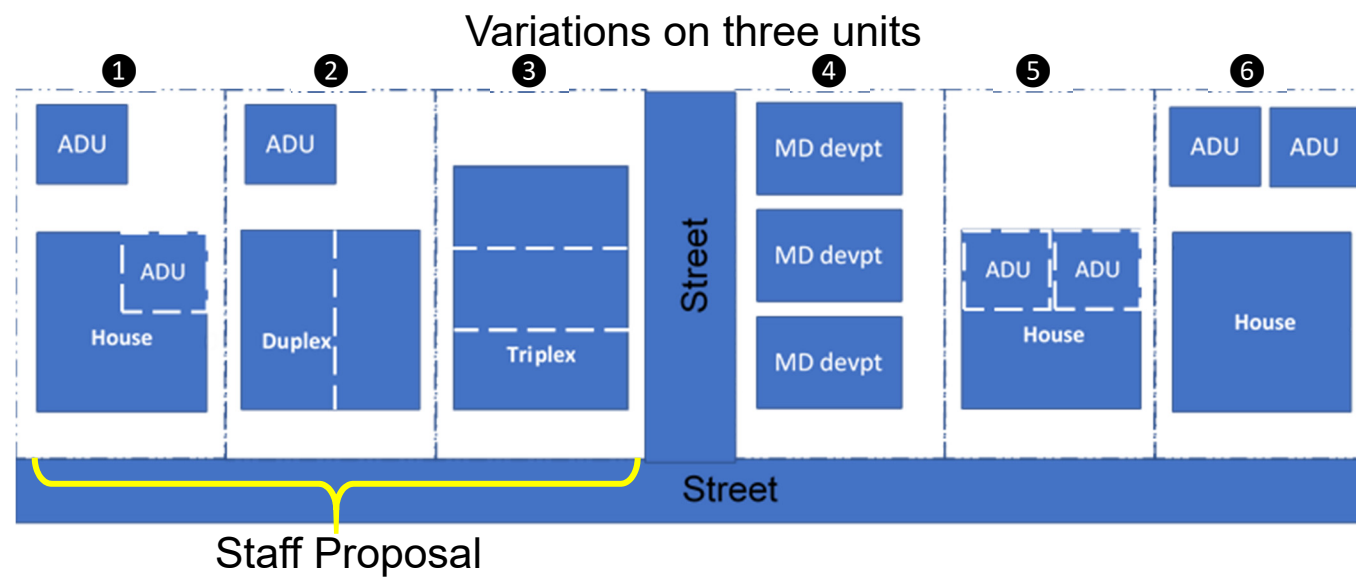
Among the 4-unit options, PSC members support:

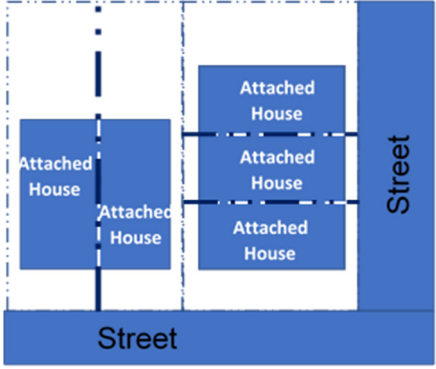
Scheme # in diagram below	Location of Lot	
	Internal Lot	Corner Lot
#7	9	7
#8	9	8
#9	5	6
#10	7	6
#11	8	9
#12	7	8
#13	5	6

#9 and #13 were least preferred overall
 #7, #8 and #10 were more preferred on internal lots
 #11 and #12 were slightly favored on corner lots

Comments RE: Form:

- Provide a number, but don't prescribe a form
- Need to see more varieties
- Focus is on the appearance from the street, ADUs seem to work better on internal lots, while corners can have the units in a building all orient to the street
- No more than 3 structures. 4 is too many structures (not units)
- From 6/7 – PSC direction: allow up to 2 ADUs internal or detached form the structure in any configuration.
- Difficult to decide without knowing the outcome of the scale discussion (will buildings get larger with more units or not)



