

Better Housing by Design Project

Development Professionals Roundtable Discussions

Purpose of the Roundtables

The roundtable discussions were an opportunity to hear from development professionals (developers, designers, affordable housing providers) about their thoughts on what is working or not working well with Portland's multi-dwelling zoning code regulations, how they can be improved, and to receive initial feedback on potential new directions and implementation ideas. These professionals play important roles in the development of needed housing and have first-hand experience in using the zoning code, providing insights that are part of the broad range of community perspectives being considered as part of the Better Housing by Design project.

Project staff held a series of three roundtable discussions with development professionals during the assessment phase of the project in January and February 2017. Separate roundtables were held with affordable housing providers, designers, and builders and developers. The following summarizes the discussions from each of these roundtables.

Affordable Housing Roundtable Discussion – January 31, 2017

Participants

Nick Sauvie (Rose CDC), Lucy Corbett (REACH), Steve Messinetti (Habitat for Humanity), Mary-Rain O'Meara (Human Solutions), Julia Metz (PCRI), Travis Phillips (PCRI), Michael Fu (PCRI)

Questions

Existing Regulations – General

1. *What is working well or not well with the City's current zoning regulations as they relate to development in the multi-dwelling zones (R3, R2, R1, and RH) outside the Central City?*
 - Regulations, such as scale limitations and outdoor space requirements, can make large family-sized units difficult to do. The density bonus for 3-bedroom units is helpful.
 - We get pushback from community members on providing low amounts of parking. We want to be good neighbors and provide some parking for residents. Since on-street parking is not priced, it is difficult to price parking when on-street parking is free.
 - Form-based zoning: we want to fully utilize density but context may not be similar. Rapid transformation causes neighbor pushback.
 - Setback regulations make development hard to do on small sites, since setbacks in the multi-dwelling zones are based on building wall plane size and can end up between 5' and 14'. Increased height means more setback. This makes it hard to do anything more than 3 stories, even though zoning allows 6 stories. The setback requirement ends up shrinking the footprint and limits useable interior. We lose useable interior space just to provide a setback. This is bad in a housing crisis.
 - Large setback requirements compete with potential useable open space, such as central courtyards.

- Avoid a monoculture, create a code that encourages a variety of building types. 80% of the city's land is single-family zoning – would like to see more land for multifamily.
- Maybe there is an opportunity through design review to consider adjacent context.
- Allow flexibility for new projects to relate to context.
- If an area is zoned for increased density, a developer should not be penalized for being first to develop there when existing context is low scale. Need to provide the community greater clarity as to what scale is allowed.
- Designs get awkward when responding to the wall plane setback requirements. It is easier to develop multifamily in the commercial zones than in the multi-dwelling zones.
- Open space ends up not being very usable on small sites. Consider proximity to parks, maybe offer an exemption to providing open space if project is located near a park.
- Regulations need to provide more options. Would be good to provide a choice to meet some but not all objectives (“two out of three”), to better respond to site, location, variations, or differences.

2. *Are there particular regulations that may be adding significant costs that do not seem to be related to major policy objectives or desired outcomes?*

- It is hard to preserve trees on site, given all the other project elements (housing, parking, etc.). The process is timely and costly to remove a tree and there is no consideration of the quality of the tree.
- Stormwater requirements have a lot of costs. Is it overkill?
- The residential buffer for driveways seem pointless. We are required to move a driveway, but it is not helping anything.

