

Portland Planning and Sustainability Commission

August 14, 2018

12:30 p.m.

Meeting Minutes

Commissioners Present: André Baugh, Jeff Bachrach (arrived 1:51 p.m.) Andrés Oswill, Chris Smith, Michelle Rudd, Katherine Schultz (arrived 2:11 p.m.) Eli Spevak, Teresa St Martin

Commissioners Absent: Ben Bortolazzo, Mike Houck, Katie Larsell

City Staff Presenting: Sara Wright, Sandra Wood, Joe Zehnder, Shannon Buono; Kara Fioravanti (BDS)

Vice Chair Smith called the meeting to order at 12:31 p.m. and gave an overview of the agenda.

Documents and Presentations for today's meeting

Items of Interest from Commissioners

Commissioner Oswill noted that since the Manufactured Dwelling Zone Project hearings there have been two notices of parks being sold and two filing for redevelopment. Has heard concern that the PSC's extension of hearing and vote contributed to this, so he is asking for feedback mechanism for bumping a vote. Most of the testimony was in support of the decision and some people may have been willing not to testify in order to have the vote at the scheduled time. This offers an opportunity to improve our process.

Director's Report

Susan Anderson

- Susan sent the PSC an email about an article on what's happening in Vancouver, Seattle, and Portland related to the Residential Infill Project.

Consent Agenda

- R/W #8534: proposed street vacation of SE 64th Ave south of SE Sherman St
- Consideration of Minutes from July 24, 2018 PSC meeting

Commissioner Baugh moved to approve consent agenda. *Commissioner St Martin* seconded.

(Y5 – Baugh, Rudd, Smith, Spevak, St Martin)

Neighborhood Contact Code Update Project

Hearing: Sara Wright

Sara re-introduced the project, which attempts to solve problems of reach of notice, consistency, and predictability of the process and thresholds. Sara gave an overview of the key elements of the proposal (thresholds for requirements, sign, informational email, and public meeting for larger projects).

Sara gave a comparison of the old process, current process as of the Comprehensive Plan effective date, and the proposed process. Email would become an option for notice, meeting responsibility shifts from neighborhood association to applicant, meeting timeline has been shortened, and meetings are now

required. Thresholds are changed and streamlined. Projects that have been through a land use review are exempt.

Neighborhood contact happens before the City even knows the project is happening; it is a conversation between the public and the applicant.

Sara summarized the 16 pieces of testimony received thus far: thresholds for the notice requirement and content of the notice.

Commissioner Baugh: Is there no place in the City, like a listserv, where these would be located?

- Sara: There is no documentation by the City until after this neighborhood contact happens.

Testimony

1. Leon Porter: Homeowner in Sullivan's Gulch; generally supports proposal; since Portland is in a housing emergency it's important not to overburden developers and slow development. The code should give a less prominent role to neighborhood associations (NAs) because they represent interests of established homeowners and do not represent interests of tenants and future residents of new buildings, who will be most intensely affected by the development. Specific ideas include 1) raise the threshold for contact meetings back up to 40,000 feet – maybe higher like 50,000 for buildings with affordable units 2) reach of notice – strongly supports idea of listserv; if City gets notice from developers then it may not be necessary to require developers to also send notices to NAs, neighborhood coalitions, and business associations because anyone could sign up to receive notices from City. People could sign up for notices citywide or by specific neighborhoods. Saw testimony by Overlook NA and would like the PSC to do the opposite of what they recommend. Specifically, do not require developers to send notice by certified mail or give NAs right of first refusal to host meetings.
2. Doug Klotz: Supports concepts and noted problems with existing system that developers and public come to meeting and developer doesn't have to make any changes for by-right development. Keep 10,000 sf threshold for sign and raise to 40,000 sf for meetings – this is where you get into design reviews and other reviews anyway. Burden could potentially slow down production of housing.
3. Christian Trejbal, Overlook Neighborhood Association: Gave an overview of the NA's process when they receive a notice. People enjoy hearing about what's going on in the neighborhood and coming to the meeting to see new development proposals. Under proposed rules, would no longer have ability. At best would have posted signs and maybe get the email/letter in time; meeting could be held 2 miles away across the river in Montgomery Park. Range of times means these could happen during Superbowl, Trailblazers games. Most developers are happy to come to meetings and we know they are not required to make any changes, but many are willing to tweak things once they hear from neighbors. But others are not – have received predated certified letters. Email runs risk of spam filters. Requests certified mail be maintained, threshold be lowered to 10,000 sf for a meeting, and neighborhood's right of first refusal. Current system works for a lot of neighborhoods; do not throw it away.
 - a. *Commissioner Oswill* asked how the NA communicates with members when it has a meeting.
 - b. Email listserv with weekly email. At last count 554 households in neighborhood; more than half; also quarterly newspaper.
 - c. *Commissioner Smith* asked about certified mail and Christian noted it is more accountable.
4. David Schoellhamer, Sellwood-Moreland Improvement League (SMILE) Land Use Committee Chair: One of the few ways SMILE can improve development is through the meeting requirement. We've

