

Appendix F: Notes from open house Q&A sessions

Residential Infill Project – Open House #1 Southwest Portland Multnomah Arts Center, June 15, 2016, 6:30-8:30 PM

Question and Answer Session

These notes reflect the general conversation that occurred during the Q&A after the staff presentation by Sandra Wood, Supervising Planner of the Bureau of Planning and Sustainability and Morgan Tracy, Project Manager of the Residential Infill Project.

Q1 – Concern about multifamily housing everywhere and increased density in the zone in which he bought his house.

Q2 – Concern that developers will create “pre-fab slums”; wants to see quality not quantity.

Q3 – Concern that the 2,500 sq. ft. size limit of houses on 5,000 sq. ft. lots will restrict options for larger families.

Q4 – How will this changes effect projects that are still in the application phase?

A – Once the application has been deemed complete the project will be vested and allowed to be completed under the old code.

Q5 – Concern about the proposed setback requirements. Most of southwest is not on a grid; there are a variety of setbacks.

A – The draft proposals address this in part by allowing a new house to match the front setback of the neighboring house if they choose.

Q6 – Appreciate your attempt to reduce scale, but why do we have to add more housing to single-dwelling zones? The comp plan said we can accommodate the growth projections.

A – That is true, but we are talking about diversity of housing types in the single-dwelling zones so more people can live in areas with good amenities ant not just in large multi-unit buildings.

Q7 –Concern about citizen involvement; feels the city already has space for all projected new households; concerns about neighborhood change.

Q8 – Public comments from this meeting need to be on record.

A –Staff is seeking feedback on these concepts for future refinement and direction from City Council prior to entering the legislative phase, where public hearings before the Planning and Sustainability Commission and City Council will be held and official testimony is received.

Q9 – Problem is the job you have been given. I suggest you ask for a moratorium on demolitions and infill (one year) until you can figure out what you need to do to make a thoughtful plan.

Q10 – Confusion about ¼-mile radius of centers and corridors on map; you don’t want to blow up the maps so we can see if our property is in or out of the area for density because it is just conceptual, but it is important to us to see this detail. When will you consider environmental issues, infrastructure impacts, storm water, landslides, etc.?

A- Map is conceptual and additional analysis is still required to determine area constraints. We will be analyzing all of those issues before the line goes from conceptual to a solid proposal
(Note: Conceptual centers and corridors maps have been posted on the project website documents/resources. They cover 6 geographical areas: SW, NW, East, NE, North, and SE)

Q5 – Like the height and setback ideas for reducing scale but will need to know more about how they will be implemented because developers say things and then don't do them.

A – This will be a two-step process. Proposals are conceptual in this phase with details to be determined with code development begins in 2017.

Q6 –Understands the need for middle housing. Does the internal ADU count toward total SF allowed?

A – Yes, the square footage counts the internal ADU. (basements are excluded however)

Q7 – Portland Public Schools is seeing an increase in household size; concern about school infrastructure because PPS is planning for more children. Suggestion: put data into chart.

A – PPS is seeing a greater absolute number of children even as the average number of children per households goes down, because the absolute number of households is increasing. In other words, the overall proportion of total households with children is declining while the number of total children is increasing.

Q8 – Concern over one-size-fits-all approach. Concerns over schools and infrastructure e.g. lack of sidewalks. Expressed thanks to staff.

A – Staff is seeking input for feasible ways to differentiate approaches. Infrastructure will be more closely evaluated as the concepts are refined.

Q9 – Urged staff for a new zone to avoid the confusion between the differences in R5 within and outside the “Near Centers and Corridors” geography.

A – Good suggestion. Thank you.

Q10-- The Smart Growth ideals of the city's original Comprehensive Plan have still not been borne out.

Q11 - Questions the growth projections. Commenter handed out Census Bureau report that did not list Portland as one of the top 20 fastest-growing cities in the country.

A – Growth projections are furnished by Metro. Data over the previous 5 years shows that the City population growth is on track with these projections.

Q &A session ends; audience is invited to continue the open house where display boards illustrate the proposal and project staff is available to answer questions.

For more information visit the project website at www.portlandoregon.gov/bps/infill

**Residential Infill Project – Open House #2 Southeast Portland
Tabor Space, June 28, 2016, 6:30-8:30 PM**

Question and Answer Session

These notes reflect the general conversation that occurred during the Q&A after the staff presentation by Sandra Wood, Supervising Planner of the Bureau of Planning and Sustainability and Morgan Tracy, Project Manager of the Residential Infill Project.

Q1: You say that the City will have less children in your population projections and yet there are 8 new babies on my block.

A: Neighborhoods go through cycles. The absolute number of children will go up but the percentage of children as part of the total population is projected to go down.

Q2: What will happen to our comments?

A: All feedback we receive during this 8 week review period will be reviewed and compiled into one Summary Report that we will post on the project website in September.

Q3: I am from Sellwood and want to know why East Moreland is not included in area to receive extra density? It should be allowed in all single dwelling zones in the city.

A: The proposal for allowing more ADU's, duplexes and triplexes on corners is tied to a quarter-mile distance from centers, frequent transit corridors and max stations. Based on those distances, some parts of the city are excluded from this aspect of the proposal.

Q4: Your examples are only in the R5 and R2.5 zones. Does this proposal only apply to R5 and R2.5?

A: The proposals apply to all single-dwelling zones, but some of the provisions are only available in certain zones.

Q5: At what time will it be determined that a neighborhood is saturated and cannot absorb any additional people?

A: I don't think there is an easy answer for this. We will be working with our partner agencies, to analyze and determine whether the infrastructure in the single-family-zoned areas of the city can accommodate the additional units the Residential Infill Project is proposing. Perhaps when all sites (in all zones) have developed much closer to their max FAR entitlement, or when we have a condition like East Portland that is lacking a way forward for needed infrastructure, the City may need to look at a "saturation" condition.

Q6: Question whether the scale proposals (reduced house size) applied to all single-dwelling zones or only to the alternative housing types that would be allowed within a quarter of center and corridors?

