

Advocacy for PDX Main Streets Housing Initiatives

While we have strong concerns about the current Regulatory Relief Project policy, there are several other efforts we would encourage Commissioners, the Planning Commission, and Bureau of Planning & Development (BPS & BDS) to explore that would make an impact on housing affordability and increase more affordable units. We encourage you to consider the following recommendations as amendments or new proposals that were shared in previous policy projects::

1) Add an Affordable Design Standard within the Design Standards*

- This recommendation was inspired by Walsh Construction's White Paper on Cost-Efficiency for Affordable Design & Construction.
- Keeping building forms simple and efficient helps make them easier and less costly to build. Alignment of elements (floor plates and windows etc.) can reduce engineering costs, reduce requirements for larger and more expensive structural members, and save on unnecessary extra material costs.
- Cost savings can be leveraged for greater investment in higher-quality durable materials that reduce future maintenance and add to longer life of the building.
- This was proposed under the DOZA *Design Standards, Quality & Resilience Category - [See DOZA Dozen #3](#)

Design for Affordability (see SMILE Guidelines, page 13 and Walsh Construction White Paper: Cost Efficiency for Affordable Design & Construction)

- Use simple, compact building forms (e.g. avoid extraneous overbuild elements, faux framing and arbitrary graphic elements that extend from the building). If upper stepbacks are used, align with stacked walls and columns below.
- Stack unit plans and floor plates (reduces exterior flashing materials at corners, and reduces material maintenance problems, and reduces utility installation costs)
- Align window and door openings within walls (a wood framed structure is a more cost effective structure than concrete or steel, but wood structures don't lend themselves well to non-load bearing walls, reducing continuous load paths to the ground, and a more complex structure to build)
- Avoid cantilevering large structural elements in wood construction buildings to reduce expensive structural steel; small balconies that extend from the face of the building are an exception.
- Integrate energy efficient design that contributes to reduced utility bills for inhabitants, greater comfort, and longer lasting quality. (per levels determined by the City)

Optional: 4 points



New building on Alberta Street built for no additional cost above typical construction.

Keeping building form simple and efficient helps make them easier and less costly to build. Alignment of elements can reduce engineering costs, reduce need for larger structural members, and extraneous materials. Cost savings can be leveraged for greater investment in higher quality durable materials that reduce future maintenance and increase durability and long-term quality.

- ## 2) Create an Innovative Housing Demonstration Pilot (IHDP) Program |
- The intent of the IHDP is to foster greater housing innovation and remove barriers in the code with a framework that helps move a small set of demonstration projects forward and sets up a process for the City to evaluate and track code barriers. www.pdxmainstreets.org/i NDP
- The Innovative Housing Demonstration Pilot (IHDP) Program initiative responds to the declared housing and climate emergencies by providing a pathway for greater flexibility in regulations, including zoning and building requirements to test and facilitate rapid-deployment of innovative housing solutions.
 - This proposal is based on an [existing policy precedent from the City of Redmond, WA](#) that is adapted to fit a new approach for multifamily to increase houseless solutions, affordable housing and innovation. This policy precedent provides a framework for testing new design models, identifying code barriers, a method for evaluation and a process for review and permitting a limited number of demonstrations in a variety of sizes and scales with low risk to the City while offering more opportunity to expand the range of solutions for decision-makers and community advocates.

The following were proposed under several housing policy projects by PDX Main Streets

3) Include Tiny Homes on Wheels in Cluster Housing

- Increases equity and accessibility of who can own/build/create housing
- Provides much needed low-cost housing with greater flexibility at a price point and market category currently missing
- Adds to diversity of affordable housing choices (both rental and owned)
- Low-impact development infill
- Adds density that fits in with existing residential neighborhoods - turns more neighborhoods into density supporters with positive examples
- Transitional development approach on the housing continuum
- Housing dignity for low-income residents is not only gained but a source of pride in their uniqueness
- Makes home ownership much more in reach for many more people

4) Create the Package of Financial Tools for Internal Conversions & Additions incentivize a better climate strategy that adds housing and density without demolition by including

- Low interest loans
- Fee Waivers
- Fast track permitting
- Tax incentives
- Technical assistance programs to help more communities do adaptive reuse conversions and add units

These financial tools will support inclusion and equity of who gets to build and who can afford to create and live in housing

3 Amendments Advance Equity + Affordability + Climate

Proposed "Future Work" Amendments		Description	Planning Precedents
1	 Innovative Housing Demonstrations Policy (IHDP)	Test innovative housing solutions with low-risk pilots • Helps reduce code barriers • Flexibility in Site Design • Models affordable climate positive housing	Redmond WA Housing Policy for Innovative Demonstration Pilots (View Code)
2	 Add Tiny Houses on Wheels (THOW) as a Cluster Housing Type	Affordable, quick to build, quality housing now that is easy to customize and move • Scale up houseless options • Unlock more underutilized urban land	Shelter to Housing allows THOWs as Conditional Use, already allowed in Commercial/Institutional Zones; CA approach
3	 Add RIP Financial Implementation Tools Increase low-carbon housing & diversity in who benefits	More access, less demolition • Technical Assistance • Fee Waivers & Reductions • Fast-Track Permitting • Low-interest Loans • \$ Rebates & Incentives	SDC Fee waivers for ADU's, BES loans to help reduce cost barriers to RVs/THOW hookups, past green roof incentives

THOW: Tiny Homes on Wheels; ADU: Accessory Dwelling Unit, SDC: System Development Charges

<https://www.portland.gov/bps/planning/housing-regulatory-relief/about>



November 21st, 2023

To: Portland Mayor Ted Wheeler and City Commissioners

Re: Support to modify income requirements for SDC Exemption Program

Mayor Wheeler and Commissioners:

We are writing on behalf of thousands of businesses and individuals seeking to address our region's biggest issues by building the housing, infrastructure, and jobs that make Portland livable and economically vibrant. We believe that public incentives for housing and infrastructure work best when they are in sync with what is happening in the market. The city's SDC Exemption program is a good example of a great public policy tool that is underleveraged because of current market conditions.

It is our hope that Council, Portland Housing Bureau, and the city's SDC-collecting bureau's will support raising existing SDC Exemption income qualification standards by 20% for at least 5-years. This would set a new income cap at 120% MFI for homeownership products, and 80% MFI for rentals while also shortening the timeframe for income restrictions from 60 to 15 years.

We know that this modest change will help more first-time homebuyers and lower-income renters find stable housing options. It will also balance negative impacts of a high-interest lending market, ultimately increasing our city's housing stock. Importantly, the impact on city's budgets is likely to be minimal as the number of SDC waivers being utilized are far below past assumptions—due to fewer buyers being able to qualify and less commercial development occurring in the multifamily space.

As written, the city's SDC Exemption program allows builders to exempt SDC fees if a development is sold to a buyer earning below 100% MFI. For rentals, the units exempted must be income-restricted at no more than 60% MFI for at least 60-years. These caps, paired with high interest rates, render the exemption program unfeasible. Buyers at 100% MFI no longer have the purchasing power they once did, and financing for rental projects that require a 60-year income restriction make them dead-on-arrival.

The City of Portland has been a leader in Oregon, offering many programs designed to encourage housing production, affordable homeownership, and stable housing options for renters. We believe that these small tweaks to who can qualify for these programs will further the impact that we know council and the city so desperately wish to fulfill.

Thank you for your consideration.

Preston Korst
Home Building Association

Jon Issacs
Portland Metro Chamber

Tom Rinehart
Oregon Smart Growth

Michele Gila
PMAR



Dec. 8, 2023

Mayor Wheeler and commissioners:

Sightline Institute is a regional sustainability think tank. We think cities are good for our society, our environment and our economy, and that everyone who wants to live or remain in a city should be able to.

We're writing to support the proposal from HBA and others to **temporarily raise the price threshold for SDCs on new homes**. Our reasoning is different, and we also offer two of our own suggestions on potential half-measures, so we're sending our own letter rather than joining theirs.

Because Sightline's institutional hometown of Seattle doesn't charge SDCs, they're a perennial topic there and Sightline has [studied them](#) for [years](#). Our conclusion is that **SDCs have major unintended regressive effects on housing** and, indirectly, on both a city's economy and its budget. Recent research here in Oregon suggests that impact fees are a bigger barrier to housing production than other revenue sources, especially for smaller, lower-cost housing types like studios and efficiencies.

Even worse, because of this regressive cost barrier to the least expensive new homes, SDCs also drive up the prices of every existing home, because those older homes aren't forced to compete on price with the homes that SDCs prevented from being built. It's likely that **most of the economic effect of SDCs is to transfer wealth from most tenants to most incumbent landowners**, with a comparatively minor bump in public revenue as a side effect. SDCs are a hugely inefficient revenue source: for most tenants, they function like a tax that goes not to the government but to their landlord.

In 2022, the Oregon Housing and Community Services Department released a major study of SDCs.¹ It concluded the following:

- **SDCs disproportionately burden less expensive housing types:** "SDCs affect some housing more than others—smaller entry-level homes, lower-cost middle housing and apartments, and communities with weaker markets are disproportionately affected by SDCs. High-end single-family detached housing is generally impacted least."