had 22 meetings since 2015 and many have resulted in improved design – setbacks, landscaping, privacy, compatible materials. Our committee has to tell angry residents that a building is by-right and there's nothing to be done to stop it; the elimination of these required collaborative meetings for less than 25,000 sf would negatively affect livability. Only 9 projects have been larger than this since 2015. Requests meeting requirement be set at 10,000 sf. Since 2016, 16 projects of this size have occurred. This may be a low threshold for zones that allow more density than zones in our neighborhood; different thresholds for different zones would be logical. Contact meetings are particularly relevant in design overlay zone.

5. Bob Gelpke: Part of group that vigorously opposed the raising of the height restrictions in RiverPlace; felt like a backroom political deal with no opportunity for involvement. Pleased that this project is proposing better communication, but initial contact with neighborhood association only would leave out our group.
6. Linda Nettekoven, HAND (but speaking for herself): Has been trying for many years to make notification work and has had similar experiences of helpful collaborations where changes were made to buildings. Good things have come out of meetings and would like to see them continue. Sara did a wonderful job and is a great listener and partner. Much of the success will depend on draft appendices – are they administrative rules? What happens if they are significantly modified? Lack of requirement is a concern. Excited about sign because even the NA cannot reach everyone they want to reach. Still needs to be something online because our neighborhoods are huge; you may not see a sign at all or more than once. Please build in an evaluation component. Spoke of a recent Verizon proposal whose meeting had no attendees and plans changed. Not afraid to have developers take lead on meetings but not good when these things go awry.
7. Heather Flint-Chatto, Division Design Initiative: Neighborhood notification was our number one policy recommendation. Loves signage and complimented Sara's involvement and responsiveness. Issues: 1) One issue is notification trigger without required timeframe. 14-day timeframe for community meeting is not enough time and gives false sense of hope that something will change. Feedback will help developer if given in an earlier timeframe – we proposed minimum of 60 days. 2) Re: level of thresholds to trigger meeting – 50x100 lots on streetcar corridor with 3-story buildings means 15,000 sf, which is significant to corridors that are typically 1 and 2 stories. Set meeting trigger at 15,000 sf, 3 stories, or 5 units. 3) Re: materials developers should bring to an NA meeting – Community described what they need to know; we recommend these become permit submittal requirements. Require documentation/notes from developer.

Written Testimony

Vice Chair Smith noted that the written record will be open through Friday, August 17, 2018 at 5 p.m.

Discussion

Vice Chair Smith noted there will be a work session two weeks from now (August 28, 2018).

Commissioner Baugh asked if the administrative rules are mandatory or advisory.

- Sara: These are all draft to provide context and help people understand. They will be finalized by BDS. The code says BDS will create administrative rules for sign template.
- *Commissioner Baugh*: What about what they should bring to the meeting?
- Sara: It's in a handout and purely advisory; BDS will finalize what info they advise developers to bring.

Commissioner Baugh: Is it a burden for the City to have a listserv for notification? Or for the developer to send notification to a listserv at the time they send it out to neighborhoods?

- Sara: That information would come to City when application is submitted; we are looking at an option to add BDS to list of organizations that would get early notification.
- *Commissioner Baugh:* Would BDS post it somewhere, though? Would this be a way to get more people outside NAs information?
- Sara: BDS is revising their online permitting system; this question of how you make more information available to people should they choose will become part of that. Diversity in Civic Leadership partners said they do not want land use notices because they would be overwhelming but would be interested in a subscription-based approach.

