

Portland Planning and Sustainability Commission

Katherine Schultz, Chair

Chris Smith, Vice Chair Jeff Bachrach André Baugh Ben Bortolazzo Mike Houck Eli Spevak, Vice Chair Katie Larsell Daisy Quiñonez Teresa St Martin

Date

Mayor Wheeler and City Commissioners City Hall 1220 SW 4th Ave Portland, OR 97205

Dear Mayor and City Commissioners,

The Residential Infill Project makes important and fundamental changes needed to meet Portland's housing goals and needs. It also plays a part in positioning Portland as an inclusive, welcoming city for all. The Residential Infill Project provides greater access to housing options in all Portland neighborhoods by allowing more units – at lower prices – on each lot, while reducing the overall size of each building. It does this in a way that creates a disincentive for unnecessary demolitions. The proposal is essential to reach our goals for compact development and more housing choices, including smaller but family-sized units in more neighborhoods. <u>It also furthers climate goals by supporting smaller and attached housing types.</u>

After 11 months of deliberations and receiving testimony from over 1000 Portlanders, the Planning and Sustainability Commission voted to support the zoning code changes proposed in the Residential Infill Project. The entire Commission expressed support the Residential Infill Project's ability to improve housing supply and diversity. They also expressed a shared concern about potential displacement impacts from the changes. In the end, the Commission's final vote was 5 to 4 to support the proposal. Those members voting against the proposal made it clear they did so out of concern for displacement.

All commissioners expressed concern that Portland's current programs and funding are insufficient to protect low-income and minority renters and homeowners from existing displacement pressures.— The Residential Infill Project includes-contains provisions that reduce displacement pressure citywide. These include limiting the size of new homes, providing new options for building around or internally dividing existing homes (rather than tearing them down), and . This is possible because allowingpermitting multiple homes to be built where only one is currently allowed. Collectively, this means that fewer existing homes will be demolished to make way for new homes— displacing fewer families who live in the existing homesthem. In addition, the new homes that <u>cw</u>ould be created <u>under RIP</u> would be less expensive than those being built today.— Finally, RIP introduces a limited new FAR bonus to help create regulated affordable homes...



City of Portland, Oregon | Bureau of Planning and Sustainability | www.portlandoregon.gov/bps 1900 SW 4th Avenue, Suite 7100, Portland, OR 97201 | phone: 503-823-7700 | fax: 503-823-7800 | tty: 503-823-6868 Our analysis showed that the Residential Infill Project reduces displacement risk citywide by 28 percent compared to current zoning. This includes a 21 percent reduction in neighborhoods-areas such as Cully or parts of East Portland that have high risk of displacement today. However, the risk is increased in three areas which could see more infill under the new code. This is because the land values and rents in these neighborhoods will tend to attract more development under the proposal than under current zoning. The commissioners also recognize that this proposal, like current zoning, is unlikely to directly increase the supply of housing affordable to low-income households displaced from single family homes. The majority felt that on balance the benefits warranted advancing the proposal to City Council.

<u>All commissioners expressed concern about the impacts to low-income and minority populations They</u> expressed concern that the City's current programs and funding are insufficient to protect low-income renters and homeowners from existing displacement pressures even before adding pressures from Residential Infill. and acknowledged that the proposal does not directly increase the supply of housing for low-income households currently in single family homes. The majority felt that on balance the benefits warranted advancing the proposal to City Council.</u>

Commissioners voting against the proposal felt that the impact to low-income and minority households is not acceptable. They expressed concern that the City's current programs and funding are insufficient to protect low income renters and homeowners from **existing** displacement pressures even before adding pressures from Residential Infill. Some expressed concern that this could become a repeat of the displacement of the African American community seen in inner northeast Portland. Some expressed concern about the particular impact on East Portland since the area has larger lots, lower land costs and potential to attract a large share of new infill development. They These commissioners recommended delaying the implementation in parts of the city where redevelopment pressure overlaps with high concentrations of low-income and minority households until resources and programs were in place.

We recommend the Residential Infill Project for adoption by City Council and believe it plays a key role in meeting our housing supply, access and equity goals. At the same time, our recommendation highlights the critical importance of crafting strong anti-displacement programs before that accompany implementation to the methan mitigate potential impacts from existing and new city regulations and investments on Portlanders with the fewest housing choices.

The Commissioners voting against the proposal felt that, on balance, this impact not acceptable. They were not convinced that current programs available to protect low income renters and homeowners were adequate for existing and new displacement pressures. They were concerned that this could become a repeat of the displacement of the African American community seen in inner northeast Portland. While the City already has some tools to address displacement, and the Housing Bureau has identified resources targeted for East Portland neighborhoods, some Commissioners felt more is needed both in terms of tools to fight displacement, and the funding needed to support these tools.

We recommend the Residential Infill Project for adoption by City Council and believe it plays a key role in shifting Portland away from exclusionary zoning practices that have, since the 1940s, joined with economic forces to block low-income residents and people of color from the benefits of home ownership and the opportunity to live in certain neighborhoods. At the same time, our recommendation highlights the critical importance of crafting strong anti-displacement programs to mitigate potential



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impacts from existing and new city regulations and investments on Portlanders with the fewest housing choices.

The Planning and Sustainability Commission welcomes the opportunity and challenge of assisting City Council in these efforts.

Respectfully submitted,

Katherine Schultz Chair



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Parking permit program

Curb cut fee/curb tax proposal

State building code exception to allow visitability requirement

Coordinated ADU program (SDC waivers etc)

Streamlined partition process

Tree code changes for small lot development

Visitability

Off-street parking requirements



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