A: As proposed, the reduced scale would apply to all single dwelling zones, including the areas within a quarter mile of centers and corridors where the alternative housing types would be allowed.

Q7: What are the size limits for internal ADUs in duplexes?

A: To be determined. The current ADU size limitation is 75% of the house size or 800 square feet, whichever is less. We would have to develop rules specific to duplex units.

Q8: Would these proposals apply in Historic districts?

A: To the extent that they apply to other single dwelling zones, yes. However, a couple points to add: historic districts have rules in place to address alterations to existing homes, and procedures to vary from these requirements through that review. Also, these proposals are in a preliminary concept phase, and more work will be needed to evaluate the intersection between these changes and say other areas of the City in overlay zones or special plan district areas.

Q9: The Stakeholder Advisory Committee (SAC) was mostly developers

A: The SAC was comprised of appointees from Neighborhood District Coalitions, United Neighbors for Reform, East Portland Action Plan, in addition to builders, architects, real estate professionals, and land use, historic preservation, anti-displacement advocates. We attempted to balance the makeup of the committee both from an interest perspective as well as geographical representation.

Q10: Why hasn't an economic study been done?

A: This proposal is trying to encourage a variety of housing types. We are quickly filling up the single-dwelling zones – there are few vacant lots left. We do have a consultant on board to help us with an economic study once we have identified a more definitive set of proposals.

Q11: The recently adopted Comprehensive Plan notes that there is already sufficient land capacity for the projected housing need. Why are more housing units in single dwelling zones being proposed?

A: The overall citywide capacity for total housing is sufficient for the projected growth. However, this capacity is largely in central city and mixed use corridors, in essence housing in multi-unit complexes. There is not significant capacity in single dwelling zones for additional housing units. This project is about offering more types of housing options in areas that are near centers and areas with good access to transit that are not just in large multi-unit buildings.

Q12: Why can't we build houses on vacant/unused street right-of-ways?

A: That is an interesting idea we will have to look into.

[Note: when rights of way are vacated, typically the land reverts back to adjacent property owners.]

Q13: With all these smaller houses how do we stop developers from renting them out?

A: The city does not regulate whether a house is owner occupied or renter occupied.

Q14: We should set the height limits to get better solar access...for example use the average grade elevation at the north-south midpoint of the lot.

A: Thank you, we will take a look at that. As for specific solar access regulations, the City previously had rules on the books that were pretty complicated, required protecting solar access in shady areas (forested or hillsides), and generally didn't work very well, so they were repealed several years later.

Q15: There is nothing in place that ties density with affordability.

A: The proposal includes a bonus provision for an extra unit, if that unit is affordable. Overall, this aspect of the proposal is about providing more housing type choices, that are less expensive than a large new single family house. Providing truly affordable housing (<60% median family income) requires other approaches and subsidies that are outside the scope of this project, but are in part being addressed through other programs.

Q16: Housing plus sustainability is good...is there another way besides density to get there?

A: I think this was about trying to find ways to get additional housing without demolishing existing homes. There are a few proposals that attempt to encourage retention of existing homes (internal conversions, and tandem houses – i.e. flag lots in lieu of skinny houses) These viability of these approaches will depend on specifics of the house and the lot.

Q &A session ends; audience is invited to continue the open house where display boards illustrate the proposal and project staff is available to answer questions.

For more information visit the project website at www.portlandoregon.gov/bps/infill

Residential Infill Project – Open House #3 North Portland Historic Kenton Firehouse, July 6, 2016, 6:30-8:30 PM

Question and Answer Session

These notes reflect the general conversation that occurred during the Q&A after the staff presentation by Joe Zehnder, Chief Planner of the Bureau of Planning and Sustainability and Morgan Tracy, Project Manager of the Residential Infill Project.

Q1– On a 2500 square foot R2.5 lot, would you still be able to do a house with an internal ADU and a detached ADU?

Morgan – Yes, a house with both an internal ADU and external ADU would be allowed. The house (and internal ADU) would be limited to 1,750 sf total (based on the 2,500 sf lot) with 400 sf allowed for the detached/external ADU.

Q2– It appears a lot of the city is in the centers and corridors area. Why not make it the whole city? The property next to me is in it, and I’m not. Why not the whole city?

Morgan – Comp Plan process concluded that focusing future development around centers and corridors met more of the city’s goals than other growth strategies we looked at. Also, part of the rationale for encouraging additional units in these areas is their proximity to transit and services. When transportation costs are reduced, people can spend more to get into housing.

Joe – Going more broadly, just means that the new construction would be more dispersed.

Q3 – In the multiple objective pie chart, I didn’t see historic preservation or preservation of neighborhood character. How does this address the demolition epidemic? Has the city decided not to address the demolitions?

Morgan – Lots of questions in there. For the wheel, these issues would fit in the “neighborhood context” section. Historic preservation not called out explicitly because that’s outside the scope of this project. In terms of addressing demolitions, there’s not much we can do. Houses will continue to be demolished. But we can address what gets built in the place of the demolished house.

Joe – If a demolition happens, this project means that what replaces it will be more contextual. We’ll also potentially reduce demolitions IF the demolish is motivated by the desire to build something enormous.

Morgan – Also, the proposal includes incentives to retain existing houses, such as allowing bonuses for internal conversions, or allowing historically narrow lots to create flag lots behind the existing house.

Q4 – Would that apply to somebody who already owns the house and just wants to convert it?

Morgan – Yes.

Q5 – What’s the size limit for units in a duplex on a 5000 square foot lot?

Morgan – The duplex structure is limited to the same size as a single house structure (2500 sf). The units within the duplex would have to split that allowed area (1250 sf each if split equally). Basements are not included if 4 ft below grade. Detached ADU would get extra square footage.

Q6 – Will the code reflect the concerns about utility capabilities?

Morgan – yes, the longer answer is that city council gave us direction to find and zone areas “appropriate” for smaller units. We have to model it to make sure that the infrastructure can support it, but we’re not there yet.

Joe – that comes after we get the guidance from council on these concepts.