Kara Fioravanti (BDS): BDS supports notification; in middle of POPS online permitting programming; if this online notification could wait to see how POPS is constructed that would be best. BDS has concerns because they have not created the system yet. Timing of POPS is spring 2019, so this could almost tie into that.

- *Commissioner Smith:* Since this occurs before application, there is no permit number, so can POPS track things without a permit number or would this be separate?
- Kara: Would not have permit number or address, so how the request gets organized is another question.

Commissioner St Martin noted she does not recall an evaluation component.

- Sara does think evaluation is a good idea but it would not be written into the code.
- *Commissioner St Martin* asked if a year would be a long enough timeframe.
- Sara: Would be a question for BDS because it falls on their shoulders to implement.
- Kara: 18 months may give more breathing room to see a project go through the full system. Potentially depends on timing requirements and how far in advance notification must happen – the longer that timeframe gets, the more time is needed to see several projects go through.

Commissioner Spevak asked about the costs of implementing this and whether it could pass through to builders. How much – few hundred or thousand?

- Kara: Depends how automated the system could be so there is very little staff time spent on this. We have not thought about fees yet or where the burden would go.
- *Commissioner Spevak:* Would be nice to hear the big implications of cost to development.

Commissioner Spevak is intrigued by NAs having the first right of refusal to hold meeting if location meets requirements of the zoning statute. As resident going to meetings he learns things about the neighborhood when land use is on agenda, so when land use is taken off there's less incentive to go. Outreach beyond NAs is also important.

Commissioner Spevak noted some concerns: 1) supports delineating by-right or discretionary development on the sign 2) If an applicant messes up something on the notice, could open an opportunity to obstruct a by-right project based on a zoning code technicality.

Commissioner Oswill is also interested in the right of first refusal for neighborhoods. Likes idea of online system; understand staff concern and if at all possible should be automated. Useful to have information readily accessible to anyone who wants to sign up. Interested in developing admin rules beyond the sign; suggested or required components of meetings should be clarified in admin rule.

Commissioner Rudd: Does developer go to the City for the official list of NA, district coalition, business association emails?

- Sara: ONI database has this; these requirements are already in effect.

Commissioner Rudd asked if City staff attendance at the meeting if desired by the applicant an option.

- Sara: Not comfortable requiring staff attendance, especially if we are building in the requirement that BDS is included in notice. That would open opportunity for staff to attend if desired.

Commissioner Rudd: If sign is taken down, what happens?

- Sara: Required to put back up.

Commissioner Rudd noted that we want to reach more than just NAs and regular participants.

Vice Chair Smith gave some requests for data for the upcoming work session: 1) Do we have a breakdown of how many projects of what size we see in a year or two-year period so we can see where thresholds fall? Are there size triggers in DOZA we should synchronize with? 2) Evaluation – wouldn't put in zoning code but could be put in implementing ordinance that adopts zoning code, right?

Vice Chair Smith offered some comments: Having been a NA board member, it is valuable to have the opportunity for input even when project is by-right; collaboration can and does happen even when not required. To the gentleman testifying about RiverPlace, that was a legislative project so there was no building permit in play; therefore, this process would have no effect on that. There are people other than NAs who care about this; the amendment I'm working on is that we have an open data program, so this should be an open dataset so people can work with the data.

Ankeny Row discussion

Susan invited Dick Benner to share about Ankeny Row, a recent development related to residential infill.

- Ankeny Row is an Ankeny Street/Laurelhurst neighborhood infill project close to transit in a walkable community. Net-zero. Cohousing. Aging in place. 6 units. We all like the density – brings better transit, retail.
- What's interesting about what's happening on Ankeny is that among the 97 unit-building coming across the street there's a string of 3 middle-density developments that add nice diversity to the eye.
- There's a book out now.
- When trying to find a publisher, one who rejected us said the project was expensive, and she was right. It caused us to rethink the book and we added a chapter based on our research about what we could've done to cut costs while still accomplishing our objectives. We could've built the same 1,500 sf townhouse for \$100,000 less.

Commissioner Spevak: How much would it have changed your costs if you built it on land zoned R5 versus CM? That development could work in many places but the land value is probably quite high and that probably drove much of the cost.

Rick invited Commissioners for a tour.

Residential Infill Project

Work Session: Sandra Wood, Joe Zehnder, Shannon Buono

Presentation

Sandra noted that today's topic is narrow lots and cottage clusters will be discussed at the next meeting.