Possible New Direction

3. **Form based zoning.** *A potential new direction is a “form based” approach to zoning that allows more flexibility for density and housing configurations within a prescribed development envelope. A form-based approach for multi-dwelling zoning on neighborhood side streets could prioritize these areas for relatively small building forms (2-3 stories), but allow for a diverse range of housing types and densities within this scale. For example, the R2 zone currently is limited to 2 units on a 5,000 square foot lot. A form based approach could allow a broader range of possibilities on such a lot – such as a triplex or fourplex – within a form that is not much different from a large house. What are your thoughts on this potential approach?*

- Would make sense to allow density flexibility. More units would help with affordability.
- It is a good thing to allow higher densities with lower heights.
- Form-based is an attractive option to get more units under one roof.
- You could loosen the limit on the number of units, but not necessarily building scale.
- Need to think about whether this would discourage family units. Many of the units in the older apartment buildings are not family size, and not up to current code.
- The market prefers side-by-side (such as townhouses) over stacked units.
- You could mix single-level accessible units at ground level, with townhouse units above

4. **Outdoor spaces.** *Concerns have been raised about the need for greater amounts of residential outdoor space for development in the multi-dwelling zones (current requirements are for 48 square feet per unit in most zones, but with no outdoor space required in the RH zone), especially given the many families with children living in apartments in East Portland. What are your thoughts about the possibility of increasing the amount of required outdoor space, and requiring some outdoor space in the RH zone? Would this add significantly to project costs and complexity?*
- Any ground square footage for outdoor space means you lose lots of vertical space for housing units, and rooftops are not very practical for outdoor space.
 - Small leftover spaces of grass are not very usable. Better to have a large shared outdoor space that is more usable.
 - If you don't have enough space for outdoor space, maybe make it be possible to pay into a fund, in-lieu of? Something that might help could be more flexibility in where open space can happen.
 - When a developer is trying to maximize density, you could allow for greater height in exchange for including useable open space.
 - The current landscape requirements are cumbersome/overly prescriptive.
5. **Front garages.** *For narrow-lot houses, rowhouses, and multi-dwelling buildings, the multi-dwelling zones do not currently limit the amount of ground-level building façade that can be devoted to front garages. This sometimes results in the majority of ground-level frontages devoted to garages, counter to policy objectives for pedestrian-oriented street environments. What are your thoughts on the possibility of limiting front garages to 50 percent of street-facing building facades (the approach currently used in the single-dwelling zones)?*
- Works better to limit front garages if you don't mandate off-street parking.
 - Consider unintended consequences of eliminating garages.
6. **Street Connections.** *East Portland is an area with poor street connectivity, but not many new public street or pedestrian connections are being created as part of development in the area's multi-dwelling zones. What thoughts do you have regarding what Portland can do to make the creation of new street or pedestrian connections more feasible as part of new development? Some ideas for reducing the burden of providing street connections being considered by City staff include providing transportation SDC credits and not subtracting street connections from density calculations.*
- Providing street connections adds a lot of cost.
 - Could you offer a fund for developers to pay into for the City, and then have the City purchase and build the needed connections?
 - The City should pay for new roads.
 - SDC waivers could help some developers, but wouldn't benefit affordable housing developers.
 - Offer a tax abatement to defray costs of new connections.

7. **Amenity Bonuses** *The multi-dwelling zoning code currently includes a wide range of amenity bonuses that provide small increments of additional density for projects that include specified features (these include affordable units [a recent addition], recreation facilities, children’s play areas, three-bedroom units, storage areas, sound insulation, crime prevention features, solar water heating, larger outdoor areas, and tree preservation). Have you found the bonuses to be useful and to improve livability for residents? What bonuses are especially useful and what are not so useful? Is the current range of bonuses good to continue, or should they be reconsidered?*

- Amenity bonuses are most useful when the project is close to achieving extra units. The bonuses enable rounding up. Bonuses help make sites more attractive if they are on the cusp. The ones we mainly use are: 3-bedrooms, storage, and sound insulation.
- Affordable housing developers are already being mandated by the state to provide some of the bonus amenities.
- These are not high enough priorities to be bonuses: crime prevention, solar water heaters, sound insulations.
- Get rid of the bonuses. Focus development bonuses on affordable housing.
- Are community rooms considered as recreation facilities? Maybe it should be in order to be in line with tax credit requirements.