	<p>Issue D – Allow additional units by-right or require some other public benefit? See the Incentives Table proposal 7.1 – 7.3 for discussion of allowing additional units in return for some other public benefit.</p> <ol style="list-style-type: none"> Staff’s proposal: <ol style="list-style-type: none"> 3rd unit must be visitable 4th unit must be affordable (proposal 7.2) Allow ___ units by right. Other _____ Require 1 of 3 (or 1 of 4 if 4 is max units) to be visitable 6 PSC members support <p>Draft letter to study imposing visitability on ALL new single-family houses, through a building code amendment 7 PSC members support</p>	<p><u>Comments RE: public benefit:</u></p> <ul style="list-style-type: none"> Like tying the extra to some other public benefit How would the extra requirements apply to multigenerational households on same site (i.e. a homeowner wanting 4 units on their own lot for their extended family)? A: same as anyone else Visitability is good, affordability not realistic. Heard need for family sized units – give affordable units more FAR (rather than bonus units) Make the 4th be affordable Not going to help minorities and others at less than 80% MFI Supportive of paying into a fund. Buying FAR just makes units bigger/more expensive Affordability bonus seems like a false hope. Meaning the 4th unit doesn’t get built, and we have fewer lower-priced (but not “A”ffordable) units as a result Staff’ proposal does a pretty good job Cost data for visitability? Could preclude getting the third unit Support visitability for the house, but not for the ADU’s (more difficult to make work) Supportive of a legislative fix to allow this in building code 600 s.f. footprint min for visitability to work.
<p>Fee simple units</p> <p>There is no proposal for dividing duplexes or triplexes into attached houses. Currently corner lot duplexes may be divided as follows:</p> <ol style="list-style-type: none"> Lots in the R5 – R20 zones must meet the minimum lot dimension standards of the R2.5 zone (i.e. 1,600 sq. ft.) Lots in the R2.5 Zone have no minimum lot dimension standards for the new lots. 	<ol style="list-style-type: none"> Allow duplexes on internal lots and triplexes on corner lots to be divided to create individual lots for attached units. (Spevak) 6 PSC members support directing staff to study and develop proposals for allowing these land divisions. (to be discussed on 8/14) 	<p><u>Comments RE: allowing land divisions for smaller minimum lot sizes and more fee simple ownership:</u></p> <ul style="list-style-type: none"> While this may convert R5 to R2.5 in terms of lot size, they are different because R2.5 allows larger buildings [staff note: this is yet to be determined with scale discussion] Condos are less desirable, this provides fee simple options Whether rental units in one building, condos or fee simple, all are potentially available as rental. This just increases the range of ownership options Don’t want to encourage demolitions and remove naturally occurring affordable housing
<p>5.2</p> <p>Require the following visitability features for one unit:</p> <ul style="list-style-type: none"> a no-step entry, wider halls and doors, and living space and bathroom on the ground floor. 	<p><u>Discussed but did not resolve. Come back to this issue after discussing the Incentives Table in proposal 7.1-7.3.</u></p> <ol style="list-style-type: none"> Exempt properties with 20-degree slope between front lot line and main entry to primary dwelling from visitability requirement. (Spevak) Allow fee-in-lieu in some cases, with funds going towards existing programs to help low-income residents modify homes for accessibility. (Spevak) 	

5.3 Do not require parking for additional housing types.	Covered during scale work session on 6/7.	
5.4 Allow the FAR for all structures to be combined for triplexes on corner lot	See Incentives Table (7.1-7.3) for Bortolazzo's amendment regarding increased flexibility for existing houses.	