Sandra reviewed the PSC's goals for the project. She noted that narrow lots provide an opportunity for increased homeownership.

Sandra gave a primer on historically narrow lots, which were platted before City zoning and are typically 25x100 feet. Lots are already "divided" with lot lines so they don't need to go through a land division. These are substandard lot sizes and widths for R5, and most are in R5. Currently we have a policy that says you can build on such a lot if it's been vacant for 5 years.

Issue 9.1: Rezone some historically narrow lots from R5 to R2.5 (page 3 of the worksheet)

- Map on slide 8 shows existing R2.5 zoning in the city in orange, properties staff proposed to rezone to R2.5 in purple, and areas with underlying lots that staff is proposing not rezone in gray hatch. About 14,000 tax lots; proposing to rezone about half.
- Slides 9 and 10 show diagrams of potential development patterns.

Options (slide 12):

- Proposal: Rezone historically narrow lots within 2-3 blocks of centers and corridors (~7,000 lots)
- Amendment: Rezone only where adjacent to corridors (~7,000 lots)
- Amendment: Rezone all historically narrow lots to R2.5 (~14,000 lots)

Commissioner Spevak proposed an alternative to the third amendment: The difference between R5 and R2.5 is the size of building allowed; this has made me much more comfortable with staff proposal to rezone to R2.5 in areas closer to centers and corridors. Outside those areas, we have large parts of the city where we're proposing attached townhomes. An alternate approach to the third amendment is to say that though that you're constrained to R5 rules on size, you could resurrect the property line to allow attached townhomes and split ownership. Has been convinced to abandon his other amendment to allow dropping property lines everywhere.

- *Vice Chair Smith*: Does having small R5 lots create anomalies?
- Sandra: It starts to change what R5 means.
- *Commissioner Spevak*: Zoning is now shifting to focusing on how big you can build more so than how many units. The idea is to say you only get to go bigger on historically narrow lots if they're close to centers and corridors, but if it's further away in a neighborhood, you can't build larger than other homes nearby, but would get to drop in a lot line.
- *Commissioner Spevak*: Homebuilders like this option because homeowners don't want to deal with condo associations; can provide homeownership opportunity without building any bigger than what's otherwise allowed and without layering on a condo association.
- Sandra: One of the reasons we did not propose to rezone all lots was the pace of change, as we saw before the vacant lot provision was put in place in 2003.
- *Commissioner Rudd*: If you split the lot, do you have to have your own water pipe? Is there an implication for City infrastructure bureaus?
 - Sandra: Yes, rezoning has a different impact.
 - *Commissioner Spevak*: Even if you don't divide the lot, Water Bureau will still let you have separate water meter for each home (but charges a fee).

Joe: Staff's proposal is built on the principle to zone for the development pattern you want to see. Since we crafted this proposal, what would be allowed on a standard R5 lot has evolved through the Commission. However, the ability to divide the lot causes concerns about increased likelihood for demolition, though the good thing is that under Eli's proposal they would be replaced by two structures. Creation of two lots means an inherent value increase for property but may not be enough to cause a great change. Location of these historically narrow lots are an accident of history; they are concentrated in certain parts of town. When we had this discussion in the Concept Report there was concern that the development pattern with individual structures on individual lots should be looked at through area planning. Second concern was truth in zoning

and legibility of what you can expect to be developed. Third was from the Stakeholder Advisory Committee that the ability for fee-simple ownership was attractive and would accelerate pace of development, so we split it based on proximity to centers and corridors.

Commissioner Oswill confirmed that pattern of development would be the same under Eli's amendment – wouldn't be different density – but the only difference would be the lot line. Would be a fee-simple ownership model, which nonprofit developers said are attractive. For consistency, this Commission has decided not to exclude areas as an anti-displacement tool. I want to reiterate the need for anti-displacement programming and funding. If Council does not pass programming, the effect of this will happen whether or not lot division happens. I do not, then, see a big distinction.

Vice Chair Smith confirmed that staff believes ability to divide ownership makes redevelopment more likely even when building form is the same. One of the criticisms is this project is that it won't be used enough to make a difference anyway, so this could be one dial to make it used more, despite the fear of overuse and political backlash. Torn between tension of desire to make redevelopment happen faster versus desire to prevent that.

- Susan: We are making these decisions based on random plating in the 1930s instead of where we actually want this to happen. We could ask where else this makes sense regardless of historic platting.