Designers Roundtable Discussion – February 2, 2017

Participants

Art Duhon (Duhon Consulting & Design), Bayard Mentrum (Mentrum Architecture), Brett Schulz (Brett Schulz, Architect), Bill Wilson (William Wilson Architects), Ben White (Carleton Hart Architecture), Diana Moosman (MWA Architects), Mike Beamer (Green Hammer), Mildred White (BAMA Architecture), Michelle Shaheen (Works Progress Architecture), Rick Potestio (Potestio Studio), Kym Nguyen (Concept Design & Associates)

Questions

Existing Regulations - General

1. *What is working well or not well with the City’s current zoning regulations as they relate to development in the multi-dwelling zones (R3, R2, R1, and RH) outside the Central City?*
 - Projects in R1 and RH in d overlay: Community Design Standards written for historic properties, but clients want contemporary design.
 - I second this – the standards are too prescriptive regarding roof pitch. Porches are a focus of standards.
 - When parking is required further than 500 feet from transit, it is hard to fit parking on small sites. Adds much complexity and costs. Should reconsider parking requirements.
 - Parking is regulated differently for different types of housing, which adds to complexity and confusion.
 - Get different answers about regulations from different City staff. New hires sometimes don’t seem to know code very well.

2. *Are there particular regulations that may be adding significant costs that do not seem to be related to major policy objectives or desired outcomes?*

- It is good to require outdoor space, but there should be flexibility for a variety of options.
- D overlay applies to so much development. Often requires too high a level of review and Community Design Standards don't work well. Regardless of changes for multi-dwelling zones, they won't be effective unless some of the d-overlay review process and standards are made better.
- One thing that is working is no FAR limits in R3, R2, and R1 zones - only have to deal with heights and setbacks.
- In R2, the unit densities are too limiting.
- In R1, the required building height step down (to 25') near the street doesn't work well.
- The ground-floor window coverage requirements in the commercial zones are difficult to meet – should not require this everywhere.
- If you lose space for building on a small lot, it increases costs.
- In the multi-dwelling zones, the 15% window coverage requirement is a small amount.
- Reducing amount of required parking would help.
- Easier to do multifamily in commercial zones than in multi-dwelling zones.

Possible New Direction

3. **Form based zoning.** *A potential new direction is a “form based” approach to zoning that allows more flexibility for density and housing configurations within a prescribed development envelope. A form-based approach for multi-dwelling zoning on neighborhood side streets could prioritize these areas for relatively small building forms (2-3 stories), but allow for a diverse range of housing types and densities within this scale. For example, the R2 zone currently is limited to 2 units on a 5,000 square foot lot. A form based approach could allow a broader range of possibilities on such a lot – such as a triplex or fourplex – within a form that is not much different from a large house. What are your thoughts on this potential approach?*

- I think this makes sense for affordability.
- Strongly support a form-based approach.
- Support this, but need to reconsider how front garages are regulated. Garage limits are problematic for duplexes. Remove 20% rule for garage.
- The current R2 zone is too restrictive. Need to allow more density. Allow two ADUs for each unit. Limitation on numbers of units is a problem. More flexibility can allow private provision of more affordable housing.
- Allow buildings to be as close to the street as possible, this allows for more space at the back of the building.
- Need to allow more building height per floor. Need 11' per floor (ceiling heights of 9-10' are preferable). Don't create height limits that end up with 8'-high ceilings. The smaller a unit is, the more interior heights you want for air and light. Limiting density goes contrary to our goals, we need more density.
- Small front setbacks are not good when buildings are poorly designed. Large townhouses (2,500+ square feet) are going on the market in close-in North/Northeast at \$800,000 to 1 million, this drives up housing costs. Need to limit building envelopes so the units are not so big and expensive.

- Limit building scale, but not units. Control the look of development, but provide flexibility for numbers of units. Also provide more flexibility for open space.