Q7 – back to demolitions issue. That was the impetus for this whole project, people’s concerns about demolition. I’m on the deconstruction advisory group. Deconstruction is demolition, just including reuse. When RIPSAC was set up, they were told they couldn’t deal with demolitions because it’s not in the scope. This project DOES deal with demolitions because it incentivizes developers to tear down existing houses. Does this project allow more houses and increase demolitions?

Joe – The project would allow for more units in a limited size structure. This would rein in any demolition motivated by an intent to build something large.

Q8 – 2500 square feet is not contextual. There is no regulation that makes them be contextual.

Joe – Okay. Instead of contextual, I’ll say that they are smaller than what could currently be built.

Q9 – New stuff doesn’t fit at all. Little house on Greeley, with a commercial use and has a triplex in the backyard, 2 stories.

Morgan – That sounds like it’s probably a commercially zoned area. This project is only about single-dwelling zones.

Q10 – I’m very concerned about the quality of the materials coming into these houses. How are they going to last? My house was built in 1909 and it’s still solid. Five realtors want to sell it, and I want to grow old in my house. To what this lady is saying, the difference between deconstruction and demolition. “By right” - those words are just as bad as the F word! The workers are just working with no protection. We’re not protecting the daytime workers. We need to pay attention to the workers. You can see beautiful renaissance homes and I’m five feet tall and I can put my head on one wall and my feet on another.

Q11 – it seems to me the only way for this whole middle housing plan to work is for you to demolish every house in Portland! You’re encouraging demolition!

Joe – this is not going to suffice as an answer, but I want to make this point. We need to absorb 20,000 households in the sf zoned areas. There is a demand side to this. The zoning doesn’t dictate the pace of change, the market does. As we grow, we want to grow in a way to meet our goals.

Q12 – I see the ADU conversions as a really positive thing. Let’s make our garages into ADUs; I think it’s great!

Q13 – In my neighborhood they tear down a 300K house, and put up three 800K houses. What assurances can you give us that this isn't going to happen with this project.

Joe – this proposal would say that there's only 2500 square feet on that lot that you can build. If somebody wants to build that and charge over a million dollars for it, I don't know how we can stop that. We are trying to ensure the size of new homes is limited and in some cases, that there be more units in that smaller size structure.

Q14 –Portland is growing so much just in the last few years. Prices are going up because there's not enough supply. For every 300K house I put on the market, there are 14 qualified buyers. If there were enough available units for those buyers, prices would not be escalating so fast. Nothing is going to stop people moving here. Some of the ideas that are being proposed are in the most sought after areas. People want to live there. These ideas aren't just something that's made up. North Portland has a wide diversity of housing already, this just allows more of it.

Q15 – Let's build wealth. Middle housing is just for renters. But what if lots could be split 50/50 when there is an alley. An owner could split the lot so half is accessible from the alley, half accessible from the street so the existing house could be saved. Why isn't that on the proposal?

Morgan– if you're looking at the historically narrow lots, the proposal would essentially allow you do that with a flag lot. The flag 'pole' is needed because of utility access from the street.

Joe – we'll look at the best way to utilize alleys as we draft the code, it's consistent with this project.

Q16 – how can I find out what you did with my comment?

Morgan – We'll include all the comments and suggestions in a Summary Report posted on the project website in September. The Summary Report will influence the recommended proposals we prepare for City Council.

"Q17 – Just wanted to follow up on affordability question. I live in an area where a lot of people are being displaced. When developers buy properties and demolish them, they destroy truly affordable existing housing and this works against affordability. This project thinks that the development industry is going to actually make affordability happen. I don't believe it. Why can't you add the necessary new units by letting existing homeowners divide their existing homes and build ADUs on them, instead of imposing a de facto zoning overlay that will dramatically increase demolitions?"
(red reflects revisions sent in by the commenter- 07/28/16)

Morgan – Existing homeowners can do this. They have the same ability to do that as a developer/builder.

Q18 – recent article in NY times about how zoning and planning laws can really have an impact on cities. Regulations affecting zoning and planning that are too restrictive actually negatively impact the city.

Audience Member – Can you name a city that has built itself into affordability?

Audience Member – Somebody's got to be the first.

Joe – I understand why the proposals seems that way to you. This project is not sufficient to provide low income affordable housing. We still need to be doing that. Those approaches has to be there as well. This will not deliver that kind of housing. But without some kind of action, the situation will get worse.

Q19 – Developers should be regulated heavily. I think density is good, but homeowners should be allowed to do things, not developers.

Audience Member– I support this guy. I see a lot of this being driven by the developers. Need to support homeowners making improvements to their property. Grants for homeowners. North Portland has been completely rezoned. This is all going to be a higher density area. I have no problem with ADUs, but it should be pay as you go as needed. You should be building houses that can be added on to as you go. No requirements to finish house, so you can just build it incrementally over time.

Q20 – You can't put everything on this project. New bond would include elements for I believe people to make improvements so they can stay in their homes. But that's only part of this. We can't put that all on what these guys are doing.

Q21 – This is a comment about process. I find it very strange that you haven't done economic analysis yet. I work in natural resource protection. Biologists do their work, economists do their work, then we have a public meeting to share this information. We're expected in this planning process to buy into this affordability thing. I just think it's really odd that you don't have economic information to share with us yet.

Joe – I'd like to talk to you about that and explore that, because this is pretty different.

Morgan – We're very early in the process. Also, this is not a project to provide affordable housing. It's about providing more diverse options for more people that is less expensive than the default (if we did nothing/make no changes).

Q22– But you're encouraging demolitions!

Joe – I'll talk about this with anybody who wants to gather round after this.

Q23 – Why aren't you working on zombie houses?

Joe – I am not familiar with the issue, so I don't have an answer for you.

Q24 – We recently bought a house in Concordia, have a little kid. We want continued economic diversity in our neighborhood. School is one of the most economically diverse, and we want to preserve that. I think these proposals are really important. I would love to see all of those options for people with different incomes in my neighborhood.

Q &A session ends; audience is invited outside to continue the open house where display boards illustrate the proposal and project staff is available to answer questions.