¹ Oregon Housing and Community Services, "[Oregon System Development Charges Study](#)." December 2022.

- **SDCs tend to simply kill projects rather than affecting developer profit or investor return:** “If SDCs contribute to making a project financially infeasible, the project will not be able to attract funding to move forward to construction.”
- **In scarce housing markets, most impact fee costs likely fall on renters and new homebuyers:** “Homebuyers and renters in tight housing markets likely bear a greater share of SDC costs” than landowners.

SDCs can also be a barrier to converting underoccupied commercial buildings to residential use. We applaud the council’s recent work to waive some SDCs for residential conversions.

Gov. Tina Kotek’s Housing Production Advisory Council voted Oct. 27 to support a proposal championed by the executive director of Home Forward for a permanent waiver of SDCs on homes priced to be affordable at up to 120 percent of area median income with a 10-year price covenant. “The social benefits of increased housing production outweigh the cost of forgone SDC revenue,” the body’s Finance Workgroup wrote.

The local HBA’s proposal to you is more modest than that: a temporary waiver going up to 120% AMI for ownership, 80% AMI for rental, with a 15-year price covenant.

It’s reasonable to worry about the budgetary effects, though some of those would be offset by a growing property tax base and the economic benefits of less expensive housing. If the council were looking to value-engineer this proposal, it might consider:

- **Waiving just parks SDCs.** As of March 2023, the city had [\\$187 million in unspent Parks and Recreation capital funds](#) and no intention to use them any time soon, because of a lack of ongoing revenue to operate anything it builds. At \$5,615 for even the smallest homes in the Central City and running all the way up to \$16,053 for family-size homes elsewhere, these are the city’s single largest SDCs. Portland should stop accumulating this money for no immediate purpose. Suspending parks SDCs would accelerate growth of the property tax base the city will need in the long run to build up future operating revenue and continue investing in Parks and Recreation facilities.
- **Accepting builders’ in-kind transportation improvements as a credit toward transportation SDCs.** This concept used in some other cities was raised by BAE during its work on the Housing Regulatory Relief Project. This would presumably require some city staff discretion, but could be a useful option for builders already looking to improve their immediate streetscape.

Michael Andersen
senior researcher, housing and transportation
Portland, OR

Hello Mayor and Commissioners,

My name is Peter Laciano. I am speaking to you today in support of including the Inner Eastside for All proposal as part of the Housing Production Strategy. As someone who lives in an apartment on a non-arterial in Buckman, this proposal is personal to me. My home was able to be built because it sits on one of the rare non-arterial parcels that is zoned commercial, mixed-use. Unlike most of the new multi-family homes in Portland, my building sits on a quiet, low-traffic street. I open my windows and instead of being bombarded with car noise and auto exhaust, I hear the birds in the trees next to my building and the occasional sound of a bike pedaling past. This sounds cliché but it is my daily lived reality.

And yet my neighborhood is highly walkable and most of my errands can be completed within a 10-minute walk. At one point, I was even able to walk to work. Because I can live so much of my life without driving, I can avoid contributing to the congestion in our streets and our city's traffic safety crisis.

The mixed-use zoning down my street enables thriving local businesses, such as Crema Coffee, and a vibrant public plaza, which you may know as the "rainbow road," that is one of Portland's most beloved spaces.

I am speaking today because I want more people to have this same opportunity. In fact, achieving many of our city's stated goals, whether it's increasing housing affordability, boosting local businesses, reducing traffic deaths, and combating the climate crisis, depends on it.

Thank you.

Mayor and Commissioners,

My name is David Sweet and I live in the Cully Neighborhood, where we are trying to hold on to the rich diversity we love. I'm here today to urge you to adopt the Housing Needs Analysis and to include four floors and corner stores throughout the inner eastside as a part of the Housing Production Strategy.

For the last 53 years I have lived mostly in the inner east side of Portland, in the Buckman, Irvington, Sabin and Alameda neighborhoods. I have watched rents and real estate prices in those areas grow exponentially and the former economic and ethnic diversity disappear as a result. For the last 10 years I have lived in Cully, Portland's most diverse neighborhood, where rising prices are also becoming a threat. A house near me that cost \$400,000 10 years ago sold last week for \$1.1M.

The engine driving displacement in Portland is the lack of abundant housing, and particularly not enough housing in desirable, walkable high-opportunity areas like the inner east side. Building a lot more housing there will reduce the price escalation pressure on neighborhoods like Cully and East Portland. The first step is for the Bureau of Planning and Sustainability to include four floors and corner stores on all lots across the inner eastside in the Housing Production Strategy.



SUNRISE MOVEMENT PDX

Hello Portland City Council,

For the record, my name is Jacob Apenes. I am 25-years old, a lifelong resident of Portland, and an Outreach Co-lead with Sunrise PDX. At Sunrise PDX, we focus on transportation justice. In the past, this has meant fighting against the freeway industrial complex and their expensive, unsustainable projects. Today, while that fight still rages on, we are working to fight FOR something, as opposed to playing defense. Sunrise PDX wants to see a city where buses come every 5 minutes instead of every 15-60. We want infrastructure that protects bikers from cars, and we want to see a plan that takes Vision Zero seriously.

We, most importantly, want to build a transportation system that's car-free or car-lite. 40% of the state's carbon emissions comes from transportation. It's time to change that.

This is achieved not only through improvements to public transit, regional rail, and safe bicycling infrastructure. It's also achieved through good housing policy. Policies that encourage dense housing development near jobs, schools, businesses, and parks allow many more people to live in walking distance of their needs. Dense multifamily housing also supports local business development, creating the virtuous cycle needed for amenity-rich neighborhoods.

Dense multifamily housing also improves transit service. By having more residents in our walkable neighborhoods, it increases demand for TriMet's buses and MAX lines. This encourages TriMet to increase service in these areas which then encourages neighbors to take transit more often. It's another virtuous cycle brought along with denser housing.

In summary, housing policy is transportation policy. We should be fighting for a city where everyone's needs can be met without a private vehicle, and dense housing development helps in this fight. Sunrise PDX supports Portland: Neighbors Welcome's campaign to upzone the Inner Eastside. The City should include Inner Eastside for All as a strategy in their Housing Production Strategy.

Thank you.

Hello Mayor and Commissioners,

I am Heidi Hart, and I am a renter in the Buckman neighborhood. I am testifying to urge you to both approve the Housing Needs Analysis and include Inner Eastside for All as a strategy in the Housing Production Strategy.

I love the neighborhood I live in, and I want more people in Portland to be able to live in neighborhoods like mine. My neighborhood has complete streets, greenways, and all kinds of housing types, from single family homes to large apartment buildings and everything in between. I have grocery stores, restaurants, and shops within walking distance, and I am a 10 minute bike ride and 10 minute transit ride from downtown. I live in a 10 unit apartment building on a side street, and the street in front of my apartment is very low traffic. A family who lives down the street puts cones down for their kids to play in the middle of the street on nice days. My street is very well shaded by mature trees.

Most of the housing density in my neighborhood is historical because this area was downzoned in the 80s. My 60s apartment building is not on an arterial, and would not be able to be re-built today. Immediately next to me is a single family home that has been vacant for the over 3 years I have been living here, and it is falling apart. If it was redeveloped, it could only have a maximum of 4 units, which is unlikely to happen because of the high land values. That lot should be a no-brainer street-scale apartment building! Currently no one lives there, and no one could live there without a monstrous amount of money being poured into it. We need our land use decisions in our inner neighborhoods to be creating new opportunities for people of all household configurations, ages, and incomes to live in places that enhance their well-being. We need bold changes to make that happen.

Thanks,
Heidi Hart

Mayor and Commissioners,

Today, I encourage you to both approve the Housing Needs Analysis and support Portland: Neighbors Welcome's proposal to include Inner Eastside for All as a key component of the Housing Production Strategy.

When my wife decided to return to school full time, we were able to continue living in inner northeast Portland by moving to an older apartment building on a quiet, side street in Irvington.

Nestled among the tall trees and single-family homes we found that the cheaper rents had attracted a community that reflected the diversity of Portland. Young families and retirees, service workers and immigrants, who were able to catch the bus to work, walk their kids to school, and enjoy the charms that make our neighborhoods special.

Unfortunately, the majority of zoning in inner Portland prohibits apartment buildings like our old home from being built. Instead it forces members of our community to choose between living on noisy, polluted streets or at the edge of our city that lack complete sidewalks, street trees, and easy access to grocery stores and parks.

However, by directing the Bureau of Planning and Sustainability to include an upzone of the inner eastside of Portland in the Housing Production Strategy, you can help create new communities that Portlanders of all races and incomes can call home.

Thank you,

Luke Norman



December 6, 2023

To: Portland City Council

Re: Item 1015 SUPPORT Housing Needs Analysis

Dear Mayor and City Commissioners:

Walkable, bikeable, transit-rich neighborhoods are only as useful as the number of people able to access them. Even as Portland works to improve walking, biking and transit in more neighborhoods, it could increase access to these efficient, healthy transportation options by letting more people live in neighborhoods where these options are already pretty good.