4. **Outdoor spaces.** *Concerns have been raised about the need for greater amounts of residential outdoor space for development in the multi-dwelling zones (current requirements are for 48 square feet per unit in most zones, but with no outdoor space required in the RH zone), especially given the many families with children living in apartments in East Portland. What are your thoughts about the possibility of increasing the amount of required outdoor space, and requiring some outdoor space in the RH zone? Would this add significantly to project costs and complexity?*

- Good to have a mix of private and shared outdoor spaces.
- 48 SF per unit makes sense for larger multi-story buildings.
- Provide a break in outdoor space requirements when near a park.
- Sometimes balconies end up being used for storage. Small outdoor spaces are often too little to be usable.
- Doing a project with REACH, which decided not to do balconies. Shared courtyards can function better. Requiring a balcony for every unit results in extra costs and are sometimes not used.

5. **Front garages.** *For narrow-lot houses, rowhouses, and multi-dwelling buildings, the multi-dwelling zones do not currently limit the amount of ground-level building façade that can be devoted to front garages. This sometimes results in the majority of ground-level frontages devoted to garages, counter to policy objectives for pedestrian-oriented street environments. What are your thoughts on the possibility of limiting front garages to 50 percent of street-facing building facades (the approach currently used in the single-dwelling zones)?*

- There are good reasons to limit front garages.
- Issue is that people don't use garages for parking, but for storage.
- Don't lose backyard space to solve a parking problem.
- Front garages can be designed well, see Boston for example. Problem is often the cheap door and trim.
- Limits on front garages end up creating very small garages that are not very usable. Need to rethink the way garages are regulated.
- Straddle lot line for shared access with garages in back, allow building to come forward.
- Lack of alleys is an issue.
- Can do a 9'-wide garage door, which could meet 50% garage limits, except that the limitation is based on interior dimensions. Better to base garage limit on width of garage door, instead of interior dimensions.
- Garages may be appropriate for courtyard housing to avoid driving through shared open space.

6. **Street Connections.** *East Portland is an area with poor street connectivity, but not many new public street or pedestrian connections are being created as part of development in the area's multi-dwelling zones. What thoughts do you have regarding what Portland can do to make the creation of new street or pedestrian connections more feasible as part of new development? Some*

ideas for reducing the burden of providing street connections being considered by City staff include providing transportation SDC credits and not subtracting street connections from density calculations.

- Need to provide flexibility in street location. Hazelwood station – flexibility from the city allowed developer to bend the grid slightly to keep contiguous lot.
- SDC waiver when providing street connection would help, also not subtracting density.
- Would be good to have a fund to help pay for high costs of building new streets, timeline for review is very long and tedious.
- Big blocks in East Portland are an opportunity – take advantage of this. Should have strategies for innovative approaches like walkways, mews, woonerf type streets that become pedestrian focused.
- Need to be creative, looking at new approaches to development in East Portland, opportunities for courtyard housing, new housing types.
- Could increase heights or allow for a variety of heights to meet density goals, but also allow room on parcel for open space.

7. Amenity Bonuses. *The multi-dwelling zoning code currently includes a wide range of amenity bonuses that provide small increments of additional density for projects that include specified features (these include affordable units [a recent addition], recreation facilities, children’s play areas, three-bedroom units, storage areas, sound insulation, crime prevention features, solar water heating, larger outdoor areas, and tree preservation). Have you found the bonuses to be useful and to improve livability for residents? What bonuses are especially useful and what are not so useful? Is the current range of bonuses good to continue, or should they be reconsidered?*

- Amenity bonuses not benefiting the public realm, just residents.
- Why not have bonuses for solar photovoltaics, other sustainable features?
- The design overlay makes bonuses more challenging.
- Bonuses seem very selective and limited, adds time and complexity to review process.
- The affordable housing bonus is onerous for small projects.
- High-performance buildings (thick walls) get penalized if using FAR (form-based). Provide bonus for thick-walled construction, since provides energy efficiencies.
- Base building height on proximity, with smaller scale next to houses.
- Need to reconsider parking requirements.