For more information visit the project website at www.portlandoregon.gov/bps/infill

Residential Infill Project – Open House #4 East Portland East Portland Neighborhood Office, July 13, 2016, 6:30-8:30 PM

Question and Answer Session

These notes reflect the general conversation that occurred during the Q&A after the staff presentation by Joe Zehnder, Chief Planner of the Bureau of Planning and Sustainability and Morgan Tracy, Project Manager of the Residential Infill Project.

Q1: The extra ADU is concerning - not everyone is putting up first one, so why is second necessary? Would that turn a single family home into 3 units that a developer or property manager would want to use as rentals? Why don't we wait and see if the first ADU gets developed before offering a second?

A: The principle of the proposal is to give options to be able to put three smaller units on a single family lot. This is part of the whole debate - whether this is a good idea and in which parts of town. The heart of the principle is instead of allowing McMansions that people find too big and unaffordable and out of context, this proposal makes sure that single new homes are smaller and in line with neighborhoods. If you put two smaller units on a lot, they will cost less than one larger unit. Creating three even smaller units goes by this same principle.

Q2: But aren't we jumping the gun? Shouldn't we wait to see if the first ADUs pop up? Offering two ADUs will incentivize someone from outside the community to buy a bungalow and turn it into three units.

Q3: Interested to know if there is an emphasis on encouraging homeownership and occupancy by an owner as opposed to rentals and if it's encouraging people to make changes to their own properties rather than developers coming in and making changes. Are people going to be priced out of owning their homes if developers have the chance to come in?

A: Let's talk about homeownership opportunities - ADUs/duplexes/triplexes are typically not homeownership opportunities unless they're condos. Narrow lot proposals try to get more homeownership opportunities, so this is a two-pronged approach at ownership and rental. And allowing rentals on site may actually help homeowners afford their mortgage.

One of the main reasons single dwelling homes keep going up in price is because our neighborhoods are great and the price gets bid up, and the options go down for others. Part of this is increasing the number of units in neighborhoods that people are currently getting priced out of. Down payments are now 20 percent. This makes it even harder to get into higher priced units. More people would be able to come up with a down payment on a smaller, less expensive unit.

Q4: On two ADUs, will there be restrictions requiring long term rentals vs. short term? Short term rentals (STR) will not increase housing stock and no one wants to put in long term rentals because you can make more money on STR.

A: We already have limitations on STR through our Accessory Short-Term Rental permit which allows only 2 bedrooms to be rented on a site. Bedrooms in the main house or in an ADU all count in the 2 bedroom maximum, so adding an ADU doesn't increase amount of STRs allowed with a permit. Enforcement is on a complaint basis; we may find ourselves in a position where we have to crack down; it's only been 1.5 years since changes have been in effect.

Q5: Appreciate the effort to get the word out about this project, but it is not working well. I live in Richmond, off Division, and was told a month ago that the 2035 Comp Plan would have all the housing capacity needed. If the city is serious is about public input they would send mail to all residents noting with crisis language the potential change to property values. Use more emotional language about how would you feel in a certain situation e.g. neighbor sells house; less open space. The language used in our outreach seems subdued.

A: Good input about getting the word out, which is challenging. This is the concept stage so we are trying to flesh it out and get the word out as far as we can. When we get to the code change stage, we will also send out notice to properties affected.

Q6: Clarifying question – Are regulations about square footage and height intended just for new houses or additions?

A: No, they will apply to new construction and additions as well as alterations that increase the square footage of existing houses.

Q7: Will there be square footage requirements for duplexes and triplexes like there are for single family homes? Will 2-3 unit buildings be subject to scale regulations?

A: Yes, size limitations will be for the entire structure no matter how many units are in it. So for example there would always be a 2500 sf total on a 5000 sf lot even if it was a duplex or triplex.

Q8: Quarter-mile radius: Can you speak to how it will prevent demolition and how opening up settled neighborhoods to increased development will prevent demolition? This seems like giving away the land and making houses turn to smoke.

A: These proposals would apply to new construction and may blunt demolitions by lowering the square footage allowed and therefore the amount of money you can get for a new home. We will do analysis on whether a developer will make more money on building two units rather than one. There are a number of factors, it may be that there is enough demand for single family homes that people will pay for them, while a duplex is a different product and one more step away from a McMansion. There is more bang for the buck for landlords in multifamily buildings. Making the house smaller is not enough to prevent demos but we will be doing analysis on the question.

Finally, 30% of new households will be in central city not neighborhoods; ~~80%~~ 50% will be on mixed use corridors e.g. Richmond, but in more parts of the city. The remaining 20% will be in single dwelling areas. 20% of 123,000 households is about 1,200 single family households per year to reach the number projected. There are about 150,000 single family units now, so this is a relatively incremental change. Some parts of the city are seeing more new construction than others.

Q9: Clarifying comment - tells audience that there are different size limits for different sized properties. Does not include basement sf.

Q10: 2500 square foot maximum for a triplex is a small unit. Portland is becoming more diverse with larger households in some cases, can you cram 5 people into a 830 square foot house?

A: The average size of households are declining. However, we want to create options in transit-rich, attractive areas so we can forestall the demand that will make it harder for low-income, bigger households to find a bigger house.

Intention of the proposal is not to have duplexes replacing every single family house or to have small units everywhere, but creating more options, rather than having only large houses.

Q11: I have 90k in student loan debt; many of us are coming out of college with lots of debt and we cannot buy homes. How will this enable us to at least get on a pathway toward ownership?

A: This proposal doesn't deal with that directly, however, increasing the number of smaller units, creates more rental options for folks and may prevent renters from being pushed out of neighborhoods but doesn't deal directly with that (debt-burden) issue.

Q12: Historically narrow lots were highly contested 13-14 years ago; we're still seeing that in neighborhoods where they are prevalent people think they are "untruth in zoning." This proposal is making that worse by removing the 5-year moratorium on rebuilding after demos. That compromise was created to slow down demolitions. You may continue to call it R5 zoning but that is misleading; let's call it how it's used on the map. Notify people that their zoning is being changed because it is and has been.

