



# HOUSING ADJUSTMENTS COMPLIANCE PROJECT

Senate Bill 1537

Planning Commission Hearing 8/27/24

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Principal Planner



THE BUREAU OF  
**PLANNING &  
SUSTAINABILITY**

# Housing Adjustments Project Agenda

## Presentation

- Overview of Senate Bill 1537
- Current Zoning Code Context
- Summary of Proposed Code Changes
- Outreach and Timeline

## Public Testimony

## Planning Commission Discussion



# Staff Proposal

Staff proposes that Planning Commission recommend that City Council:

- **Adopt this report**
- **Amend Title 33, Planning and Zoning as shown in the Proposed Draft.** The amendments bring Portland's zoning code into alignment with Senate Bill 1537.

# Senate Bill 1537 History

## 2023

- House Bill 3414 didn't pass

## 2024

- Senate Bill 1537 passed by legislature and signed by Governor Kotek

## 2025

- Cities must comply by 1/1/2025. Provisions will expire on 1/2/2032.
- Oregon Housing Accountability and Production Office to be established by 7/1/25

# SB 1537 Components

## Addressed with this project:

- Directs local jurisdictions to grant adjustments to a range of design and development standards for projects that include housing.

## Other components:

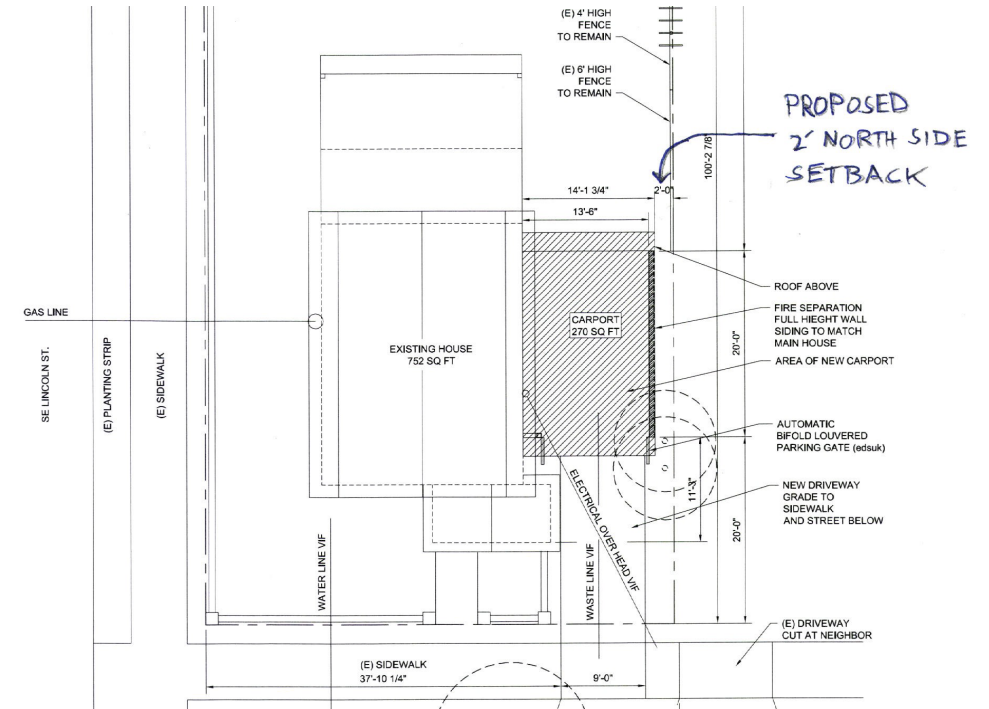
- Includes other directives to oversee housing development and regulation in Oregon, including establishing a Housing Accountability & Production Office (HAPO).