Developers Roundtable Discussion – February 10, 2017

Participants

Guy Bryant (GPB Construction), Bob Rosholt, Trisha Paul (Energy Trust), Mike Mitchoff (Portland Houseworks), Vic Remmers (Everett Homes), Kym Nguyen (CDA), Garlynn Woodsong (Woodsong Partners), Eli Spevak (OrangeSpot), Adrian Vasile (Urban Development Group), Rob Justus (Home First Development)

Questions

Existing Regulations - General

1. *What is working well or not well with the City's current zoning regulations as they relate to development in the multi-dwelling zones (R3, R2, R1, and RH) outside the Central City?*
 - Would be good to increase the amount of land available for multifamily.
 - Restructure bonuses.
 - Parking minimums should be reconsidered/eliminated.
 - Detached accessory structures - use same allowances provided in the single-family zones, allowing accessory structures in setbacks.
 - We should have way more multifamily zoning. Many areas of R5 could go to R3.
 - Don't like setback regulations, based on building wall plane. Very complex, makes buildings funky and more expensive to build. Doesn't help anything.
 - I don't think anyone cares about larger setbacks, not very usable.
 - Townhomes can be same form as single-family house, should regulate setbacks in similar way.
 - Need to change the way density allowances are calculated, which now causes loss of units with ROW dedications. Would help if calculated density allowances gross, before ROW dedications.
 - Should be looking for ways to allow increased density, given need for more housing.
 - When buy or earn density through bonuses, projects become ineligible for adjustments – this should be changed.
 - 48 SF is not enough outdoor space for children. Should be options for shared area. Can't do much with 6' x 9'. 10' x 10' open space could work better.
 - Community Design Standard focuses on historic look instead of a contemporary styled building. This is too prescriptive.
 - To achieve 2' between and 5' behind for bicycle parking space, makes it difficult to fit. Would be good to allow bike parking structure in setbacks, along with garbage structures. Storage area bonus does not allow the storage areas to be used for bike parking. Should be changed.
 - Common house/facility with kitchen gets counted as a unit and pay separate SDCs. Need to have a way of providing this type of common amenity without it being counted as a housing unit.
 - Long-term bike parking - can we have option for fund to pay into?
 - Do not like ripping out perfectly good sidewalks just to go from 5' to 6', due to PBOT requirements when existing sidewalks do not meet current standards. This is wasteful and costly.

- Traffic studies - if you are meeting zoned density for a small project with a pair of units, why is a traffic study necessary for a small land division? Just paid \$5,000 for a letter from engineers. Should not require traffic studies for two-lot subdivisions. Need a threshold below which a traffic study is not required.
 - I'm a big advocate of shared courts, but they are difficult to do because of regulatory complexity and process. Could make it easier by designating a single planner handle these projects who has specialized knowledge. This would save time and the learning curve of staff unfamiliar with the complex regulations. Also, please don't require trees to be planted before construction is done – damage to plantings happen when installed before construction completed. People love shared courts, but not getting done because they're too difficult to do right now.
 - In R1, need minimum 10,000 SF lot to develop on it. Should change this.
 - Front setback maximum of 10' -- should be more liberal to allow for garbage enclosures.
 - In general, the biggest thing that makes our lives difficult are big changes. Don't be so broad with code changes that there are unintended consequences. So much in flux right now.
 - How building coverage is calculated is an issue for rowhouses - they lend themselves to covered porches as outdoor space, but 3 walls are treated as coverage so can be difficult to include because of building coverage limits.
2. *Are there particular regulations that may be adding significant costs that do not seem to be related to major policy objectives or desired outcomes?*

(answered as part of Question 1)