That's why The Street Trust joins Portland: Neighbors Welcome and others in calling for the city's upcoming Housing Production Strategy to include a zoning project that would re-legalize "four floors and corner stores" throughout the east side's inner neighborhoods, not just along the busy streets.

Transit-oriented development does not mean ban apartments everywhere except facing the main streets. People will be eager to walk four blocks to a frequent bus line if they're allowed to live somewhere this is possible. Allowing apartment buildings on any lot in these inner neighborhoods would be consistent with Portland's Comprehensive Plan, its transportation goals, and its shared values.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Sarah".

Sarah Iannarone
Executive Director, The Street Trust

The Street Trust is a membership advocacy organization representing street users from across Greater Portland regardless of mode. We work to break political gridlock and win policy and investments that save lives, reduce barriers, and expand mobility and opportunities to the people and neighborhoods our current system neglects.



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4 December 2023

My name is Jennifer Shuch, I am a Northeast Portland resident and a member of Portland: Neighbors Welcome. I appreciate the work that BPS has done on the Housing Needs Analysis, but I would like to suggest future some future actions given the HNA's findings. Housing policy is personal to me. I live in half of a duplex, which I was only able to afford with help from my family, and even then housing prices caused me to move from an extremely walkable neighborhood in NW to a more auto-centered one in NE. I advocate for housing abundance because I don't think Portland should only be home to people like me, who benefit from privilege and generational wealth.

The bottom line takeaway from the HNA is that Portland **does** have the zoned capacity for accommodating needed new housing units over the next couple of decades. However, that is not the only, or even the most important, question we should be asking. As we move forward into the Housing Production Strategy, we must keep in mind that where new housing is located matters - from an equity standpoint, from an environmental resilience and sustainability standpoint, from a housing affordability standpoint, and from an anti-displacement standpoint.

Portland: Neighbors Welcome and Bike Loud recently held a group bike ride through Inner Southeast to understand the area in its present and historical contexts. We stopped at historic apartment buildings and talked about how the current zoning prevents homes like these from being built. Curious residents came out to ask what we were doing, and we asked whether they liked living in the neighborhood. It seemed like the renters we spoke with loved the neighborhood - its walkability, its beauty, its

pedestrian- and bike-friendly streets, its access to transit and job centers - but they could only afford to live in aging apartments with tilted floors and other serious issues.

It is abundantly clear that people want to live in the Inner Eastside. They are willing to pay comparatively high rents to live in hundred-year-old apartments on tree-lined streets where they don't feel obligated to own a car. But the City's zoning codes haven't caught up to this reality. Unlike other parts of the City, the majority of streets on the Inner Eastside are reserved for the lowest density housing. But denser, more vibrant housing was once allowed on these streets, and it should be again.

Portland: Neighbors Welcome is proposing an ambitious upzoning of the Inner Eastside, from Powell to Fremont and 12th to 60th, to ensure that dense housing can be built where it makes the most sense. We have brought on a variety of coalition partners, including environmental organizations and affordable housing providers, who similarly believe that the Inner Eastside should be accessible to everyone who wants to live there. I hope that Commissioners and staff work with BPS to ensure that this initiative - which aligns with the City's stated goals and values - is included in the Housing Production Strategy.

Thank you for your time and consideration.

Jennifer Shuch

4 December 2023

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Thank you for your time and consideration.

Jennifer Shuch

Mayor Wheeler and Commissioners:

I urge you to approve the Housing Needs Analysis and direct the Bureau of Planning and Sustainability to plan for upzoning the Inner Eastside, from 12th to 60th Ave and from Fremont Street to Powell Boulevard. This project should be part of the City's Housing Production Strategy.

It's critical that we allow higher-density, mixed-use development in this part of the City (i.e., “four floors and corner stores”). That type of development will allow many more Portlanders to live in a high-opportunity neighborhood, with access to plentiful jobs and amenities. Upzoning the Inner Eastside will also help the City meet its climate goals, as residents will need to drive less (or not at all) to reach their daily destinations.

Building more housing is popular. A [recent poll](#) conducted by the Pew Charitable Trust found that 75% of respondents favored building more apartments near offices, stores, or restaurants (all abundant in the Inner Eastside). This kind of mixed-use density has a precedent the City—Northwest Portland. There, a vibrant mix of mid-rise apartments, shops, and office space creates a flourishing urban fabric that affords many Portlanders a high-quality of life. It's time to extend that opportunity to a greater swath of our city.

Upzoning the Inner Eastside will also provide economic benefits, as increased housing supply affords more options to Portlanders at all income levels. Greater housing supply also makes public subsidies like rental vouchers and rapid rehousing program stretch farther. These benefits will provide a significant boost to our efforts to address the ongoing homelessness crisis.

Portlanders are clamoring for more housing options in high-opportunity areas. Upzoning the Inner Eastside is a common-sense step to make that vision a reality.

Sincerely,

Anders Hart



P: NW Official Testimony - Dec-2023 HNA / Inner Eastside for All

Mayor Wheeler and Commissioners - thank you for taking time to listen to input on the Housing Needs Analysis. My name is Matt Tuckerbaum. I am a board member at Portland: Neighbors Welcome, and I am excited to speak on behalf of our organization today.

We would like to thank the Bureau of Planning and Sustainability for their thorough work on the Housing Needs Analysis. We have reviewed this report closely, and want to highlight a few important points beyond the headlines:

- First, as you noted in the HNA work session last summer, Mayor Wheeler: our current zoning capacity on its own would continue our current housing trajectory, which means continuation of our housing crisis and suppressed production.
- Second, our zoned capacity is not strategically located - only 33% of it is located in amenity-rich "high-opportunity neighborhoods," and 42% is in areas with high economic vulnerability.
- Third, Black, Native American, and Latino Portlanders making the average income for their demographic are unable to afford a home anywhere within city limits.
- Fourth, we need to boost housing production at all income levels, and we cannot rely solely on government-funded construction to maximize production.

After you approve the Housing Needs Analysis today, the City's attention will turn to creating a new Housing Production Strategy. **The HPS offers an opportunity to address these important points by supporting the production of many more homes throughout our high-opportunity neighborhoods**, so that Portland has more abundant and affordable housing options for everyone.

Our ask today is for Council to support this approach and to direct BPS to formally include a project to upzone the Inner Eastside - from 12th out to 60th, from Fremont down to Powell - in the Housing Production Strategy. We're calling this initiative an "Inner Eastside for All." By creating conditions that make multi-story mixed-use housing viable throughout the Inner Eastside, we can substantially improve chances that 'four floors and corner stores' buildings will be built. These would afford more Portlanders the chance to live in complete neighborhoods with homes at a variety of price points.

Portland: Neighbors Welcome has formed a broad coalition of partners who support this initiative, including environmental, transportation, and cultural organizations as well as affordable housing providers. You can see the work we've done to demonstrate the feasibility and popularity of this idea in our written testimony. We hope you will use the opportunity presented by the Housing Production Strategy to work towards a more liveable Portland.

Thank you for your time!



Oregon
Environmental
Council



Interfaith
Alliance on
Poverty



OPAL
ORGANIZING PEOPLE / ACTIVATING LEADERS



Oct. 10, 2023

To: Portland Mayor, Commissioners, Planning Commission, and City staff:

Portland is struggling with several unprecedented challenges:

- A housing affordability and houselessness crisis
- A displacement crisis
- A climate change crisis

Our land use, housing, and transportation policies play an important role. The 1980 downzoning of much of Inner Southeast Portland limited previously broad multifamily zoning to narrow corridors, reducing the number of potential homes and restricting access to these high-opportunity neighborhoods. Now is the time to revisit these policies and make informed and equitable decisions on land use, housing, and transportation to create an abundant and diverse housing supply, in climate-friendly walkable communities in high-resource areas.

A bold vision and concrete action are necessary to achieve these goals. With this letter, the signatories encourage the city to rezone the Inner Eastside of Portland to enable the creation of abundant housing and services in this area, which boasts access to transit, jobs, schools, and community amenities. We recommend zoning that would allow for housing that serves households at a variety of income levels. The Inner Eastside is accessible to job centers like Downtown, Lloyd, and industrial Central Eastside, as well as commercial corridors, from

Hollywood to Division Street. Sustainable transportation already in place includes several frequent bus lines, a network of bike Greenways, and ped-and-bike bridges to jobs. (Recently, Willamette Week published an article in support of allowing more multifamily housing in the Inner Eastside.)

More Portlanders should have access to these amenities, which currently primarily serve a residential population that is nearly 80% white with a median household income of over \$100,000 and an average home value of nearly \$700,000. Rezoning to allow additional mixed-use and multifamily buildings in large parts of the district will serve many more residents and allow many more homes within several blocks of shops and transit.

