

March 19, 2018

City of Portland Bureau of Planning & Sustainability Attn: Better Housing by Design Project 1900 SW 4th Ave Suite 7100 Portland OR 97201

Re: Better Housing By Design Discussion Draft

To: Better Housing by Design project staff, and whomever else it may concern:

Portland is facing an acute housing shortage. In particular, our city has a dearth of housing options that are available to lower- and middle-income households. One contributing factor is the lack of multi-dwelling housing options across the city -- both in terms of the sparse availability of any land zoned for multi-dwelling housing, and within the entitlements given by those zones.

We are very grateful for staff's time and dedication to craft zoning regulations that will allow us to house more Portlanders more affordably, and offer a wider range of housing choices than are currently available. We support the goals and general policy direction being set by the Better Housing by Design code reforms, especially those measures meant to simplify and clarify regulations and make building housing more cost-effective. We also support the project goal of encouraging development patterns that improve walkability and transit access in East Portland.

The members of Portland for Everyone stand together to ask for more housing, and especially more affordable housing, for Portland residents. We reviewed the Discussion Draft with one overarching question in mind: "Will this plan meaningfully expand housing options and increase affordability for Portlanders in most neighborhoods?"

To ascertain whether a plan helps achieve this goal, we looked for policies that will: adequately increase the supply of housing; increase the range and quality of housing types possible to build in Portland; and offer meaningful incentives that make nonprofit and/or affordable housing projects competitive. We believe the Better Housing by Design Discussion Draft meets some of these goals well. We especially support those policies that regulate development intensity by scale (FAR), rather than by number of units. We also support added incentives for affordable housing, reduced parking requirements, and landscaping flexibility. However, we believe the following changes are necessary to improve the proposal's ability to meet its own stated goals:

- Increase maximum Floor Area Ratios (FARs) and bonus FARs in RM1, RM2, and RM3 so that there
  is a discernible difference between standards currently being proposed for Portland's neighborhood
  residential zones and denser multi-dwelling zones.
- Reduce minimum requirements for sites 7,500 square feet or less, including setbacks and landscaping.

- Consider where maximum heights, FAR limits and/or step-down requirements may unintentionally render affordable housing bonuses unusable, counter to the proposal's intentions.
- Ensure that affordable housing development is feasible in East Portland: Don't layer on so many conditions in pursuit of perfect urban form that affordable housing development is stymied.
- Map more higher-density multi-dwelling zones along key corridors. There are a few places in particular where up-zoning would help implement the Comprehensive Plan.

We recommend the following specific changes:

## Overarching recommendations:

- Upzoning certain places along key corridors would both support Comprehensive Plan goals and
  complement the surrounding context. Staff should revisit those places where lower-density RM zones are
  mapped adjacent to medium-density CM zones. One option could be to create an overlay that gives
  greater development allowances for RM2 and RM3 lots abutting high frequency transit and
  existing commercial hubs. These areas could be defined as all Neighborhood and Civic Corridors.
- Also upzone existing R-2 in areas on or near transit streets to RM2 to take advantage of the
  opportunity there. Some locations for this change include:
  - Between NE MLK and 7th, from NE Thompson to Fremont,
  - o Between NE Glisan and Sandy, and NE 30th and 32nd,
  - o SE Division between 50th and 77th, and
  - SE Francis to SE Powell, from 41st to 43rd.
- Energy efficiency is an important factor for both long-term affordability and climate mitigation. Staff should explore ways to promote increased energy-efficiency in the multi-dwelling zones. To ensure that regulations do not accidentally penalize high performance projects with thick, energy-efficient walls, Portland could consider a model such as the "Floor Space Exclusion to Accommodate Improved Building Performance" employed by Vancouver BC. To actively promote energy-efficiency, consider adding a bonus or exemption for projects meeting specific efficiency criteria. For example, for Earth Advantage Multifamily Gold and Platinum certified buildings exclude the full thickness of exterior walls from FAR calculations.

## Development Standards:

- Increase both minimum densities and maximum FAR for most multi-dwelling zones so they are
  appreciably different from what staff is already considering throughout Portland's residential
  neighborhoods. Modify the following zone standards to:
  - o RM1 One unit per 2,500 sf
  - RM2 One unit per 1,000 sf, with base FAR of 2.5:1 and bonus FAR of 3.5:1
  - RM3 & RM4 One unit per 750 sf, with base FAR of 3:1 and bonus FAR of 5:1
- RM2 zones mapped on Transit Streets and near Mixed Use Zones should have comparable FAR and heights, rather than the lack of transition and "gap tooth" effect that is zoned for currently.
- Stepping down to 35 ft on site in RM3 & RM4 will not be feasible in many cases. Because construction techniques change, we suggest that a more realistic standard for RM3, RM4 and RMX would be stepping down to 45 ft when adjacent to neighborhood zones.
- Note where currently maxing out FAR through an affordable housing bonus would also max out height and building coverage limitations. In these instances, there remains close to no flexibility for any design or massing (re)distribution requirements (such as stepping down to meet the residential zone adjacency height standard). It becomes impossible even for affordable housing builders to meet both requirements at once. Consider providing additional height or building coverage in these instances.