# SB 1537 Adjustment Section

- The bill requires jurisdictions to automatically grant up to 10 adjustments to a list of development and design standards
- Standards include lot sizes, density, height limits, ground floor requirements, parking requirements, façade design and building orientation, etc.
- 3 options for compliance:
  - Apply the bill directly
  - Incorporate bill into their code
  - Request an exemption to the bill by proving standards are already adjustable and that more than 90% of adjustments are approved

# What is an Adjustment?

- A request to modify a code standard, such as a request to reduce a building setback from 5-ft to 2-ft.
- Often called variances in other jurisdictions.





# Portland's adjustment process

- Adjustments are reviewed through a discretionary process
- Approved if the proposal still meets the intended purpose of the regulation.
- Process includes public notice and making findings against approval criteria
- Decisions are mostly made by staff
- Portland allows adjustments to most standards listed in the bill



City of Portland, Oregon  
Bureau of Development Services  
Land Use Services

FROM CONCEPT TO CONSTRUCTION

Amanda Fritz, Commissioner  
Paul L. Scarlett, Director  
Phone: (503) 823-7300  
Fax: (503) 823-5630  
TTY: (503) 823-6868  
www.portlandoregon.gov/bds

**Date:** February 20, 2014  
**To:** Interested Person  
**From:** Amanda Rhoads, Land Use Services  
503-823-7837 / Amanda.Rhoads@portlandoregon.gov

## **NOTICE OF A TYPE II PROPOSAL IN YOUR NEIGHBORHOOD**

Development has been proposed in your neighborhood. The proposed development requires a land use review. The proposal, review process, and information on how to respond to this notice are described below. A copy of the site plan and zoning map is attached. I am the staff person handling the case. Please call me if you have questions regarding this proposal. Please contact the applicant if you have questions regarding any future development on the site.

Because we must publish our decision within 28 days, **we need to receive your written comments by 5 p.m. on March 13, 2014.** Please mail or deliver your comments to the address at the bottom of the page, and include the Case File Number, LU 14-104427 AD, in your letter. It also is helpful to address your letter to me, Amanda Rhoads.

### **CASE FILE NUMBER: LU 14-104427 AD**

**Applicant:** Stephen Smith  
Design Build Portland  
1333 NE 47th Ave  
Portland OR 97213

**Owners:** Jennifer and Marshall Willis  
4529 NE 14th Pl  
Portland, OR 97211-5017

**Site Address:** 4529 NE 14TH PL  
**Legal Description:** BLOCK 66 LOT 3, VERNON  
**Tax Account No.:** R860712740  
**State ID No.:** 1N1E23AC 25300  
**Quarter Section:** 2532  
**Neighborhood:** Sabin Community Assoc., contact Rachel Lee at 503-964-8417.  
**Business District:** North-Northeast Business Assoc, contact Joice Taylor at 503-445-1321.  
**District Coalition:** Northeast Coalition of Neighborhoods, contact Claire Adamsick at 503-388-9030.

**Plan District:** None  
**Zoning:** R5ah – Residential 5,000 with an Alternative Design Density “a” Overlay Zone and an Airport Landing “h” Overlay Zone  
**Case Type:** AD – Adjustment Review  
**Procedure:** Type II, an administrative decision with appeal to the Adjustment Committee.

1900 SW 4th Avenue, Suite # 5000, Portland, OR 97201



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# Proposed Title 33, Planning and Zoning Code Amendments



# Project Goal & Approach

Comply with SB 1537 by requesting an exemption from applying the bill directly and instead using Portland's existing adjustment process and approval criteria.

- Amend the zoning code where current regulations prohibit adjustments to standards
- Match the bill's maximum variance allowance
- Match the bill's temporary duration
- Match the bill by applying the new rules to housing projects
- Monitor local process for continued compliance



# Advantage of Requesting State Exemption

- Portland has a well-established adjustment process, that includes criteria that are consistently applied to address cumulative impacts and allow for public notification.
- Portland already allows adjustments to most standards listed in the bill.
- Portland's approval of adjustments exceeds 90 percent.
- Implementing the bill directly requires applicants and staff to reference two sets of rules and procedures for adjustments.
- The bill uses language that is not aligned with Portland's zoning code language, introducing confusion.
- Adopting a parallel adjustment review process for seven years would be confusing and inefficient.