A: This mirrors comment of the gentleman suggesting notices, and clarity in the rules. The zoning designations will still dictate the size of lots, but the rules may be different in these areas as to what housing types (duplexes/triplexes) would be allowed. We are also talking about utilizing existing historically narrow lots in these areas as these smaller lots provide opportunities for smaller "fee-simple" home ownership.

Q13: Breach of trust in neighborhoods where this (narrow lot development) is happening. Compromise was to slow it down and this throws that in the fire.

A: Indeed it reopens an issue people thought was settled. We are bringing it up again because of the current housing crisis, the demand for housing, lack of housing diversity, dramatically raising housing prices, and the goal that more people of different incomes have access to complete neighborhoods.

Audience Member: This proposal drastically changes the character of neighborhoods that are quite far from centers and corridors.

Q14: Clarifying question – does large lot mean 5000 square feet or larger?

A: The numbers relate to the City's current housing mix information from the Comprehensive Plan. Two types of detached homes were looked at: "small lot" was generally smaller than 3,000 s.f. and large lot was generally homes on lots larger than 4,000 s.f.

Q15: Recommendation: If increasing units to 3 on a lot with 40-45 foot lots, must consider parking because people do have cars.

A: Parking minimums will continue to apply on these standard width lots

Q16: Parking - neighborhoods look nicer without driveways but complete neighborhoods need places to park because residents will park in front of businesses and impact businesses if they can't park at their home.

Q17: It is imperative to define what large lot is because the public perception is 10,000 sf in the suburbs. People think putting more units on a large lot doesn't apply to their neighborhood if they don't know what a large lot is.

A: The purpose of that slide (showing the % of homes on "large lots" vs. "small" lots) is to show the current mix of dwelling units –apartments to single family houses. The lot-size distinction from this comp plan information relates more to the house construction type and market – smaller houses versus more standard homes which are built on larger lots. It is not directly related to references in the Infill Project proposal that speak to "narrow" and "standard" lots.

Q18: Questionnaire is difficult to understand; please revisit and simplify.

A: Let's talk about why after this.

Q19: Affordability for families is an issue; other than duplex/rental units, I don't see anything in 1100-1600 sf range. This is what makes housing affordable for new homeowners; people need to change their mindset about what is needed for raising two kids. There is nothing in this proposal to make single family homes smaller, only duplexes or triplexes.

A: We settled on 2500 but it could be the wrong number. Depending on where the house is located you could fit two smaller homes on a 5000 sf lot.

One of the issues is that it's not the sf of the homes that is driving the cost of the structure; it's the land value. In other words, small single homes on larger lots will continue to get more and more expensive.

Part of the dilemma is that tearing down a home and building a new one will cost more but the reason that happens is because someone is willing and able to buy; people will continue to be willing to buy to get into these great neighborhoods so we are tackling the problem by softening the pressure by limiting the size and providing the option to build more units.

Q20: People are confused about how much parking there is or isn't required in your proposals.

A: Current the code requires 1 space per dwelling unit unless the unit is within 500 ft of frequent transit. ADUs do not currently require parking. This proposal does not change that. We are not changing parking except for narrow lots, where street facing garages would not be allowed and parking would not be required.

Q &A session ends; audience is invited outside to continue the open house where display boards illustrate the proposal and project staff is available to answer questions.

For more information visit the project website at www.portlandoregon.gov/bps/infill

**Residential Infill Project – Open House #5 Inner Northeast
German American Society, July 14, 2016, 6:30-8:30 PM**

Question and Answer Session

These notes reflect the general conversation that occurred during the Q&A after the staff presentation by Joe Zehnder, Chief Planner of the Bureau of Planning and Sustainability and Morgan Tracy, Project Manager of the Residential Infill Project.

Q1: How much of that 44% single family geography (the percentage of total city land area) is covered by this proposal?

Morgan: The near centers and corridors geography is about half of single-dwelling zones area and the scale proposal applies to all single-dwelling zones.

Q1: And how does cost of old houses compare with cost of new houses?

Morgan: That varies by part of town.

Q1: We're seeing small bungalows probably \$300K-400K. By knocking those down and getting two new \$600K houses, you're not making things more affordable.

Joe: Why are those houses being built? Because they can be sold, because people want to live there. If the only housing stock we have in the future is what we have now, people are still going to want to live here. Our houses are going to get more and more expensive. What could make them less expensive is to offer other choices so the existing houses aren't only game in town. Get supply more in line with demand. Not a way to ensure affordable housing, but a way to blunt the rapid increase in housing cost caused by more people wanting to come here. People want to live in our neighborhoods.

Q2: My answer is 2.4 times more. That's what I've heard. Allowing more units on one lot makes it more valuable. County will assess it higher and we'll pay more in taxes. It'll incentivize demolitions and new housing costs more housing. People want single family homes. When you knock them down and build other housing, single family prices go up because you're causing a shortage.

Joe: Let's clarify how this project is using the word "affordability". That diagram shows what parts of the city are affordable for whom. This can't address that. We're talking about how to create less expensive housing in good places. Part of how it creates less expensive options is by limiting the size of what can be built. If you build two or three, people are paying less for it, and that brings down the cost of new housing. People have more choices, and smaller choices. That's kind of the logic of the thing.

Q3: Why isn't preservation of existing homes part of that? Out-of-state developers are going to build ugly things. Why isn't a requirement for protection to renters? Why isn't it required to retain the existing house?

Morgan: As part of this draft proposal, we allow for bonus unit if you're doing certain things – like preservation and conversion of existing house, universal design, or providing affordable

units. What we need are ideas that are feasible to implement that would incentivize housing retention.

Q4: Small space does not mean affordable. Studio apt in San Francisco costs \$3500/month. It's not true to say that small means affordable. My question is about parks and open space. We're going to jam more people in. Our parks are already understaffed and overused. You can't just put people in little houses; what about the rest of their lives? You say nothing about parks and that's critical for livability.

Joe: What we're talking about tonight is just a piece of the puzzle. We just adopted the Comp Plan about how we grow over the next 35 years, and what you're talking about with parks, schools, business districts, etc., so people can get out and walk more, all of that's in the Comp Plan. Providing parks is in there, although it's still a challenge. That value is built into the Comp Plan.