# Diverse Housing Options & Affordability:

We support staff's move towards a FAR-based code for multi-dwelling zones. We agree that this will allow greater flexibility, open up housing choices, and re-legalize many desirable building types that are currently outlawed. We also support significant development bonuses for affordable housing, and transfers of development rights for tree preservation, historic preservation and preservation of existing affordable housing. We ask staff to consider:

- Accessibility minimum requirements should be triggered at three units, rather than two (or require 20% of homes be visitable for projects exceeding one unit per 3,000 square feet of site area). This would ensure that there is not an outsized impact on small project costs.
- Mirror height measurement procedures proposed in the Residential Infill Project for multi-dwelling zones. This would create better consistency across Portland's zoning code.
- There are competing and incompatible standards proposed on p.21 & p.41 regarding setbacks and visitability requirements: If a developer opts to raise the ground floor 2' to improve privacy and access smaller setbacks, they would likely no longer meet the minimum accessibility requirement for a zero- or one-step entry. Similarly, stormwater management requirements become much harder to meet when accessibility requirements for small projects will result in ramps or other additions to impervious surfaces. We recommend adopting standards for building specifications that will allow for future adaptability, rather than requiring all projects to meet stringent standards upon construction.
- Allow bonuses for deeper affordability and three-bedroom units to be utilized together (rather than separately, as proposed) for maximum benefit to lower- income Portland families.
- Consider the implications of layered requirements (such as outdoor space and where it can/can't be
  located, landscaping requirements, parking, setbacks, etc) on the ability to meet the many other demands
  on affordable housing projects. Funding is typically prioritized only for the housing units themselves.
  Although shared amenities may provide quality of life benefits and other positive impacts for a
  development project, too many prescriptive requirements can limit a project's ability to respond to
  competing priorities among codes, funders, and others. BPS staff should consult with PHB staff and other
  affordable housing development experts to better understand this dynamic.
- Consult affordable housing development experts, including public funders such as PHB and OHCS, on how fully realizing the deep affordability bonuses may be limited by funding sources.
   Although LIHTC funding does roughly scale with total development cost, local gap funding sources are often limited to fixed amounts - thereby making additional development in LIHTC funded projects unlikely even with increased density allowances.
- Where small-scale commercial uses are allowed, grant FAR to offset housing losses/ enact a no net housing capacity loss policy on these sites.

#### Outdoor Spaces and Green Elements:

We support staff's proposal to limit impacts and cost-drivers such as parking minimums. We also like the approach of allowing stormwater planters/ecoroofs to contribute to the landscaping requirements. This will greatly improve smaller project cost efficiencies and improve many site layouts. In addition, we ask staff to:

- Expand the parking minimum exemption throughout all multi-dwelling zones. Portland should be
  moving toward a parking allowance system, rather than minimum requirements. We should allow for
  parking when it makes sense, but also allow for maximum cost-effectiveness and flexibility in all cases.
- Develop less stringent landscaping requirements for sites less than 7,500 sf.
- When shared common areas are provided, such as a central courtyard, allow for 0' side setbacks, and allow them to count double that of individual areas toward meeting the per-unit common area requirement. This would greatly incent combined outdoor spaces.
- (Proposal 9): Further study is needed regarding the cost-impact of the proposal to limit the amount of asphalt paving (especially cost impacts on affordable housing projects). Consider excluding covered parking, such as carport structures, from surface parking limits.

In addition, the City should develop a long-term strategy to site, fund, and build more public parks in East Portland, independent of zoning and building requirements.

# Building Design & Scale:

We support proposals to limit garages on street frontages, to simplify standards for side and rear setbacks, and to require building entrances to be oriented to streets or courtyard. We ask staff to consider:

- Reduce front setbacks to 5 ft everywhere, and to 0 ft everywhere if the ground floor is 2 ft or more above street level.
- Reduce the current minimum 10 ft side setback for RM3 and RM4 buildings over 55 ft tall.

• Reduce front setbacks and side street setbacks to zero for U-shaped courtyard developments as long as the courtyard is 25% or more of the frontage, and at least 10 ft deep.

### East Portland Standards & Street Connections:

We appreciate East Portland's unique design and development challenges, but we ask staff to consider how well-intentioned requirements might, all told, result in the provision of less housing and especially less affordable housing in East Portland. Specifically:

The image featured on BHD materials, Leander Court developed by ROSE Community Development, would not be allowed under the standards proposed in this BHD Discussion Draft: Development stretches back too deep on the lot, into what is proposed to be required center-block open space. While opening up the middle of East Portland blocks should be encouraged in some cases to promote better connectivity, there are also cases where making this a requirement will result in many projects that are well-suited to deeper lots becoming infeasible.

As always, the members of Portland for Everyone will continue to push our local elected and City officials to make equitable and forward-thinking land use decisions that will:

- Allow plenty of affordable and diverse housing types in every Portland neighborhood.
- Prioritize the housing needs of historically and currently under-served populations,
- Prioritize housing for humans over shelter for cars,
- Allow more people to live in areas with good access to transportation, parks, and services,
- Create and maintain economically diverse neighborhoods.

We thank staff again for their time and their dedication to creating a Portland where ALL of our residents are housed securely and affordably.

Sincerely,

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