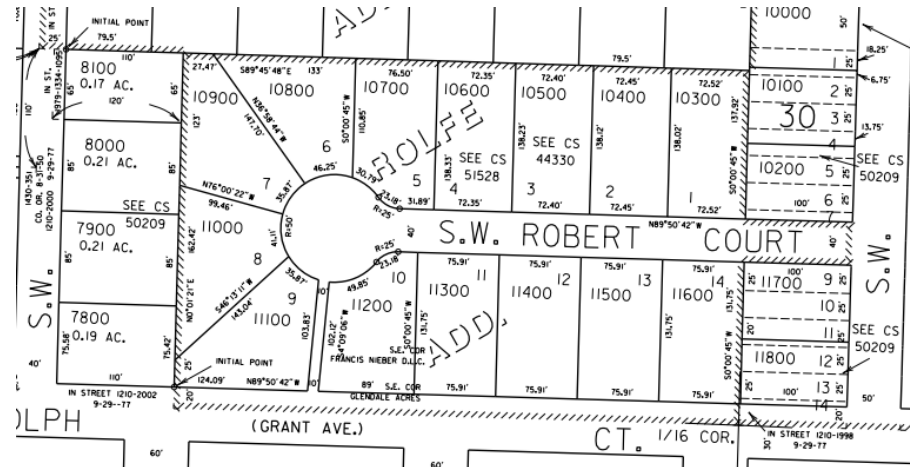
# Proposed Code Amendments

From 2025 to 2032, the amendments will allow adjustments to standards that are currently prohibited. The focus is on the areas shown on the following slides.



# Proposed Code Amendments Lot Sizes

- Minimum lot size/dimension up to 10% for new and existing lots
- Specific to residential zones
- Also applies to lot size requirements for middle housing options



# Proposed Code Amendments Height

- Maximum height and bonus height up to 20% or 1 story (mostly applicable in plan districts such as Central City, Gateway and Hollywood)
- 20% height adjustment applies to development with at least 75% residential floor area
- Maximum height of detached duplex





# Proposed Code Amendments

## Middle Housing – Cottage Clusters

- Density and lot size standards
- Development standards including
  - Outdoor area,
  - Building orientation,
  - Windows





# Amendment parameters & rationale

Follow guidance of SB 1537 for the following:

- Lot minimums: 10% reduction
- Height maximums: 20% or 10-ft (1-story) in most cases

These specific adjustment allowances will expire on 1/2/2032, when that portion of the bill is rescinded.



# Staff Amendment Request

Bicycle parking provisions in the bill require adjustments for the number of bicycle parking spaces, as well as the location.

- Current code allows adjustments to the number
- Current code allows up to 50% of bicycle parking spaces to be “in-unit.” It does not allow adjustments to that percentage.
- Amendment request: Amend the Proposed Draft to allow more than 50% of the bicycle parking spaces to be located within the dwelling units.



# Outreach & Testimony

- Preliminary discussions with Oregon's Department of Land Conservation and Development (DLCD) and PP&D staff
- Project information provided in monthly project list and newsletter
- Notice of Proposed Draft and hearing sent to
  - Legislative Mailing List
  - Project email notification list
- Five comments received as of 8/27 – in support of adjustments – consider no upper limit to height.



# Housing Adjustments Compliance timeline

**April 2024:**

SB 1537 signed

**July 2024:**

Proposed Draft released

**→ August 27, 2024:**

Planning Commission hearing

**September 10, 2024:**

Planning Commission work session

**Fall 2024:**

City Council hearing

**1/1/2025:**

Amendments effective

# Staff Proposal

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