

November 30, 2017

Dear Planning Staff Members:

The HAND Board continues to support many of the recommendations within the Residential Infill Project, but we remain concerned about potential negative impacts of the proposal such as an increase in demolitions, the loss of even more affordable housing in our neighborhood, limited opportunities for ownership of the new, smaller structures, the lack of design guidance as infill occurs and finally a loss of sense of place.

The RIP proposal includes three very different proposals: Scale of Houses, Housing Opportunity, and Narrow Lots. Each of these topics would be complex enough on its own, but when amalgamated into a single proposal, it becomes overly complicated and confusing. We would therefore suggest separating each of these components into its own proposal, which could be discussed independently from the others.

Scale of Houses

The proposals for reducing housing size are a good start, but do not go far enough. Though the proposal represents a significant reduction from what is theoretically buildable now, the proposed structure sizes are still much larger than almost any of the existing housing stock in HAND. We would ask that this proposal be further strengthened, with size and height further reduced, perhaps by including basements and attics in calculations of a house's square footage if they are less than 2ft above ground, or are are tall enough for dormers to be added to create a usable living space respectively.

While we generally support the increased uniformity of setbacks you have proposed, we would like to see a similar approach applied to height, perhaps limiting houses to a height of their tallest neighbor plus 5 feet. The proposed codes seems to allow a decrease in front setbacks and we want to make certain that it also allows an increase in front setbacks to match adjacent neighbors.

The code should not allow low point of street facing property to be artificially raised through use of a retaining wall and the grade should not be allowed to be artificially built up to alter reference point ("low point") for measuring height of the building.

Housing Opportunity Overlay

The Housing Opportunity proposals fundamentally redefine what it means to live in a single-family zone. If that is your intent, we would ask that you simply change the meaning of the underlying zones rather than rely on the overlay mechanism.

However, we are concerned that making such sweeping changes to the zoning code whether or not an overlay is used, without any site-specific context, could lead to many unintended consequences.

Large portions of East Portland are being excluded from the overlay zone because of lack of infrastructure, school capacity, etc. If the RIP is a long term approach to housing in Portland, there needs to be a continuing strategy for building "complete" neighborhoods in East Portland that includes infrastructure investments and is sensitive to involuntary displacement issues. This would allow residents in those neighborhoods to also take part in creating new housing options. Often increased density leads to more frequent transit service rather than the reverse.



Where triplexes are permitted on corners, please ensure that at least one entrance is facing each street. This is likely what was intended, but the proposed code language does not require this.

Allowing internal conversions of larger single-family houses to duplexes or even triplexes is a way to add density and create more housing opportunities while avoiding many of the negative issues associated with new construction. We would support moving this provision out of the overlay zone and into the base zoning, and applying it city-wide.

However, before doing this consider revisiting the definition of a "demolition" and a "major remodel" to make certain internal conversions don't lead to defacto demolitions.

To counter the incentives for demolition presented by the overlay proposal, we would ask that bonus units only be awarded if existing structures are preserved.

We are very supportive of cluster housing but are uncertain how the Planned Unit Development review process designated for their siting would address total FAR, lot size, number of units, building orientation to street and neighbors, open space, etc. There needs to be flexibility to allow creativity while ensuring quality design.

Narrow Lots

Where narrow lots currently exist, we support the proposal to require adjacent houses to be attached. This will increase the livability of the units, and will improve their exterior appearance.

Consider reducing building height of common wall structures on lots less than 5000 sq' to 30'.

Please look again at the relationship of FAR to the size of the lot. The recommended 0.7 for narrow lots seems like it would be out of scale in some neighborhoods and limiting the FAR to 0.5 on all residential lots would be more consistent with existing patterns. Perhaps and adjustment process could be used in those instances where existing residential patterns are closer to 0.7 on surrounding lots.

Tree preservation and Stormwater Management

A healthy urban tree canopy, and and smaller, discreet, and more

flexible housing options can go hand in hand. However, we have watched large, mature trees disappear as lots are split in our neighborhood. Design flexible code provisions that incentivize saving larger trees and creating less impervious surface. These incentives could include parking requirement changes, and flexibility in building siting and setbacks, among others.

Ownership Options

Explore the likely ramifications and potential pitfalls of extending fee-simple ownership options, condominium conversions, co-housing and other strategies for ownership that could be applicable in these situations.

Affordability

What is missing from this proposal is any focus on our disappearing stock of affordable housing. To the extent that the Housing Opportunity ideas work, they will accelerate the demolition and redevelopment of our most



affordable housing stock, replacing them with significantly less affordable housing. A prime example is the demolition of the house at 2838 SE Woodward. A historic house used as shared rental housing for a group of adults was demolished and replaced with two huge houses that sold for \$900K each. Density increased, but at the cost of affordability. Renters were displaced, the community lost income diversity, and the new structures did not fit well with their surroundings. To reduce the incentives for further losses of affordable housing, we would suggest:

Additional limitations on the size of housing (as outlined above) are probably the single most effective way to limit the cost of new housing. Smaller houses are inherently less expensive than larger houses. While we do not believe this is a panacea for our housing crisis, this will help more slow the growth in housing prices more than anything else in this proposal.

Introduce further limitations on using ADUs as short-term rentals, thereby encouraging them to be rented to long-term tenants. Do not continue to waive SDC's for projects that cannot commit to at least a set time period with an affordable rent and/or a commitment to providing long term rental housing, especially in inner tier neighborhoods. Encouraging the development of more ADUs does not help with affordability if the units are not rented to those that need them.

Where a bonus unit is awarded on grounds of affordability, please lower the definition of "affordable" from 80% MFI to 60% MFI to allow these units to benefit those who are having the most difficulty in the current market.

We also support exploring some of the options for increasing affordability laid out by SMILE:

Require the additional (third) unit to be affordable (as a bonus unit)

Subsidize purchase of a duplex and owner occupancy of one unit if the second is an affordable rental.

Have fees from short-term rentals help to subsidize affordable housing in the same neighborhood Dedicate tax revenue from the additional unit to provide affordable housing in the same Neighborhood.

Provide an incentive for duplex or triplex owners to occupy one of the units, perhaps for a first time buyer willing to rent the additional unit(s) at an affordable rate.

We share the concern of others that new duplexes and triplexes are more likely to be investment properties where an owner is less likely to engage with the neighborhood. We want the new smaller scale housing to provide new opportunities for more people to own property, escape future out of control rents and begin to build wealth as other groups and previous generations have done.

We would like to see resources devoted to the development of a toolkit and perhaps regular "Lunch and Learn sessions to assist homeowners wishing to add housing units, whether as ADU's or internal conversions, that could provide step by step assistance in navigating the appropriate bureaus, information on strategies to increase accessibility, references for design guidance and options for sharing ownership.

Thank you again for all your hard work on this project and for considering our ideas.

Susan E. Pearce, HAND Chair