Expanding multifamily zoning beyond specific corridors will increase access to opportunities in these close-in neighborhoods without concentrating renters on some of the City's busiest and most dangerous streets. With more area available, pressure to maximize height and density on corridors will be less, allowing more livable streets with frequent green spaces while still increasing overall density.

Allowing larger multifamily buildings will also result in more affordable units under Inclusionary Housing regulations. Increasing the amount of multifamily land over this broad area will also lower pressure on land prices and rental rates in the area.

Giving more people the option to live in this key area will help the city meet its climate and transportation goals, with more households near transit, and jobs within easier reach for cycling and walking.

Our vision is for the Inner Eastside to achieve a more equitable version of the NW Alphabet District: a dynamic, walkable neighborhood with a mix of mid-sized apartment buildings, single-family homes, and every type in-between, well-served by transit, and with commercial centers, corner stores, and shared neighborhood spaces.

Key points:

- Rezone the entire Inner Eastside, not just the busiest streets, to allow mixed-use buildings up to 6 stories and small neighborhood commercial spaces throughout residential neighborhoods.
- Area boundaries suggested are Powell at the south, Fremont at the north, SE 60th and 58th at the east, and a western boundary that is 12th Ave south of I-84, and 7th Ave north of I-84.
- We also suggest the city lobby to change state building codes to allow single-stair access buildings (point-access), which provide more livable spaces, with variable unit sizes, cross-ventilation, and lower cost.

We urge you to create room for everyone in Portland by expanding our wonderful urban villages and legalizing low-carbon, livable communities for all.

Sincerely,

Portland: Neighbors Welcome and our fellow signatories:

1000 Friends of Oregon	Advocacy Team, Interfaith	Portlanders for Parking
350 PDX	Alliance on Poverty	Reform
APANO	Lloyd EcoDistrict	Proud Ground
Bike Loud PDX	No More Freeways	ROSE Community
Habitat for Humanity	OPAL Environmental	Development
Portland Region	Justice Oregon	Sightline Institute
Hacienda	Oregon Environmental	Strong Towns PDX
Home Forward	Council	Sunrise Movement PDX
Housing Land Advocates	Oregon Smart Growth	The Street Trust
Housing Oregon	Oregon Walks	Verde

Inner Eastside for All: FAQ about the Proposal

The section presents details about the Inner Eastside for All (IE4A) proposal by Portland: Neighbors Welcome and the co-signing organizations, which is intended to directly address Portland's housing, climate, and displacement crises through housing abundance.

How do you want zoning to change in the Inner Eastside?

We propose that the city either create a new multi-dwelling zone or modify an existing zone for the Inner Neighborhoods. Existing zones have specific characteristics that make them imperfect candidates to be broadly applied across the Inner Eastside. We propose a mixed-use zone that allows sufficient flexibility for medium-scale development while setting reasonable use restrictions that make it appropriate for urban neighborhoods.

The goals of the Inner Neighborhood zone would be to:

- Co-locate economic / employment opportunities and community amenities with more housing
- Limit uses that are incompatible with walkable neighborhoods, especially auto-centric uses like vehicle repair and freight movement
- Allow for trade-offs between height and lot coverage to create conditions for more open space and tree cover
- Minimize inefficient use of space (eg. side and front setbacks)

A description of our ideal zone might look something like the following:

Multi-Dwelling — Inner Neighborhoods. This designation allows low-rise and medium-rise (up to 65 ft) multi-dwelling development mixed with single-dwelling housing types

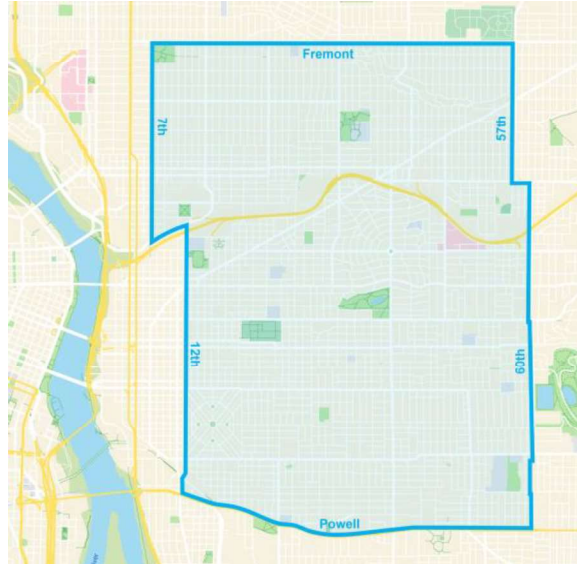
and small retail/commercial spaces including a full range of housing, retail, and service businesses with a local market (i.e. corner stores), at a scale that is compatible with, but somewhat larger than, single-dwelling residential. This designation is intended for areas near, in, and along centers, neighborhood corridors, and transit stations, including access to (within ½ mile of) high-capacity transit, frequent bus service, or streetcar service are available or planned. Development will generally be oriented to pedestrians. An example area would be the Alphabet District. Areas within this designation generally do not have development constraints and are in locations with urban public services, generally including complete local street networks. Maximum density is based on a floor area ratio, not on a units-per-square-foot basis.

Basics

- Maximum FAR: [3+] to 1
- Base height: 65ft
- Step down height: none
- Minimum setbacks: none

What are the proposed boundaries for the IE4A re-zone?

We propose that the Inner Eastside area for re-zone be defined as Powell Blvd at the south, Fremont at the north, SE 60th and 57th at the east, and a western boundary that is 12th Ave south of I-84, and 7th Ave north of I-84.



Why is this proposal being submitted as Housing Needs Analysis testimony?

Portland has an opportunity to address the housing scarcity that is causing our current crisis when it develops a new Housing Production Strategy (HPS) in 2024. The HPS provides a mechanism through which we can declare our intention to make changes that will result in the development of more housing, with the goal of creating a stock of homes that all Portlanders - current and future - can afford.

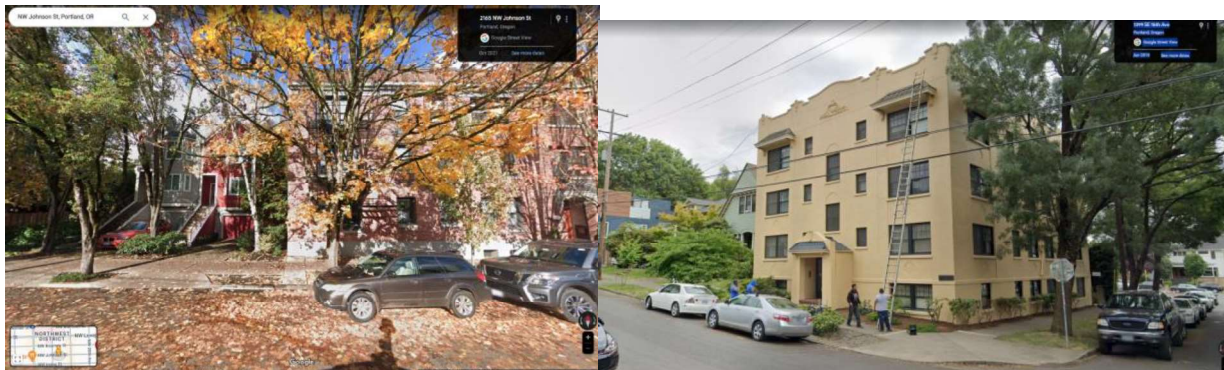
In order to take those steps in the HPS, the Housing Needs Analysis needs to say more about our needs as they exist today and the role that zoned capacity plays in how much housing is built. The current draft of the Housing Needs Analysis says that the current zoning capacity is theoretically sufficient to accommodate population growth, but as the HNA also makes clear, we have a housing shortage crisis even with that capacity today. If we don't make significant changes to zoning among other policies, we expect that the housing crisis will get worse and we will have lost our chance to make the most of this planning process.

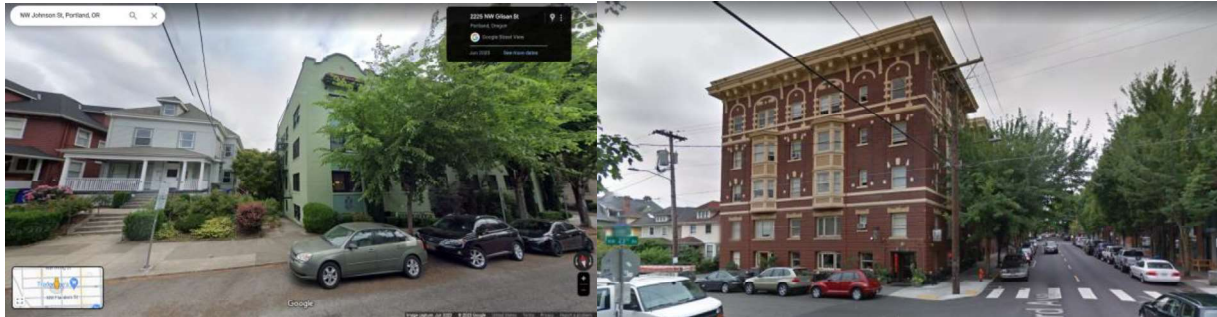
Before the city can seriously consider a major land use action like this one, it would need to do some analysis of the likely effects. We ask the bureau to, at the very least, begin documenting the potential effects of a broad apartment legalization in these high-opportunity neighborhoods.