This is about where and how to provide housing as we grow as a city. Housing that's in a larger complex on a corner on Division, and houses that are a block off Division need parks. The need is there no matter what form the housing. The San Francisco example is really good one. Why is it so expensive? There's a lot of money there. A lot of people want to live there. San Francisco has a long history of preventing new housing from being built, and those past decisions are putting them in a crunch. Without turning the faucet on and flooding our city – how do we do it in a gentle Portland way? Again, we're not saying that it makes affordable, but we want it to be less expensive.

Morgan. When a studio apartment costs \$3500 – imagine how much the houses in San Francisco cost.

Q5: People want to live in the new houses because the houses are being built, and that's what's available. Go to other parts of the city where there's land and build there. Use the land that's available. You don't have to pack people in because people are talking about livability. Oh good you can you take the bus! There's a lot of space in Portland. Build there!

Morgan: I believe you're referring to the Growth Scenarios report which says that we have capacity to accommodate the projected growth. Most of that capacity is in the mixed use or multi-family zones. When we're talking about single-dwelling zones, we're almost at capacity. We can accommodate growth in tall apartment complexes that people are also concerned about, or we can accommodate some in single-dwelling.

Q6: Are there any incentives for homeowners to build small units, affordable units, etc. and not tear down things. Permit waivers, tax incentives?

Morgan: for ADUs, yes – system development charge (SDC) waivers. SDCs go to infrastructure improvements. To encourage ADU development, those fees are waived. As soon as we did that, the number of those units started climbing.

Audience member: but then there's the tax reassessment!

Morgan: That's been corrected. There are incentives for ADUs. There is always the question though of paying the fair share. There's another balance we have to contemplate – what do we lose by losing those fees?

Q7: You say the city is going to become less diverse, but it's become less diverse. I was born and raised here and am also a realtor. I've watched what's happened over the years. Why don't we have a program to encourage people who own large homes to take families into their homes? Why can't there be a tax incentive for that to help people live in their own houses and rent out rooms? When you say you want people to build smaller houses, but what's the cost for a contractor to build a smaller house instead of a larger house? If there's some lots where that can be done, why not give incentives to contractors who are doing some things? You say we're encouraging this but we're going to change all sorts of fees to discourage it. But where are the incentives to encourage people to rent out their house?

Joe: That's allowed now. A single-dwelling house can have a family of any number of relatives, plus up to five unrelated people.

Audience Member: Ecumenical Ministries has a home-sharing program, and there's a program called Let's Share Houses that's also exploring that idea.

Q8: Thank you for doing this. People have pent-up frustration about what's happening in our neighborhoods. I have a questions that I've heard nothing about so far. If somebody comes in and tears down a house, through the design review process, they have to put out a notice to neighborhood and have 60-day period to address square footage and design. It's important to neighborhood that we have some input to the design review board that makes the final decision. People should get the final say on what happens in their neighborhoods.

Morgan: So a little of that frustration is shared by the city, in that by and large, the city is prevented from applying discretionary review on housing being built. Partly that's state regulation, which acknowledges that those review processes cause delay and increased expense. You will see design review for mixed use projects, but not single dwelling housing.

Q9: I was contacted by a 72-year old woman today who owns a large expensive house. She and six of her friends are trying to figure out how to downsize. About that other question about incentivizing teardowns by allowing more units to be built – does that land value actually change? I've heard that the land value is about the same.

Joe: Yes, land where you could build multiple units costs about the same as land where you could build one unit. Land cost per square foot is on par. What's going on there is that there's only so many single-dwelling lots that the price for them is going up. Not a crazy incentive to build more. What the proposal does is to allow people to stay in their neighborhood when they don't want to live in a big house any more. This is something we're going to see more and more of as the population ages. Used to be you stayed in your house and could rent rooms out to boarders. This proposal allows more options for people in that situation. ADUs. Does everybody know what that is? You could live in the front house and rent out the back. That's a way to stay in the neighborhood. We're talking about making the house fit in, but providing more options.

Q10: What's the forward movement on tiny houses?

Joe: Tiny houses on wheels is a variation on what we're talking about. More complicated. You can't live in a trailer, and if your house is on wheels, it's a vehicle. We haven't figured out a solution for that yet. I can talk to you about that later – it's interesting!

Q11: We've been hearing a lot of people concerned about providing more affordable housing. Is that built into your plan so much what's the result more than developers making enormous profits? Also, what accountability do you have on taxes, given that the county handles that?

Joe: Taxes first. We've worked with the county on getting reinterpretation and clarity from county assessor about the issue with ADUs, and there's progress. That phenomenon where people were shocked by ADU thing really pushed it to the top. The Comprehensive Plan is making people worried that being rezoned is going to make them be reassessed, and we have clarity that that won't happen.

Affordability – housing affordable for a 60% MFI – we're desperate to increase that supply. That takes public money to subsidize that. Demand far exceeds money we have to build it. Good news is that state allowed us to create construction excise tax. Every bit counts. State has allowed us to adopt a program where if you're building 20 units or more you have to provide affordable units. We have more resources. Will those resources be spent on making this kind of housing in this project more affordable? It could, but there's no specific effort to do that yet. The housing in this project, without subsidy, will be market rate housing, but at a level that is less expensive than a larger new single house.

Q &A session ends; audience is invited to continue the open house where display boards illustrate the proposal and project staff is available to answer questions.

For more information visit the project website at www.portlandoregon.gov/bps/infill

**Residential Infill Project – Open House #6 United Neighborhoods Reform (UNR)
SMILE Station, July 30, 2016, 10:00 AM-12:00 PM**

Question and Answer Session

These notes reflect the general conversation that occurred during the Q&A sessions after staff presented the draft proposals for each topic and a UNR representative shared comments the group had heard at other open houses.

Topic: Scale of Houses

Q1– Could you clarify the source of these comments that the person from UNR read. Are comments from the online questionnaire included also?

A: No, they do not reflect input from the questionnaire. UNR members took notes at the previous open houses and are sharing the comments they have compiled. BPS will post a Summary Report in September of all the comments we have received.

