

City of Portland Historic Landmarks Commission

Date:	June 10, 2024
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- To: Portland Planning Commission
- From: Portland Historic Landmarks Commission
- Re: Housing Production Strategy Action Plan Discussion Draft

Dear Planning Commission:

The members of Portland's Historic Landmarks Commission greatly appreciate the opportunity to provide feedback on the draft report and acknowledge the huge and thoughtful effort that has brought it thus far. All the goals outlined are worthy – and easier said than done. We hope the following comments prove to be useful in refining the strategy:

- We urge a greater focus on **retaining existing housing**, adding density without demolition, and making it easier to convert single-family houses into multiple units or ADUs without triggering code upgrades that are cost prohibitive. This helps neighborhoods retain their livability, context, and cultural heritage.
- We must also recognize it may not be able to fully build our way to sufficient affordable housing. To be successful, we must **put equal emphasis on reusing buildings we already have**, creating housing through the **conversion of existing commercial or industrial structures**. Adaptive reuse:
 - Can be faster, less expensive, and is far more environmentally friendly than new construction.
 Adaptive reuse is encouraged due to the environmental benefits associated with preservation renovation and reuse projects have been shown to save between 50% and 75% of the embodied carbon emissions compared to constructing a new building. This is especially true if the foundations and structure are preserved, since most embodied carbon resides in concrete, steel, and aluminum.
 - Retains buildings that embody our cultural heritage and define Portland's unique sense of place.
 - Supports converting commercial buildings to housing, which is key to reviving downtown.
- A critical missing ingredient to fast-tracking conversions is a **state rehabilitation tax credit**. As highlighted in the HLC's State of the City report, Oregon utterly lacks financial incentives for adaptive reuse. State tax credits, which can be combined with federal historic and other tax credits, have **proven effective in 39 other states**. They typically offset 40% or more of rehab costs. Any housing production strategy that doesn't incentivize conversion and reuse may struggle to meet its goals. This should be a top legislative priority for the City.
- Also important is, per Strategy 4, lowering barriers to reuse that take the form of permitting and logistics. As you may be aware, New York City has created an <u>Office Conversion Accelerator</u> program that provides a single point of contact to help navigate the process. Not all our needed housing will be produced by big developers. Providing technical support to small property owners is a logical and effective approach.

Again, thank you for the opportunity to weigh in and we appreciate your careful consideration.

Sincerely,

The Portland Historic Landmarks Commission