Proposal	Potential Amendments Identified by PSC	Comments Received from PSC
6. Apply the new 'a' overlay zone in select areas.		(60 minutes)
<p>6.1 Apply the new 'a' overlay to properties zoned R7, R5 and R2.5 within:</p> <ul style="list-style-type: none"> ▪ ¼ mile of centers ▪ ¼ mile of corridors with 15-minute bus service ▪ ¼ mile of MAX stations; and/or ▪ Higher opportunity housing areas (with services, amenities, jobs, schools and parks). <p>6.2 Reduce the new 'a' overlay based on infrastructure and environmental constraints.</p> <p>6.3 Reduce the new 'a' overlay in areas with concentrations of vulnerable populations until programs are available to mitigate displacement risk.</p> <p>6.4 Expand the new 'a' overlay based on proximity to amenities, such as community centers, parks, schools and multiple bus lines.</p>	<p>Where should the additional housing types be allowed?</p> <p>Option 1: the 'a' overlay boundary proposed by Staff.</p> <p>Option 2: A redrawn 'a' overlay boundary. At the 6/26 work session, the PSC discussed different layers of characteristics and whether they should be used to define a new boundary for places where RIP options should be allowed. The results of the PSC discussion are summarized in the column to the right. This gives a good foundation to look at what areas should be added to the proposed overlay boundary.</p> <p>At the 7/10 work session, we will focus on the 8 specific areas that were not included in the staff proposal for the 'a' overlay. We will review the remaining R7, R5, and R2.5 areas to assess whether they should be included.</p> <ol style="list-style-type: none"> 1. North (St. Johns/Portsmouth) 2. Northeast (Cully) 3. Northeast (Parkrose/Argay) 4. East (Hazelwood/Mill Park) 5. Southeast (Johnson Creek/Powellhurst-Gilbert) 6. Southeast (Brentwood-Darlington) 7. Southwest (Hayhurst/Ashcreek/W. Portland Park) 8. Northwest (Hillside) <p>Option 3: Alternative Overlay Geography (Baugh) Boundary defined by the river to the west, Fremont to the north, 80th Ave to the east to Lincoln, then Lincoln to 52nd. 52nd to the southern city limits, and returning to the river (see map)</p>	<p>Direction from 6/26 meeting: The PSC <u>supported staff's proposal</u> to remove the following areas from eligibility:</p> <ul style="list-style-type: none"> • RF, R20, and R10 zoned parcels* (10 PSC members support) • 100-year floodplain* (9 PSC members support) • Steep slopes with landslide history (8 PSC members support) • Sewer constrained availability* (8 PSC members support) • Stormwater (6 PSC members supported considering, 2 PSC members support one strike) • Northwest Hills Plan District* (8 PSC members support) <p>The PSC <u>disagreed with staff's proposal</u> to remove:</p> <ul style="list-style-type: none"> • Improved private streets (8 PSC members support) <p>The PSC <u>did not discuss</u> removing the following areas at their 6/26 worksession:</p> <ul style="list-style-type: none"> • Natural Resource Inventory* (Med/high value) • PDX Airport Noise Impact Overlay Zone* • Glendoveer Plan District - R7 parcels* • Johnson Creek Plan District* • Farther from frequent transit • housing opportunity areas (Low/med low) • Displacement Risk Areas <p>*"one strike and it's out" constraint</p>

<p>Transition Sites</p> <p>There is no proposal for allowing further increases in units for transition sites. Currently lots in R20-R2.5 with side lot lines that abut the CM2, CM3, CE, CX, E, I, or CI zones. These lots are allowed one additional unit, as either a duplex or divided into a pair of attached house.</p>	<p>1. Expand transition site allowances. (Spevak)</p> <p>a. Allow one additional unit for sites that abut (side and/or rear lot lines?) RM2, RM3, RM4, RX.</p> <p>b. Allow one additional unit for sites across street from “urban parks”</p> <p>Additional considerations:</p> <ul style="list-style-type: none"> • How does the transition site proposal intersect with the areas now included with the revised mapping in Proposal 6.2? • Consider how this relates to the Incentives Table (Proposal 7.1-7.3)? 	<ul style="list-style-type: none"> • Current code provides an additional dwelling unit allowance on properties zoned R2.5 – R20 abut [the side property line of] higher density, mixed-use zoning, where development might reach 3+ stories. I’d suggest expanding this bonus for properties that abut higher density multi-dwelling zoning that can have similar bulk/height as CM zones (e.g. R1, RH, RX). I’d also suggest expanding this bonus for properties abutting or immediately across the street from urban parks (defined to exclude wild parks such as Forest Park). (Spevak)
<p>6.5 Remove the <i>existing</i> ‘a’ overlay zone and code provisions</p>		

Proposal | **Potential Amendments Identified by PSC**

7. Provide incentives for affordable housing and historic preservation. Incentives for providing public benefits. (60 minutes)

7.1
Allow a bonus of 0.1 FAR when providing:

- An affordable unit (up to 80 percent of Median Family Income) on site or
- Payment in lieu of providing an affordable unit on site.