Vice Chair Smith noted the amendment to tighten rezoning to corridors and asked staff to compare their rationale to that amendment.

- Sandra: Have not spoken to Bortolazzo about his amendment. When we spoke to public after we had proposed to rezone them all, we narrowed the proposal down. We worked with our District Liaisons to draw the maps based on their on-the-ground knowledge.
- *Commissioner Baugh*: Seems similar to staff proposal – do you want it right on corridor or into neighborhoods a couple blocks? We have already approved more development so confused as to why we're concerned about this small difference – neighborhoods will already be unhappy. This doesn't seem like a bigger disruption. Endorses the amendment to rezone all historically narrow lots to R2.5.

Commissioner Rudd expressed hesitation about why we don't just rezone everything, then, since we've created a situation where there's not much difference. If it's truth in zoning, we should not use an 'a' overlay but rezone all R5 to R2.5.

- *Commissioner Spevak*: The difference between R5 and R2.5 has changed to how big structure can be rather than how many units are allowed inside. The difference is scale – R5 is capped at 2,500 sf, a neighborhood-sized home, which addresses concern from neighbors. This question is about ownership mix within the volume. We should not rezone all R5 to R2.5 because it means a bigger building, which should be limited to areas close to corridors. Policy-wise the alternative to the third amendment (allow someone to segregate lot with historic lot line but still be restricted to R5 scale limitations) is a good compromise between respecting neighborhood-scale development and property owners' ability to use their randomly platted narrow lots. Speed of change relates to a one-month versus one-year process for different procedures.
- Sandra: Also a matter of what the City has the ability to review – all infrastructure bureaus are involved in land division process, where with just a lot confirmation we do not get infrastructure improvements.

Commissioner Bachrach is persuaded by the opportunity for affordable first-time homeownership on narrow lots. To lose this for half these lots is concerning. To keep the size limit low as R5 zoning could reduce the

incentive to build and therefore lose these potential opportunities. Prefers the original amendment to rezone all historically narrow lots to R2.5.

Vice Chair Smith asked if staff proposal would *reduce* options that are available today.

- Sandra: Yes – liberalizes options for those zoned R2.5 but restricts rights for those to remain R5.

Commissioner St Martin noted the City Council decision to not rezone any historically narrow lots and asked staff about this.

- Sandra: When we took the Concept Report to Council in December 2016, it was a different Council, and they heard testimony and voted to not rezone any of the properties to R2.5. Some discussion was about difficulty of doing this on a citywide scale, which persuaded Council to vote against it.
- Susan noted that we got new direction from different Council members and a different mayor to pursue the issue in a way that they could have the conversation again.
- Sandra noted that Council was less comfortable because we didn't have hearings at the PSC last time around.

Vice Chair Smith highlighted staff's note in the worksheet that suggested changing the Comprehensive Plan designation, not the zone.

- Sandra: The way zoning works is that we want to know the use (R) and density (2.5) and lot size and development standards. With rezoning we are moving to form-based rather than unit-based code by making the development standards more prominent. However, changing the Comp Plan designation is a longer-term vision. This could be impactful for West Portland Park, which currently has no streets in some parts.
- *Commissioner Spevak* does not support this approach because does not want to increase the massing in these areas. Could you limit this to the 'a' overlay, since the 'a' requires streets to be used? Generally, if you can do a duplex by-right in R5, you should let people use the tool of putting a lot line down.

Commissioner Bachrach suggested a numeric distance instead of staff's proposal of 2-3 blocks.

- Sandra described why staff used a map – we were asked to take a close place-based look at these areas.

Straw poll (vote only for one option):

- Staff proposal to rezone within 2-3 blocks of centers and corridors: 1
- Amendment to rezone only adjacent to corridors: 1
- Amendment to rezone all: 1
- Amendment to rezone purple areas (staff proposal) to R2.5 and allow lot confirmations on other R5 historically platted lots (except for those with undeveloped streets): 4 (passes)

Issue 9.2 Development on remaining historically narrow lots

Options (slide 13):

- Proposal: For HNLs that are not rezoned to R2.5, do not allow development unless the lot meets min dimensions for the zone (e.g. R5—3000 sq. ft. 36 ft wide)
- Amendment: Continue to allow corner lot PLAs that swivel existing narrow lot property lines

Straw poll:

- Amendment to continue to allow corner lot PLAs that swivel existing narrow lot property lines: 7 (passes)

Proposal 10: Improve narrow lot building design

Sandra noted that this is about *all* narrow lots. Sandra went over staff's proposal (slides 16-18). There are no potential amendments.