Is this proposal consistent with Portland's Comprehensive Plan and historical development patterns?

Our intention with the Inner Eastside for All re-zone is to support the continued creation of “an equitable system of compact mixed-use and commercial centers across the city to increase access to community services and businesses, and create more low-carbon complete healthy connected neighborhoods,” a primary goal from the Comprehensive Plan.

The areas within the IE4A proposal boundaries fall within the Inner Ring Districts and Inner Neighborhoods. The Comprehensive Plan says that these areas are notable for their “broad diversity of housing types,” and growth plans are oriented towards “expanding the range of housing... opportunities” in these areas. We look to build on these goals, by bringing multi-family buildings beyond fourplexes off of larger corridors. An Inner Eastside for All would take a [“Second Street Housing”](#) approach, much like the Alphabet District in NW Portland. This is the neighborhood with the broadest diversity of housing types in the city, with mid-rise multi-family buildings often located next to single-dwelling buildings (as shown in the Google Street View images below), and it is one of our most desirable places to live. There are similar examples scattered throughout the Inner Eastside, so we believe this plan is entirely consistent with historical development patterns in Portland.





How does this proposal address the displacement crisis?

Re-zoning to allow for multi-family development would be a reversal of a 1980 decision to ban new apartment homes from much of inner southeast Portland, except along a few major streets. This helped lay the tracks for disproportionate gentrification and displacement elsewhere in Portland. Today, this restrictive zoning also leaves the older apartment buildings in the Inner Eastside (which already sit in multi-dwelling zones) directly in the path of future predatory investment and displacement.

How will this re-zone help to create space for larger families if single-dwelling houses are replaced with multi-dwelling buildings?

This re-zone will make it possible to house more people within Portland, and our zoning suggestions are intended to create more flexibility in the types of buildings that can be built, so that every housing need can be accommodated within Portland.

However, Oregon's current building code requires that all multi-family buildings more than three stories tall have two stairwells. This rule was created with good intentions to raise fire safety standards, but it has not been updated since sprinklers were made mandatory, and it places constraints on building design that make it difficult to create family-sized apartments and condos. Over the summer, the Oregon Legislature passed HB 3395, which prompts the state Building Codes Division to consider an update that could allow smaller apartment buildings, no higher than six floors with no more than four units per floor, to be safely served by a single stairwell. In addition to allowing for more floor plan flexibility, this change would also make multi-family development on small lots more feasible and attractive than it is today, especially for homes with more bedrooms. Essentially, it creates a path for family-size homes to become more land-efficient.



P: NW Official Testimony - Dec-2023 HNA / Inner Eastside for All

Mayor Wheeler and Commissioners - thank you for taking time to listen to input on the Housing Needs Analysis. My name is Matt Tuckerbaum. I am a board member at Portland: Neighbors Welcome, and I am excited to speak on behalf of our organization today.

We would like to thank the Bureau of Planning and Sustainability for their thorough work on the Housing Needs Analysis. We have reviewed this report closely, and want to highlight a few important points beyond the headlines:

- First, as you noted in the HNA work session last summer, Mayor Wheeler: our current zoning capacity on its own would continue our current housing trajectory, which means continuation of our housing crisis and suppressed production.
- Second, our zoned capacity is not strategically located - only 33% of it is located in amenity-rich "high-opportunity neighborhoods," and 42% is in areas with high economic vulnerability.
- Third, Black, Native American, and Latino Portlanders making the average income for their demographic are unable to afford a home anywhere within city limits.
- Fourth, we need to boost housing production at all income levels, and we cannot rely solely on government-funded construction to maximize production.

After you approve the Housing Needs Analysis today, the City's attention will turn to creating a new Housing Production Strategy. **The HPS offers an opportunity to address these important points by supporting the production of many more homes throughout our high-opportunity neighborhoods**, so that Portland has more abundant and affordable housing options for everyone.

Our ask today is for Council to support this approach and to direct BPS to formally include a project to upzone the Inner Eastside - from 12th out to 60th, from Fremont down to Powell - in the Housing Production Strategy. We're calling this initiative an "Inner Eastside for All." By creating conditions that make multi-story mixed-use housing viable throughout the Inner Eastside, we can substantially improve chances that 'four floors and corner stores' buildings will be built. These would afford more Portlanders the chance to live in complete neighborhoods with homes at a variety of price points.

Portland: Neighbors Welcome has formed a broad coalition of partners who support this initiative, including environmental, transportation, and cultural organizations as well as affordable housing providers. You can see the work we've done to demonstrate the feasibility and popularity of this idea in our written testimony. We hope you will use the opportunity presented by the Housing Production Strategy to work towards a more liveable Portland.

Thank you for your time!



Oregon
Environmental
Council



Interfaith
Alliance on
Poverty



OPAL
ORGANIZING PEOPLE / ACTIVATING LEADERS



Oct. 10, 2023

To: Portland Mayor, Commissioners, Planning Commission, and City staff:

Portland is struggling with several unprecedented challenges:

- A housing affordability and houselessness crisis
- A displacement crisis
- A climate change crisis

Our land use, housing, and transportation policies play an important role. The 1980 downzoning of much of Inner Southeast Portland limited previously broad multifamily zoning to narrow corridors, reducing the number of potential homes and restricting access to these high-opportunity neighborhoods. Now is the time to revisit these policies and make informed and equitable decisions on land use, housing, and transportation to create an abundant and diverse housing supply, in climate-friendly walkable communities in high-resource areas.

A bold vision and concrete action are necessary to achieve these goals. With this letter, the signatories encourage the city to rezone the Inner Eastside of Portland to enable the creation of abundant housing and services in this area, which boasts access to transit, jobs, schools, and community amenities. We recommend zoning that would allow for housing that serves households at a variety of income levels. The Inner Eastside is accessible to job centers like Downtown, Lloyd, and industrial Central Eastside, as well as commercial corridors, from

Hollywood to Division Street. Sustainable transportation already in place includes several frequent bus lines, a network of bike Greenways, and ped-and-bike bridges to jobs. (Recently, Willamette Week published an article in support of allowing more multifamily housing in the Inner Eastside.)

More Portlanders should have access to these amenities, which currently primarily serve a residential population that is nearly 80% white with a median household income of over \$100,000 and an average home value of nearly \$700,000. Rezoning to allow additional mixed-use and multifamily buildings in large parts of the district will serve many more residents and allow many more homes within several blocks of shops and transit.

Expanding multifamily zoning beyond specific corridors will increase access to opportunities in these close-in neighborhoods without concentrating renters on some of the City's busiest and most dangerous streets. With more area available, pressure to maximize height and density on corridors will be less, allowing more livable streets with frequent green spaces while still increasing overall density.

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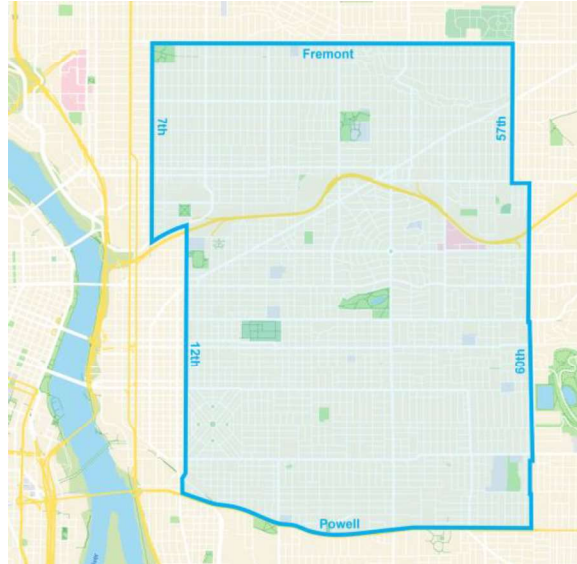
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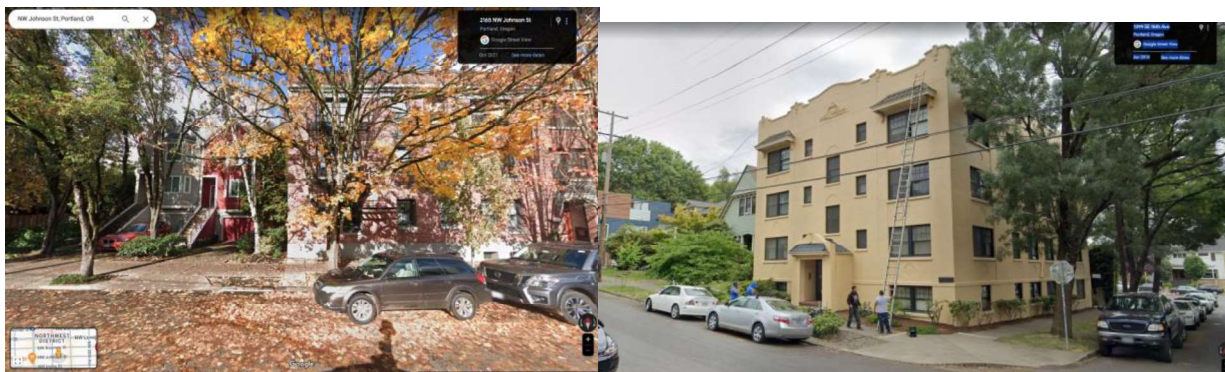
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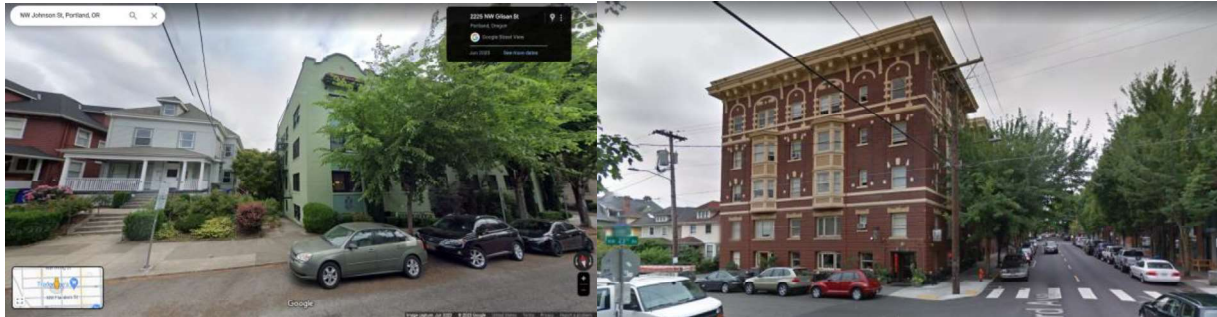
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December 6, 2023