7.2
Allow a triplex and an ADU (and +.15 FAR) on corner lots when one unit is affordable

7.3
Promote preservation of historic resources when adding units through incentives such as flexibility in housing types and the ability to combine FAR for all structures on the lot. one unit is affordable.

INCENTIVES TABLE – The table below summarizes the choices regarding incentives for providing a public benefit. The PSC has expressed interest in looking at bonuses for providing more units, visitable units, affordable units and historic preservation. Most of the focus has been on two types of incentives – allowing more development in terms of size and/or allowing more dwelling units to be developed.

TYPE OF INCENTIVE	For Providing More Units	For Providing a Visitable Unit	For Providing Affordable Housing		For Historic Preservation
			(1 unit @80%MFI)	(Pay fee in lieu)	
Building Size Bonus	Proposal: NONE PSC Direction: PSC supported allowing more FAR for more units (on 6/7) ~2,500 SF for 1 DU ~3,000 SF for 2 DUs ~3,500 SF for 3 or 4 DUs	Proposal: NONE	Proposal: Add .1 FAR when there will be 3 units on the site. PSC amendments for discussion: 1. Increase FAR more for affordability (Smith) 2. Increase FAR for triplex + ADU. (Spevak)	Proposal: Add .1 FAR when there will be 3 units on the site. PSC amendments for discussion: NONE	Proposal: NONE (note: the FAR can be moved between primary and accessory structures) PSC amendments for discussion: 4. Allow greater flexibility within existing structures to expand and/or split into multiple units. Limit the degree of exterior alteration. (Bortolazzo) a. Additional square footage allowance (e.g. +15% more than new construction) b. Height/coverage/reduced setbacks (e.g. 10% less than new construction) c. Allow up to a certain max. percentage of exterior walls to change. d. Allow up to a certain max. percentage of front elevation to change.
Number of Units Bonus	N/A	Proposal: One bonus unit (a 3 rd unit) if one is visitable. PSC Direction: PSC supported 1 of 3 (or 1 of 4 if 4 is max units) to be visitable. (6/26 - 6 PSC members support)	Proposal: Another bonus unit (a 4 th unit in the form of triplex + ADU on corner lot) if one unit is affordable. (Detached ADU would add .15 FAR). PSC amendments for discussion: 3. Allow one more unit than the base allowed number of units if one unit is affordable. If 3 units are allowed in the base, a 4 th is allowed through bonus. 4-unit base would allow a 5 th unit through bonus.	Proposal: No fee option for additional units. PSC amendments for discussion: NONE	Proposal: NONE PSC amendments for discussion: 5. Allow additional density (e.g. +1 du) for internal conversion of existing structures into multiple units. Limit the degree of exterior alteration. (Bortolazzo) 6. For historic resource homes, allow internal conversions up to 1 unit per 1,000 sf of site area (as is currently allowed for Historic and Conservation Landmarks). (Spevak)

- 7. Other PSC Potential Amendment for affordability:**
Remove the word affordable for the RIP document in its entirety and all references thereof. (Baugh)
- 8. PSC Potential Amendments for other bonuses:**
Provide a density bonus in situations where the developer has to physically construct streets or other improvements (Spevak)