Issue 11.1 (R2.5 zone) Require two dwelling units

Options (slide 20):

- Proposal: Require at least two units on double-sized lots (5,000+ square feet)
- Amendment: Require two dwelling units on double-sized lots in R5 and R7

Commissioner Schultz clarified that the requirement is not to have a *detached* ADU, just any type of second unit.

Shannon noted that people aren't building much on oversized lots in R2.5 and R7.

Straw poll:

- Amendment to require two units on double sized lots in R5 and R7: 6 (passes)

Issue 11.2 (R2.5 zone) Lot width

Options (slide 21):

- Proposal: Reduce minimum lot width from 36 feet to 25 feet/20 feet for attached houses
- Amendment: Reduce minimum lot width from 36 feet to 21 feet/16 feet or 23 feet/18 feet for attached houses

Sean Williams (BDS) described approval criteria for reducing minimum lot width: meeting the purpose statement, which includes neighborhood compatibility, which can be hard to demonstrate when there are not many narrow lots in the neighborhood; otherwise, looking at what types of structure you could have on the width of the lot, where the parking is, landscaping requirements.

Commissioner Spevak described his rationale for the amendment: having lived in rowhouse cities, they're sometimes even narrower; 25 feet is pretty wide for attached homes.

Straw poll:

- Amendment to further reduce minimum lot width: 6 (passes)

Issue 11.3 and 11.4 (R2.5 zone): Small flag lots

Options (slides 23-24):

- Proposal: Allow property line adjustment to create small flag lot (<3,000 sf); must retain existing house; 1,000 sf of floor area and 20' height allowed for flag lot house plus exterior design elements required
- Amendment: Remove height limits on flag lot houses where base density allows two units

Commissioner Spevak explained his rationale for the amendment: These lots have a large entitlement; would not want to limit size of house in back because it could encourage someone to demo the house and build two larger homes (potentially with their own ADUs) if the other option was only to retain the original and build a smaller house in the back.

Straw poll:

- Amendment to remove height limits on flag lot houses where base density allows two units: 4 (passes)

Comments from those who did not vote in favor:

- *Commissioner Rudd* was reluctant based on privacy concerns.
- *Commissioner St Martin* felt there were options to split the lot and make two houses, and having the flag lot (which requires dedication of some of the land) means the remaining land wouldn't be entirely taken up if the flag lot house was smaller.
- *Commissioner Baugh* was concerned about issues of landscaping and compatibility with neighborhood.

Commissioner Spevak likes the idea that in areas with R5-zoned historically narrow lots that have a house with a detached ADU (which is already capped in size), you can bend that property line to make a flag lot.

- *Sandra*: It sounds like we want to allow for small flag lots in R5 historically narrow lots, since we just discussed confirming narrow lots in R5. We are creating two zones in R5 based on whether or not you have historically platted lot lines. We would have to think through all these provisions.
- *Commissioner Schultz*: Considering that R2.5 allows for larger structures compared to lot size, the concern is about the effect on neighbors of large structures in backyard. Not sure ready to apply this to R5.
- *Vice Chair Smith* asked staff to bring this issue back at the next work session when we reconcile all our preliminary decisions.

Other issues (page 6 of worksheet)

Issue 1 – Tree Code (slide 27)

- Amendment: Remove tree code exemption on sites less than 5,000 sf in area. Require all sites 2,500+ sf and larger to comply with tree preservation standards.
 - *Commissioner Baugh* supports; tree code exempted small sites because we thought these lot sizes were in residential areas, and now we're focusing on massing when we think about those areas/zones. Climate Action Plan relies on residential areas for a good component of our air quality through the trees. Rules that may reduce tree planting are questionable.
 - *Commissioner St Martin* echoed *Commissioner Baugh*, especially with the flag lot decision we just made. We have changed R2.5 and we need to make room for green space.
 - *Sandra* reminded everyone that there are maximum building coverages and required setbacks, so these are just tree preservation and planting standards.
 - *Commissioner Schultz* does not disagree with *Commissioners Baugh* or *St Martin* but does not know tree code well enough, so does not feel there's enough information to be able to vote on it. Staff could come back with more information or we could include in our letter that this should be looked at more closely.
 - *Commissioner Bachrach* agrees with *Schultz* and staff – as representative on the Development Review Advisory Committee, builders complain about tree requirements being expensive. To inject into RIP a Title 11 change without knowing the implications is too much.
 - *Commissioner Spevak*: The tree code did come up in testimony and Council asked staff to find ways to preserve trees. This is one attempt to support tree canopy preservation. Feels torn between wanting to support tree canopy but does not know implications about applying to smaller-scale sites while at the same time applying to the larger scale of the city. One idea is to include in a letter; another idea is to punt to next meeting when Mike will be here.
 - *Sandra* confirmed that staff would be able to provide more info at the next work session.