To: Portland City Council

Re: Item 1015 SUPPORT Housing Needs Analysis

Mayor Wheeler and Commissioners:

I am a current resident of the Richmond neighborhood, a board member of Portland: Neighbors Welcome, and would like to voice my emphatic support of upzoning the entire Inner Eastside in the creation of the Housing Production Strategy. I would also like to voice my support for approving the Housing Needs Analysis.

As a service worker, I spend roughly 50% of my income on rent in order to live in a neighborhood which I cherish and that has amazing access to public transportation, parks, and other amenities which make a huge impact on my quality of life. My job downtown is a 15-minute bus ride away. There are three grocery stores within a 5-minute drive of my apartment. Countless times, I have weighed the consequences of breaking my lease and moving further east, where rent is cheaper but amenities are more sparse.

I used to live in the Buckman neighborhood in a beautiful, old four-story quadplex. Under current zoning, a building of that size could not be rebuilt on that lot. It was also the cheapest rent I've ever paid in my life. Since then, I have been unable to find anything near that price in the same area. If there were more buildings like that in the Inner Eastside, I and other low-income individuals could continue to live comfortably in some of the highest opportunity areas in Portland.

Even if all of Portland has the "zoned capacity" to meet its housing goals, most of the Inner Eastside is still zoned as low-density residential. Many multifamily buildings in the Inner Eastside's low density zones are aging, and as they become obsolete, they cannot be replaced by new multifamily housing under current zoning. If multifamily supply continues to wane in the Inner Eastside, the burden of new housing development will be pushed to other neighborhoods, like those in North and Outer East Portland, where residents are at a higher risk for displacement.

I believe that everyone, regardless of income, deserves access to the same amenities that make the Inner Eastside so special. I urge you to approve the Housing Needs Analysis and consider upzoning the entire Inner Eastside in the Housing Production Strategy, so that I and other rent-burdened individuals can continue to have access to the amazing amenities in this area.

Sincerely,
Laura Fleming

Thank you commissioners, for the opportunity to testify.

My name is Zach Leshner, I'm a renter in Buckman, and I am here to support Portland: Neighbors Welcome's call to upzone the Inner Eastside for four floors and corner stores.

I am testifying today because I love the Inner Eastside. It is filled with parks and restaurants, and allows me to live car-free due to its many frequent bus lines and wonderful neighborhood greenways that make biking easy and safe.

I want more people to be able to call the Inner Eastside home, and not just people who can afford to buy a single family home. I want to see an Inner Eastside where affordable apartments aren't only limited to being built along the dangerous roads in our high-crash network, but can be built anywhere, mixed in with the other homes to create an even more diverse, vibrant community than we already have, with the new housing supporting new neighborhood businesses that wouldn't be possible without being within an easy walk of so many residents.

As you listen to other testimony on this proposal, I hope you will see that this change is popular, and that people have so many different and varied reasons for supporting it. Therefore I would like to ask that the Inner Eastside for All proposal be included as a strategy in the Housing Production Strategy.

Thank you.

Comment: The City should approve the Housing Needs Analysis. It should also include an upzone to the inner eastside neighborhoods between 12th and 60th Avenues for "Four Floors and Corner Stores" as a strategy in its upcoming Housing Production Strategies document.

Portland City Council and Ariel Kane,

My name is Paul Runge. I am a Portland resident and an urban planning consultant. (I'm writing in a personal capacity today.)

I support the City approving the Recommended Draft Housing Needs Analysis (HNA). **I also want to share my support for Portland Neighbors Welcome's "Four Floors and Corner Stores" initiative. This means I support including as a strategy in the upcoming Housing Production Strategies (HPS) document an upzone to allow apartments up to four stories and corner stores throughout the Inner Eastside neighborhoods between 12th and 60th Avenues.** As a resident of Southeast, I support this strategy because I love the proximity, convenience, energy, and amenities of neighborhoods at that level of urban density, much like Northwest Portland. We need more neighborhoods like those in Northwest, where there are more residents living near one another and contributing to a vibrant place. It's environmentally sustainable, supplements the tax base atop existing infrastructure, and seems in high demand given the prices that apartments and houses in Northwest command. Beyond this positive case, I'm also worried that we're overestimating our housing capacity given some nuances of the Buildable Lands Inventory (BLI). A good fix to that is adding more zoned capacity.

In my day job, I do a lot of housing planning and related real estate services work throughout Oregon and other western states. I'll be working on HPS's in Hillsboro, The Dalles, and other Oregon communities in 2024. Unfortunately, I haven't been fully plugged into Portland's process until now. But I'm glad to see the work is of high quality as usual, with much credit to Ariel Kane and Tom Armstrong at BPS, as well as consultants from ECONorthwest for their work on the Buildable Lands Inventory (BLI).

Even though the BLI is complete, I want to register a comment on it, because it factors heavily into the Housing Needs Analysis being recommended. The BLI does a number of things right, such as accounting for parcels' development constraints (e.g. slope, wetlands) as well as the financial viability of the parcels' development. However, an issue with the BLI is that it doesn't actually estimate how likely a parcel is to redevelop when estimating housing capacity. Per the HNA, we need 120,560 housing units by 2045. And the BLI indicates that there are 236,977 units of zoned, market-viable capacity. The obvious conclusion to make is: "We have enough capacity for the housing we need!" But I am not convinced that zoned capacity and market viability alone assure that a parcel will develop to have the new housing we need. There are more, hard-to-know factors at play, such as the strength of the financial upside of development, the rate at which owners turn over their properties, and the rate at which qualified developers win the bid for such properties and find investors. So, while calculating capacity by including only parcels with financial viability is a good step, it doesn't seem quite as good as approximating the *likelihood of housing development* in order to evaluate capacity. My

hypothesis is that if we did *that*, our housing capacity (or rather the housing we can actually expect to produce given our zoning, policy regime, and existing approval systems) through 2045 would be significantly smaller.

There is precedent for that type of capacity analysis. In 2021, the City of Los Angeles was assigned over 400,000 units of housing need for an 8-year period by California's Department of Housing and Community Development. In response, the City commissioned researchers at UC Berkeley's Turner Center for Housing Innovation to estimate the City's parcels' likelihood of development to gauge how many units they should expect to produce over an 8 year period. The [researchers found](#) that only 1 in 500 sites can expect to be redeveloped in a given year. And while the City of Los Angeles had zoned capacity for several times its housing need, it could only expect 40,000 to 60,000 units to develop over 8 years, given its current systems and zoning restrictions.

I can imagine that if this analysis were replicated for Portland, we would see something similar. So, are we really going to trust that half of the market-viable units in our entire city will be developed by 2045? I can't say for sure, but that seems overly optimistic. **In light of that, the question for us should be: What suite of policy and implementation changes must we make to build all the housing we need? Adding zoned capacity in the Inner Southeast neighborhoods—which offer lots of market-viable development potential—is part of that puzzle. And it is the logical, positive next step in those neighborhood's evolution.** The forthcoming HPS, I'm sure, will identify many other complementary strategies for meeting our housing need. I look forward to writing in favor of those when the time comes.

Thank you very much for reading and for working toward a bright future in Portland.