Q2—We keep hearing from UNR- what is their role in this open house?

A: We have hosted 5 open houses although slightly different format from this one— this is an additional event. UNR is cohosting this event. In addition to these open house events, staff has also presented at other events that groups have invited us to present the draft proposals.

Q3—What about recession resiliently? When the next wave hits there will be all these larger homes in a very different economic situation.

A: A good point, very large (and more expensive) homes may be more difficult to sell in a more challenging economic climate. However, the proposal would allow for internal conversions to add units in these existing larger homes, which could help with that.

Q4—I have issues with the 2,500 sq. ft. limit on houses. I have done analysis of house sizes in the Irvington Neighborhood and the range is enormous we have both bigger (than 2,500 sq. ft) and smaller houses. What we would like to see is areas with small houses we would like to have small new houses and areas with larger houses we could have compatible infill that was larger than 2,500 sq. ft. Can a developer can request a variance?

A: Yes, and an adjustment (aka a variance) would be able to respond to context sensitivity. The ability to require discretionary rules (i.e. not “clear and objective” rules) for housing is constrained by state law. At the very minimum, where a more contextual review is required, there has to also be a clear standards track.

Q5—If I go in my backyard and all my neighbors have a detached ADUs it will adversely affect my relationship with my neighbors. I don’t know how to address that maybe neighborhoods should be able to vote for particular requirements. Your proposals pushed down height but allow more on a site –it seems like a bait and switch.

A: The premise of these proposals is to limit the amount of what gets built on a site (by limiting the total square footage of what gets built, and with some changes to address height and

setbacks). Once that size limit is set, the next question is what are the effects of adding another unit in that same square footage.

Q6—I don't understand why attics can't be finished. Bay windows shouldn't be allowed into the setbacks. The new house next to me has a bay window and I can hear them talk, smell their food- it would be worse if it was in the setback.

A: The size limits don't apply to non-habitable attics. However, you could remodel an attic as long as it doesn't go above the height limit, or increase square footage beyond the size limit. I should also mention that the size limits would apply to future additions on existing houses.

Q7—I live in the Sellwood neighborhood. Overall I like the plan. My biggest concern is how quickly this can be implemented?

A: First we will get City Council guidance in November and then it usually takes us a year to do a code projects; 6 months to develop code and 6 months for the hearing process with Planning and Sustainability Commission and City Council for final approval.

Q8—I have lived in Portland my whole life. I don't consider this healthy growth and I am wondering what the City is doing to manage the growth. Aim towards good management otherwise it is not sustainable for us. We live in a Metro Area how are the cities working together?

A: This question is broader in nature than our project. Let's hold off until we get to our discussion about housing types.

Q9--Where in the process is the discussion of how we can diversify incomes?

Q10—Do basements count towards the size limit?

A: Basements will not be counted so long as they are at least 4 ft. below grade.

Q11-- One size fits all – discretionary standards is disingenuous, we would like to talk about context leading the discussion.

A: "Discretionary reviews" is a legal term, I apologize if that was not clear. There are ways to craft standards that rely on averaging other nearby structures, but there are significant challenges to this approach, and would ultimately require that each house be custom designed, which further increases the cost of housing.

Q12—Scale proposal is not a one size fits all-- it would be the new cap and you could apply discretion to go bigger with a variance. What will happen if we keep the same regulations in place today is that we are going to see even larger houses than we are seeing now.

A: Look at trends. Right now infill houses seem too big and expensive. Why is that? Whose house has gone up in value? The majority of that value increase is in the land, not the structure. People moving to the area want to live in close in neighborhoods. By offering more housing choices, that takes some of the pressure off.

Q13--Like proposals now is our best chance to create more housing units while still keeping single family character. Greatest risk is having Portland be a city that no one can afford to live in. I would like to see more flexibility to preserve trees so developers that want to preserve trees have more options. Bonus units if you really, really do preserve a large tree. There is a tendency to leave trees out of these discussions.

A: Thank you for the suggestion.

Q14—Setback proposals seem to work. Developers can apply for a variance- who determines if they get it? What is the criteria? Sunlight- what are you going to do to prevent new development from taking away sunlight?

A: We will send notification to neighbors and the neighborhood association the property is located in – during the code development phase we will develop specific criteria. There are proposals aimed at addressing height of houses, including flat roof structures. Additionally, reducing the building size will limit the amount of structure that blocks sunlight.

Q15—Are you going to talk about the carbon input on new construction? Shoddy construction not well insulated or ventilated will have more of a carbon footprint.

A: Currently there is a BPS proposal to consider rating houses using a home energy scale- this will help inform buyers and renters what the potential energy costs would be. If you think this is a good idea and you want to help you can be an advocate for the program because we think it may be controversial.

Q16—Affordable – when is the City going to perform an economic analysis to see the impact on affordability of housing?

A: That will be part of next phase

Q17—Speaking of the mad rush to build in our city, other cities have cast moratoriums on development (*claps interrupt speaker*)

A: Oregon law wouldn't let us do it. It's a pretty high bar to impose a moratorium, and one of the tests is the affect a moratorium would have on housing supply.

Topic: Historically Narrow Lots

Q18—Parking. If skinny houses don't have parking that is not a good idea. There will be lots of fights over street parking.

A: One of the impacts of having driveway curb cuts on each individual narrow lot is the removal of all on street parking opportunities. The residents of the narrow house may have a dedicated spot, but the neighborhood loses out on available street parking.

Q19—I agree, I live just off of Hawthorne and my quality of life has deteriorated rapidly because of all the apartments built without adding on-site parking.

Q20—looking at the pictures it seems like garages underground would be better.

Q21—Are we are going to demolish homes to build more skinny houses? Economic studies should have been done. It seems the assumption is that developers are going to build affordable housing out of the goodness of their hearts. They will not, all this will just make developers wealthy.

A: The math we are talking about is pretty simple. Smaller units will cost less than larger houses. Affordable housing at below market rate requires public subsidies, mandates (like inclusionary zoning) or other incentives.