Issue 2 – Line between single-and multi-dwelling zoning (slide 28)

- Amendment: Shift R2.5 into multi-dwelling zones/Better Housing by Design project
- Straw poll:
 - Amendment to shift R2.5 into multi-dwelling zones/Better Housing by Design: 0
- *Commissioner Spevak* proposed that we include in our letter to City Council that the City consider this.
- Sandra noted that one difference is minimum density in multi-dwelling zone, and she mentioned current alignment with Bill's project; seems too big a decision to make today.
- *Commissioner Schultz* noted that without fully understanding new multi-dwelling code, would not be able to vote for it now, but asked about if we'd be able to revisit this as we go through Better Housing by Design.

Issue 3 – Land divisions (slide 29)

- Amendment: Allow duplex/triplex lots to be divided
- *Commissioner Spevak* has decided to withdraw the amendment and include a recommendation in our letter to Council to look at ways to expedite the partition process but provided some context: Under current rules, with a long (multiple months) partition process, you're seeing many two- to four-unit condos to sidestep the partition process. Unraveling a condo can be harder than unraveling separate lots.
- *Commissioner Bachrach* has heard this complaint about the partition process over and over. We want to see more duplexes and triplexes, and one of the major impediments to building multiple units instead of one is this very issue. Everyone hates these small condos; they don't sell well. The market could deliver more duplexes and triplexes if we allowed side-by-side townhouses fee-simple. Condominiums create legal fees, paperwork, and awkward ownership for buyer. Has not heard rationale for not allowing this – what does the City gain by forcing a builder through a yearlong partition process, and what benefit would be lost by creating an outright process?
 - *Commissioner Spevak* noted his proposal wouldn't solve the yearlong process – dropping a lot line still requires partition process. The corner duplex lot line provision has been available for 15 years but happens almost never because it takes so long. Maybe nonprofits would use this but even they do condos instead because of partition process. The amendment would not get used under the current partition process, so now thinks we should fix the partition process before suggesting this.
 - *Commissioner Bachrach* asked if there was some way to allow dropping lot lines by right.
 - *Commissioner Spevak* thought this would be out of the scope and under a different project.
 - *Commissioner Oswill* is uncomfortable with staff's response because it feels like condos are being used as a brake pedal to result in fewer fee-simple lots. Believes fee-simple lots are unequivocally a good call. Would be incredibly beneficial to see more fee-simple homeownership and suggests BPS continue to work on this after RIP.
- *Commissioner Bachrach* asked if we need Council's directive to ask staff to work on expediting this process.
 - Susan recommends laying out in the letter what the PSC wants and encouraging Council to have BPS do that within the next year or two, and the Commissioner in charge of the bureau will decide whether to do it or not.
- Straw poll:
 - Ask Council in letter to support a workplan item in the next year to develop simpler paths for fee-simple homeownership: 5 (passes)

Issue 4 – Land divisions (slide 30)

- Amendment: Calculate density before right-of-way (ROW) dedication
- Sandra noted there are two types of ROW dedication: 1) along an existing street, where density is calculated before dedication 2) when a private street will go into a lot
- *Commissioner Spevak* withdrew this amendment.
- *Commissioner Schultz* would like to see in the code where in commercial zones density is calculated before dedication in commercial zones.