		Comments Received from PSC
		<p>Comments RE: feasibility of proposed affordable housing bonuses:</p> <ul style="list-style-type: none"> • I am concerned about the testimony that the duplexes and triplexes that will be constructed will not be affordable. • How are we defining affordable in this process? • Is it some percentage of median house price in that neighborhood or is it the 60 or 80% of MFI metric? • Is it a realistic goal to include a requirement that when non adus are added to a site, the units have to be affordable as we are defining affordable in this context? • Are there tax abatement options to assist affordability? • Does RIP need to be coupled with non-zoning tools? Should we be exempting affordability of ADUs occupied by family member of primary dwelling occupant? (Rudd) <p>Comments RE: sufficiency of proposed affordable housing provisions:</p> <ul style="list-style-type: none"> • Is the requirement feasible that each additional housing unit on a property must be rented or sold to someone earning less than 80% of MFI? Will the affordability mandate undermine the goal of creating more units and diverse types of housing? (Bachrach) • The affordability requirement was one of the chief concerns raised by BDS. The Bureau recommends using existing subsidy programs instead of introducing new requirements. (Bachrach) • Several supporters of the RIP concept noted that, while increasing the supply of middle housing may not directly or immediately benefit lower income residents, it will increase the supply of housing affordable to middle income earners - teachers, nurses, etc. - which in turn helps bend the arc of affordability in a favorable direction for the continuum of housing throughout the city. (Bachrach) • The RIP is not really an effective affordable housing tool without more significant support/policy modification in my opinion. I wonder if the goal of affordable housing development on existing properties might be better served with a more focused and funded program and that putting it into this project presents a false promise. • I am concerned that we need to make meaningful strides in affordable housing. Pushing a program which will have minimal effect on the issue and that seems to have a large volume of dissenting homeowners might cripple further efforts on the next ask to create meaningful movement on affordable housing. (St. Martin) • In practice, I doubt there would be room [on a triplex site] to create a detached unit, and doing so would increase cost (bldg. skin area). (Spevak) • Perhaps this could substitute for all the special allowances proposed in RIP for older homes? (Spevak) • It would be helpful if staff would walk through and explain the intent of each of the code provisions affecting historic properties interspersed throughout Section 33.405. • Also, It would be helpful to get an explanation - perhaps from BDS - and have a discussion about BDS's concerns raised in the second bullet point on page 2 of its May 14 memo. • As pointed out by BDS, it is problematic to use the Historic Resource Inventory (HRI) as a regulatory tool because the inventory was adopted more than 20 yrs ago and was intended to be informational. (Bachrach) <p>Comments RE: amendment proposal for bonus density when developer has to build streets:</p> <p>Provide density bonus when ROW dedication is required as a condition of development to help off-set that cost. in parts of the city with poor street connectivity or narrow existing ROW, developers are required to dedicate land area to the city. Under current regulations, the number of units that can be built on the property is calculated based on the site area <i>after</i> the dedication. Then developers sometimes also have to pay for physical ROW improvements (sidewalks, curbs, asphalt...), to be turned over to city ownership following completion. This is a double-whammy for builders, making it significantly less likely for them to develop properties that would trigger street network improvements – hence such sites often get skipped over for development and the street never gets built. (spevak)</p>

Topic	
<p>Circle back to:</p> <p>Proposal 6.-: Transition sites</p> <p>Proposal 5.2: visitability exemptions</p> <p>Proposal 5.1: Issue C - building form (possibly defer to 7/24)</p> <p>Proposal 5.1: Issue B - lot sizes (possibly defer to 7/24)</p>	(40 minutes)

Proposal	Potential Amendments Identified by PSC
8. Encourage more cottage cluster development (all single-dwelling zones). (20 minutes)	
	<p>(Schultz)</p> <p>These amendments replace Commissioner Schultz's cottage cluster amendments shown in 6/26 worksheet.</p> <p>Building coverage. Allow building coverage limits that would be more consistent with typical subdivided lot sizes in the zone. For example: R2.5 = 50%; R5=40%, R7= 30%, R10=25%, R20=20%, RF=10%; or a flat 35%</p>
8.1 Allow for an ADU to be built with each house on a cottage cluster site.	<p>Density. Allow up to twice the base zone density, provided the units do not exceed 1,200 sf. each. Allow 1 ADU for each primary unit. For example, a 25,000 sf R5 lot could have 5x2=10 individual houses + 10 ADUs</p>
8.2 Require at least half of the units to be oriented around a common open space.	<p>Open Area. Require adequate open area, but remove criteria for "common" open area and unit orientation i.e. strike "50% of units oriented toward common open area"</p>
8.3 Reduce the procedure type for some cottage cluster reviews from Type III to Type IIx.	<p>Review process. Review as a Type IIx, up to 10 units (not counting ADUs), Review as a Type III when the total number of units exceeds 20 (including ADUs).</p>
Staff question:	<p>Staff question:</p> <ul style="list-style-type: none"> Should allowing multiple small primary units be considered a "cottage cluster" (see proposal 4)?