Q22—I live in Alameda where they are demolishing a totally affordable home and replacing them with more expensive ones. If I sold my house right now it would be demo-ed.

Q23—Narrow lots would allow for a 1,750 s.f. house, two of these side by side would be 3,500 total s.f. which is larger than the 2,500 s.f. house on a single 5,000 s.f. lot. Do I have that right?

A: Yes, that is something we will be looking at.

Q24—I don't understand "near corridors". Also, will there be a flag lot driveway by my bedroom?

A: When we are talking about areas "near centers and corridors" we are describing a ¼ mile distance that the GIS buffered around designated centers in the new comp plan (like Sellwood) frequent transit routes (like the #75 bus), transit stations (like the orange line stop on Tacoma) and inner ring neighborhoods (like Buckman and Sunnyside).

For the driveway, we haven't got into that level of detail just yet (i.e. whether a driveway is required, whether it will have to be shared, etc).

Q25—Concerned about parking and cars driving on the street. How can we add more houses but keep the number of cars stable?

A: We have some options. We can use a "stick" and create parking minimums and other reforms so that it will cost more to drive here, or we could use a "carrot" and encourage people to drive less. SDC can be used to help create different transportation options.

Q26—What are SDCs?

A: System Development Charges – fees that are paid to help develop infrastructure systems, i.e. sewer, water, stormwater, transportation, parks.

Housing Types

Q27—I've been following this project lightly – I live in Ladd's Addition. How will you address historic districts? Why apply in historic districts at all? There are already regulations to convert historic structures into more units.

A: In historic districts there is historic demolition delay and historic review for new houses. This would not change. We will be coordinating our proposals with the historic overlay zone- and all the overlay zones—when we start to develop the code.

Q28—Metro said we have enough land in the UGB? This project is driven by developers.

A: 33% of growth in region is attracted to Portland. Economist Joe Cortright, talks about how we don't have a lack of housing, but a lack of great neighborhoods. When other parts of the region are able to develop amenity-rich neighborhoods then we will have more competition for this demand.

Q29—45% of city land is single-family neighborhoods and almost the same amount of trees is in those neighborhoods. We need to know how many trees would be lost under this proposal. We should give parking spaces to trees. We need to calculate how many trees are needed per person and preserve them.

Q30: (Points out zoning map of Sellwood has lots of commercial and multi-dwelling zoning) We should apply this in neighborhoods that don't have lots of commercial and high density zoning. Let's start with R1 and R2 zones and make them accommodate more density then look to single-family areas. Tailor to neighborhoods.

A: Quarter-mile proposal indeed captures most of Sellwood, but the extent of this area is still in concept. This project is in part about providing opportunities for more housing options. We looked at Sellwood and found there are only about a dozen available vacant single dwelling lots in the neighborhood. Sellwood will continue to attract people who want to live here. Options are to bid up existing houses, or go into new apartments but not many other options.

Q31: Where is the data to say that these smaller housing types don't exist? I live at Division and 21st; people have ADUs inside and outside and there are apartments. How would you find this out people aren't surveyed about how many people live in their homes.

A: We want to bring these options to other places. We do know how many units are in these neighborhoods from the tax assessor's databases.

Q32—I live in Multnomah. Little attention has been given to the environmental impacts of your proposal. Urban habitat corridors support non-human species. We are at a milestone: Do we want to be a green city and support non-human species? Also, many elderly people are not all interested in downsizing into apartments.

A: It's important to recognize that the proposal also includes measures to reduce the overall size of houses. The net effect of this is more space for yards, trees and habitat.

Q33—13,000 houses could already be built in the areas zoned for higher density and are being converted at a rate that will take 75 years to build out to higher density. We need economic analysis about what this will actually do before promising the public affordable housing but actually creating pockets of opportunity for developers.

Q34—I live in a duplex on a 9,370 sf lot in Eliot has been downzoned from R2 to R2.5. Would you be willing to consider allowing more than one ADU with a duplex?

A: Interesting comment. Without a land division, under this proposal, an ADU is the most additional you could have in this situation.

Q35—What I love about this proposal is that it enables individual homeowners to develop properties so that they can use the extra rental income to stay in their property. We can convert to a duplex. Often building a whole other home is not within our reach. If you don't like Airbnb, then tax Airbnb. Many people use ADUs for family members, flex space. ADUs allow flexibility to take care of members of their communities. We are planning for 20 years so we need to build in possibility for growth; options for duplexes, triplexes, and ADUs. If you want more affordability we need more density; I became a real estate agent because I care about the community. If you have a house that you don't want demolished, you can pay \$5,000 to Restore Oregon for a façade easement.

Q36—Student enrollment at Llewellyn elementary school is increasing and they are cutting programs and increasing class sizes; this is happening in the middle school too. Increasing density without thinking about infrastructure like schools, emergency vehicles, sewer, water, and parking is not right.

A: We are thinking about capacity. Concept is not to increase number of total households over what we're projecting; we're thinking about how and about where.

Q37—I live in the north end of West Moreland; surrounded by condos and apartments. I am happy with my neighbors and with the fact that density has led to investment in bike and transit and sidewalks, so now my family of 4 can life with one car. These efforts are important for affordability because I save \$5,000 a year by not having car. Even if new units coming online are higher-end that means one less person is buying a more affordable unit that someone else needs. Without increasing capacity, finding a home will become more and more expensive.

Q38—I live in Buckman. Where is the equity in this proposal? Why not allow all these housing types citywide? Why can't we allow houses in the SW Hills with their fantastic amenities and great schools to be internally converted to create more density and diversity? Quasi-gated communities; why is equity not on top of this list?

A: The SAC discussed this and some wanted the allowed housing type area to be much tighter while others wanted it more citywide for equity concerns. This proposal landed on areas close to services. We need to look at the geography. Others chimed in on political pressures.

Q39—How are you going to use our input? Are you going to modify this proposal?

A: Public comment period closes August 15th. We will develop a report that summarizes themes and concerns we have heard; we are seeking specific suggestions for ways to improve the proposal. Recommendation will be developed for City Council in November.

For more information visit the project website at www.portlandoregon.gov/bps/infill