Issue 5 – Floodplain (slide 31)

- Amendments: Measure building height from 100-year floodplain instead of lowest point and exclude above-ground basement area in floodplains
 - *Commissioner Schultz* explained that her house in the floodplain has a basement that would be calculated as above-ground FAR even though it's built that way to get the main house out of the floodplain. Height limits discourage this smart building approach.
 - Joe explained the BiOp (regulation for floodplain development to be reengineered based on biological opinion released from federal agencies; in an extended process at the state level to see how far we will take it) – these rules will be rewritten soon.
 - *Commissioner Schultz* supports this, but in the meantime, we have potential for homes being built unwisely in the floodplain based on the height reduction.
 - Joe does not know how much land would be in this situation and whether it would be frequently encountered or not. Leaving it unresolved could be fine.
 - Sandra proposed bringing this back to the next work session.
 - *Commissioner Baugh*: Would you still be able to do an ADU in the basement?
 - Shannon: Currently living area has to be out of the floodplain.

Issue 6 – Items to include in City Council recommendation letter (slide 32)

1. Advocate for parking permit program support
 - a. *Vice Chair Smith*: Is discussion of driveway spacing slated for discussion in our next meeting?
2. Develop a curb cut fee/tax proposal
3. Pursue a local exemption to State building code to allow Portland to require visitability on all new single dwellings
 - a. *Commissioner Rudd* asked if we have a sense of price per square foot for visitability requirements in all single-family homes.
4. Recommend a maximum limit on SDC waivers to 2 ADUs
 - a. *Commissioner Spevak*: Staff is suggesting there is an additional waiver opportunity if you preserve an existing house; we should recommend both a cap for 2 ADUs and ask Council to consider using SDC waivers to encourage preservation of existing homes that are internally divided
 - i. *Commissioner Baugh* believes that there would be no SDCs on any of the ADUs we are proposing to allow. Believes that 4th unit would have to be affordable [*contrary to prior votes*] and SDCs would be waived.
 - ii. *Commissioner Schultz* supports Eli's proposal.
 - iii. *Commissioner Baugh*: How does this interact with the short-term rental SDC provision to not give waivers to those being used for SDCs?
 - b. *Commissioner Bachrach* noted that RIP will be a large and controversial zone change, so adding on a lot of other policy ideas could be difficult; we should be judicious in what we ask for. They're already looking at SDC waivers so we should hold off until SDC waivers come back to Council again.
 - i. Susan agrees. What we're asking in the letter is really a budget ask. This could be better done in a separate letter that coincides with budget development, which

would come out in December/January. It may get more attention. Concerned about level of detail that Council may not get to.

- ii. *Commissioner Schultz* agrees. A ten-page letter gets lost and waters things down.
- iii. *Commissioner Oswill* agrees but would also like to see a signal to it in the RIP letter letting Council know we're following up. *Commissioner Oswill* would like to add something about anti-displacement programming.
- c. Joe: For us to succeed in getting this through City Council, we need to do a fiscal impact statement that makes sense of the tradeoffs infrastructure bureaus will face.
- d. *Commissioner Spevak*: One approach would be for PSC's letter to be silent on SDC waivers for ADUs, but recommend Council explore waivers for SDCs for internal home conversions – acknowledging that this is outside of Title 33's purview.

Vice Chair Smith proposed tabling this until we actually write the letter.

Next steps (slide 33)

- August 28, 2018 work session: cottage clusters (1 hour)
- September 11, 2018 work session: putting it all together (new 8-pager)
- Fall 2018: vote

Commissioner Baugh asked for a count of how many potential new homes could be built in a particular neighborhood with the proposed changes.

- *Vice Chair Smith* noted that showing an unlikely scenario would not be helpful and would scare people needlessly.
- Joe noted that we have to do analysis of likely development rates for impact modeling when we go to City Council. This will look not so much at what's possible as what's likely to be expected given the economics of the area.
- *Commissioner Spevak*: Would also want to see numbers for how much floor area of home you can build across the city today versus what's proposed.
- *Commissioner St Martin*: Maximum and probable scenario modeling are common, and people can do their own math anyway.
- *Commissioner Schultz* supports framing as Joe and *Vice Chair Smith* have done – understanding potential impact is more valuable than unlikely scenario.
- Susan supports *Commissioner Baugh* in having the number out there since people will figure it out anyway but also describing likely scenario.
- *Commissioner Baugh* agrees with Susan about our credibility and giving all the numbers that would change. More units aren't necessarily bad if there's less square footage, height, and building coverage, etc.
- *Commissioner Smith* agrees we should be transparent.

Adjourn

Vice Chair Smith adjourned the meeting at 3:53 p.m.