Paul Runge
97206

URL References

Turner Center research write up:

<https://turnercenter.berkeley.edu/research-and-policy/stronger-housing-element-los-angeles/>

Turner Center development likelihood methodology:

https://planning.lacity.org/odocument/15117d38-35ca-416b-9980-25eb20201ba2/Appendix_4.6_-_Regression_Methodology.pdf

City of Los Angeles Housing Element:

<https://planning.lacity.org/plans-policies/housing-element-update#draft-plan>

Comments on Housing Needs Analysis at Portland City Council, 12-6-23

Mayor Wheeler and Commissioners:

My name is Doug Klotz. I am a member of Portland: Neighbors Welcome, and my wife and I are homeowners in Southeast Portland at 35th and Harrison. We support the PNW plan for an Inner Eastside For All (IE4A), which will bring more housing to our well-served, “high opportunity” neighborhood. More housing would improve on existing “character” here. Though we are 4 blocks from any arterial, there is an 18-unit apartment building from the 1920s and several 2 and 3-plexes near us. We walk and bike to work, shopping and health care, and we welcome the new homes, which will allow more people to share our neighborhood.

BPS says that, while Portland indeed has enough “capacity” for its Housing Needs, much of that capacity is in places like East Portland where new housing would bring a high risk of displacement for the low-income residents there.

On the other hand, the IE4A plan would shift housing growth to the Inner Eastside. This upzoning will allow high land prices to be split between many apartment homes, making more housing feasible. This new housing will be close-in, will avoid displacement, and will reduce pressure on East Portland, stabilizing prices there.

I urge you to direct Bureau of Planning and Sustainability to include this plan in the Housing Production Strategy (HPS), which they will be working on in the coming months.

Thank you.

Doug Klotz
1908 SE 35th Pl.,
Portland OR 97214

My name is Doug Klotz. I am a member of Portland: Neighbors Welcome, and my wife and I are homeowners in Southeast Portland at 35th and Harrison. We support the PNW plan for an Inner Eastside For All (IE4A), which will bring more housing to our well-served, “high opportunity” neighborhood. More housing would improve on existing “character” here. Though we are 4 blocks from any arterial, there is an 18-unit apartment building from the 1920s and several 2 and 3-plexes near us. We walk and bike to work, shopping and health care, and we welcome the new homes, which will allow more people to share our neighborhood.

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97214

1908 SE 35th Pl., Portland OR



P:NW Official Testimony - Dec-2023 HNA / Inner Eastside for All

Mayor Wheeler and Commissioners - thank you for taking time to listen to input on the Housing Needs Analysis. My name is Matt Tuckerbaum. I am a board member at Portland: Neighbors Welcome, and I am excited to speak on behalf of our organization today.

We would like to thank the Bureau of Planning and Sustainability for their thorough work on the Housing Needs Analysis. We have reviewed this report closely, and want to highlight a few important points beyond the headlines:

- First, as you noted in the HNA work session last summer, Mayor Wheeler: our current zoning capacity on its own would continue our current housing trajectory, which means continuation of our housing crisis and suppressed production.
- Second, our zoned capacity is not strategically located - only 33% of it is located in amenity-rich “high-opportunity neighborhoods,” and 42% is in areas with high economic vulnerability.
- Third, Black, Native American, and Latino Portlanders making the average income for their demographic are unable to afford a home anywhere within city limits.
- Fourth, we need to boost housing production at all income levels, and we cannot rely solely on government-funded construction to maximize production.

After you approve the Housing Needs Analysis today, the City’s attention will turn to creating a new Housing Production Strategy. **The HPS offers an opportunity to address these important points by supporting the production of many more homes throughout our high-opportunity neighborhoods**, so that Portland has more abundant and affordable housing options for everyone.

Our ask today is for Council to support this approach and to direct BPS to formally include a project to upzone the Inner Eastside - from 12th out to 60th, from Fremont down to Powell - in the Housing Production Strategy. We’re calling this initiative an “Inner Eastside for All.” By creating conditions that make multi-story mixed-use housing viable throughout the Inner Eastside, we can substantially improve chances that ‘four floors and corner stores’ buildings will be built. These would afford more Portlanders the chance to live in complete neighborhoods with homes at a variety of price points.

Portland: Neighbors Welcome has formed a broad coalition of partners who support this initiative, including environmental, transportation, and cultural organizations as well as affordable housing providers. You can see the work we’ve done to demonstrate the feasibility and popularity of this idea in our written testimony. We hope you will use the opportunity presented by the Housing Production Strategy to work towards a more liveable Portland.

Thank you for your time!



Oregon
Environmental
Council



Interfaith
Alliance on
Poverty



OPAL
ORGANIZING PEOPLE / ACTIVATING LEADERS



Oct. 10, 2023

To: Portland Mayor, Commissioners, Planning Commission, and City staff:

Portland is struggling with several unprecedented challenges:

- A housing affordability and houselessness crisis
- A displacement crisis
- A climate change crisis

Our land use, housing, and transportation policies play an important role. The 1980 downzoning of much of Inner Southeast Portland limited previously broad multifamily zoning to narrow corridors, reducing the number of potential homes and restricting access to these high-opportunity neighborhoods. Now is the time to revisit these policies and make informed and equitable decisions on land use, housing, and transportation to create an abundant and diverse housing supply, in climate-friendly walkable communities in high-resource areas.

A bold vision and concrete action are necessary to achieve these goals. With this letter, the signatories encourage the city to rezone the Inner Eastside of Portland to enable the creation of abundant housing and services in this area, which boasts access to transit, jobs, schools, and community amenities. We recommend zoning that would allow for housing that serves households at a variety of income levels. The Inner Eastside is accessible to job centers like Downtown, Lloyd, and industrial Central Eastside, as well as commercial corridors, from

Hollywood to Division Street. Sustainable transportation already in place includes several frequent bus lines, a network of bike Greenways, and ped-and-bike bridges to jobs. (Recently, Willamette Week published an article in support of allowing more multifamily housing in the Inner Eastside.)

More Portlanders should have access to these amenities, which currently primarily serve a residential population that is nearly 80% white with a median household income of over \$100,000 and an average home value of nearly \$700,000. Rezoning to allow additional mixed-use and multifamily buildings in large parts of the district will serve many more residents and allow many more homes within several blocks of shops and transit.

Expanding multifamily zoning beyond specific corridors will increase access to opportunities in these close-in neighborhoods without concentrating renters on some of the City's busiest and most dangerous streets. With more area available, pressure to maximize height and density on corridors will be less, allowing more livable streets with frequent green spaces while still increasing overall density.

Allowing larger multifamily buildings will also result in more affordable units under Inclusionary Housing regulations. Increasing the amount of multifamily land over this broad area will also lower pressure on land prices and rental rates in the area.

Giving more people the option to live in this key area will help the city meet its climate and transportation goals, with more households near transit, and jobs within easier reach for cycling and walking.

Our vision is for the Inner Eastside to achieve a more equitable version of the NW Alphabet District: a dynamic, walkable neighborhood with a mix of mid-sized apartment buildings, single-family homes, and every type in-between, well-served by transit, and with commercial centers, corner stores, and shared neighborhood spaces.

Key points:

- Rezone the entire Inner Eastside, not just the busiest streets, to allow mixed-use buildings up to 6 stories and small neighborhood commercial spaces throughout residential neighborhoods.
- Area boundaries suggested are Powell at the south, Fremont at the north, SE 60th and 58th at the east, and a western boundary that is 12th Ave south of I-84, and 7th Ave north of I-84.
- We also suggest the city lobby to change state building codes to allow single-stair access buildings (point-access), which provide more livable spaces, with variable unit sizes, cross-ventilation, and lower cost.

We urge you to create room for everyone in Portland by expanding our wonderful urban villages and legalizing low-carbon, livable communities for all.

Sincerely,

Portland: Neighbors Welcome and our fellow signatories:

1000 Friends of Oregon	Advocacy Team, Interfaith	Portlanders for Parking
350 PDX	Alliance on Poverty	Reform
APANO	Lloyd EcoDistrict	Proud Ground
Bike Loud PDX	No More Freeways	ROSE Community
Habitat for Humanity	OPAL Environmental	Development
Portland Region	Justice Oregon	Sightline Institute
Hacienda	Oregon Environmental	Strong Towns PDX
Home Forward	Council	Sunrise Movement PDX
Housing Land Advocates	Oregon Smart Growth	The Street Trust
Housing Oregon	Oregon Walks	Verde

Inner Eastside for All: FAQ about the Proposal

The section presents details about the Inner Eastside for All (IE4A) proposal by Portland: Neighbors Welcome and the co-signing organizations, which is intended to directly address Portland's housing, climate, and displacement crises through housing abundance.

How do you want zoning to change in the Inner Eastside?

We propose that the city either create a new multi-dwelling zone or modify an existing zone for the Inner Neighborhoods. Existing zones have specific characteristics that make them imperfect candidates to be broadly applied across the Inner Eastside. We propose a mixed-use zone that allows sufficient flexibility for medium-scale development while setting reasonable use restrictions that make it appropriate for urban neighborhoods.

The goals of the Inner Neighborhood zone would be to:

- Co-locate economic / employment opportunities and community amenities with more housing
- Limit uses that are incompatible with walkable neighborhoods, especially auto-centric uses like vehicle repair and freight movement
- Allow for trade-offs between height and lot coverage to create conditions for more open space and tree cover
- Minimize inefficient use of space (eg. side and front setbacks)

A description of our ideal zone might look something like the following:

Multi-Dwelling — Inner Neighborhoods. This designation allows low-rise and medium-rise (up to 65 ft) multi-dwelling development mixed with single-dwelling housing types

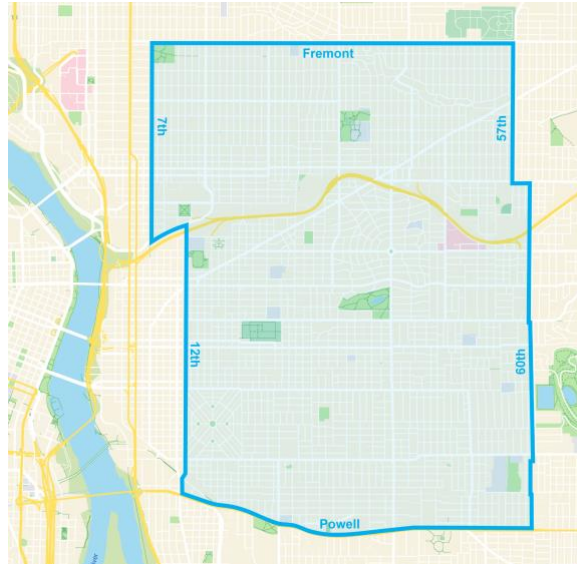
and small retail/commercial spaces including a full range of housing, retail, and service businesses with a local market (i.e. corner stores), at a scale that is compatible with, but somewhat larger than, single-dwelling residential. This designation is intended for areas near, in, and along centers, neighborhood corridors, and transit stations, including access to (within ½ mile of) high-capacity transit, frequent bus service, or streetcar service are available or planned. Development will generally be oriented to pedestrians. An example area would be the Alphabet District. Areas within this designation generally do not have development constraints and are in locations with urban public services, generally including complete local street networks. Maximum density is based on a floor area ratio, not on a units-per-square-foot basis.

Basics

- Maximum FAR: [3+] to 1
- Base height: 65ft
- Step down height: none
- Minimum setbacks: none

What are the proposed boundaries for the IE4A re-zone?

We propose that the Inner Eastside area for re-zone be defined as Powell Blvd at the south, Fremont at the north, SE 60th and 57th at the east, and a western boundary that is 12th Ave south of I-84, and 7th Ave north of I-84.



Why is this proposal being submitted as Housing Needs Analysis testimony?

Portland has an opportunity to address the housing scarcity that is causing our current crisis when it develops a new Housing Production Strategy (HPS) in 2024. The HPS provides a mechanism through which we can declare our intention to make changes that will result in the development of more housing, with the goal of creating a stock of homes that all Portlanders - current and future - can afford.

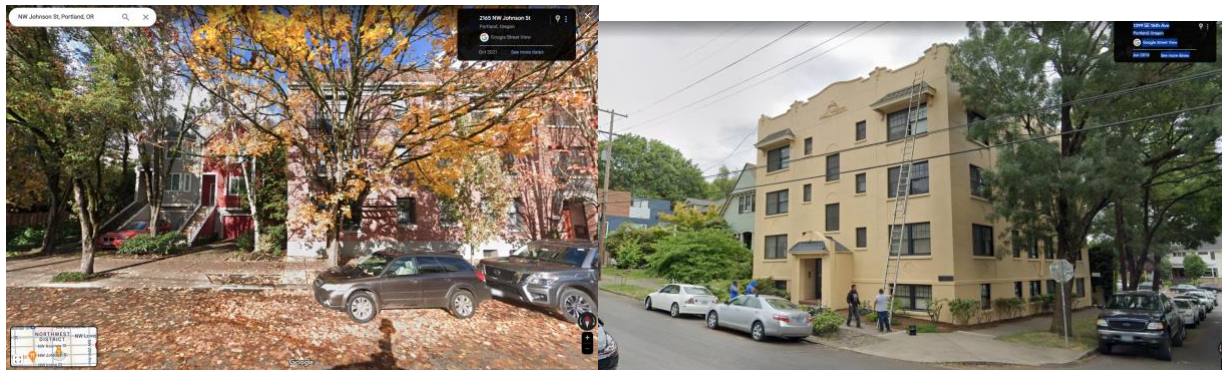
In order to take those steps in the HPS, the Housing Needs Analysis needs to say more about our needs as they exist today and the role that zoned capacity plays in how much housing is built. The current draft of the Housing Needs Analysis says that the current zoning capacity is theoretically sufficient to accommodate population growth, but as the HNA also makes clear, we have a housing shortage crisis even with that capacity today. If we don't make significant changes to zoning among other policies, we expect that the housing crisis will get worse and we will have lost our chance to make the most of this planning process.

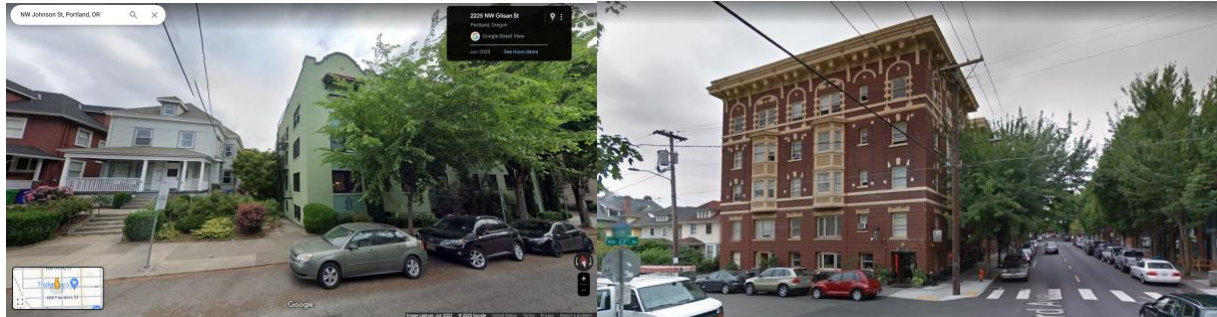
Before the city can seriously consider a major land use action like this one, it would need to do some analysis of the likely effects. We ask the bureau to, at the very least, begin documenting the potential effects of a broad apartment legalization in these high-opportunity neighborhoods.

Is this proposal consistent with Portland's Comprehensive Plan and historical development patterns?

Our intention with the Inner Eastside for All re-zone is to support the continued creation of “an equitable system of compact mixed-use and commercial centers across the city to increase access to community services and businesses, and create more low-carbon complete healthy connected neighborhoods,” a primary goal from the Comprehensive Plan.

The areas within the IE4A proposal boundaries fall within the Inner Ring Districts and Inner Neighborhoods. The Comprehensive Plan says that these areas are notable for their “broad diversity of housing types,” and growth plans are oriented towards “expanding the range of housing... opportunities” in these areas. We look to build on these goals, by bringing multi-family buildings beyond fourplexes off of larger corridors. An Inner Eastside for All would take a [“Second Street Housing”](#) approach, much like the Alphabet District in NW Portland. This is the neighborhood with the broadest diversity of housing types in the city, with mid-rise multi-family buildings often located next to single-dwelling buildings (as shown in the Google Street View images below), and it is one of our most desirable places to live. There are similar examples scattered throughout the Inner Eastside, so we believe this plan is entirely consistent with historical development patterns in Portland.





How does this proposal address the displacement crisis?

Re-zoning to allow for multi-family development would be a reversal of a 1980 decision to ban new apartment homes from much of inner southeast Portland, except along a few major streets. This helped lay the tracks for disproportionate gentrification and displacement elsewhere in Portland. Today, this restrictive zoning also leaves the older apartment buildings in the Inner Eastside (which already sit in multi-dwelling zones) directly in the path of future predatory investment and displacement.

How will this re-zone help to create space for larger families if single-dwelling houses are replaced with multi-dwelling buildings?

This re-zone will make it possible to house more people within Portland, and our zoning suggestions are intended to create more flexibility in the types of buildings that can be built, so that every housing need can be accommodated within Portland.

However, Oregon's current building code requires that all multi-family buildings more than three stories tall have two stairwells. This rule was created with good intentions to raise fire safety standards, but it has not been updated since sprinklers were made mandatory, and it places constraints on building design that make it difficult to create family-sized apartments and condos. Over the summer, the Oregon Legislature passed HB 3395, which prompts the state Building Codes Division to consider an update that could allow smaller apartment buildings, no higher than six floors with no more than four units per floor, to be safely served by a single stairwell. In addition to allowing for more floor plan flexibility, this change would also make multi-family development on small lots more feasible and attractive than it is today, especially for homes with more bedrooms. Essentially, it creates a path for family-size homes to become more land-efficient.