Possible New Direction

3. **Form based zoning.** *A potential new direction is a “form based” approach to zoning that allows more flexibility for density and housing configurations within a prescribed development envelope. A form-based approach for multi-dwelling zoning on neighborhood side streets could prioritize these areas for relatively small building forms (2-3 stories), but allow for a diverse range of housing types and densities within this scale. For example, the R2 zone currently is limited to 2 units on a 5,000 square foot lot. A form based approach could allow a broader range of possibilities on such a lot – such as a triplex or fourplex – within a form that is not much different from a large house. What are your thoughts on this potential approach?*
- Need to change density regulations - they limit where I will do projects. Scale should be what guides development, not unit density.
 - Scale should be treated differently on side streets versus main corridors. On main corridor, ground floor allowances should allow flexibility for active ground-floor uses, like commercial, that can change over time.
 - Form-based approach would encourage more multi-family housing, but not Missing Middle housing like rowhouses. Need a zone and places for rowhouses.
 - I like the form-based code model, but need density minimums so that the multi-dwelling zones don't become places for McMansions (if RIP goes in and limits house size in single-family zones, don't want the multi-dwelling zones to instead be the places for big houses).
 - Form-based approach makes sense. Could potentially eliminate the need for bonuses.

- Maybe still need the bonus for 3 bedroom units, so that it is not just small units being built.
- The comp plan logic is that R1 and R2 zones are where we want lots of people to live. The more units we can get the better, especially for affordability. Mix of unit types/sizes is important.
- If you regulate by FAR in these zones, should be generous.
- When talking unit density, I have 3-bed units with a single person in them. Think of population density over unit density - will result in a better mix.
- Regulating by FAR makes sense for commercial/office, but is not good for regulating residential buildings, such as rowhouses.

4. **Outdoor spaces.** *Concerns have been raised about the need for greater amounts of residential outdoor space for development in the multi-dwelling zones (current requirements are for 48 square feet per unit in most zones, but with no outdoor space required in the RH zone), especially given the many families with children living in apartments in East Portland. What are your thoughts about the possibility of increasing the amount of required outdoor space, and requiring some outdoor space in the RH zone? Would this add significantly to project costs and complexity?*

- We focus on long-term livability so we already include shared open space, such as play areas. Important for encouraging long-term tenants.
- Consider basing outdoor space requirements on site size/density. Hard to fit outdoor spaces on small sites at higher densities.
- Many people, such as professionals, don't use outdoor spaces.
- For single-family development, 10' x10' doesn't seem too onerous.
- 10' x 10' is too much on a small lot.
- Should have an option that offers exemption if close to a park.
- A problem with zoning code administration is that staff comments vary based on what planner is reviewing. Same house plan, same zone is regulated differently based on reviewer.

5. **Front garages.** *For narrow-lot houses, rowhouses, and multi-dwelling buildings, the multi-dwelling zones do not currently limit the amount of ground-level building façade that can be devoted to front garages. This sometimes results in the majority of ground-level frontages devoted to garages, counter to policy objectives for pedestrian-oriented street environments. What are your thoughts on the possibility of limiting front garages to 50 percent of street-facing building facades (the approach currently used in the single-dwelling zones)?*

- Do not do a blanket front garage limitation. Tuck-under garages reduce prominence.
- Need to preserve on-street parking, should be limitations on numbers of driveways close together.
- Rear parking doesn't get used. Maneuvering to get to rear is too difficult and lose useable backyard space. Would rather do no off-street parking than to do rear parking.
- Loss of on-street parking is the key consideration.
- Don't require parking if want to solve the problem of front garages. Builders will do no parking options, if allow this

6. Street Connections. *East Portland is an area with poor street connectivity, but not many new public street or pedestrian connections are being created as part of development in the area's multi-dwelling zones. What thoughts do you have regarding what Portland can do to make the creation of new street or pedestrian connections more feasible as part of new development? Some ideas for reducing the burden of providing street connections being considered by City staff include providing transportation SDC credits and not subtracting street connections from density calculations.*

- PBOT standards for 8' sidewalks take up a lot of space and are expensive. Easier to get street connections if allow narrower streets.
- Would be easier to provide narrow ped./bike connections.
- The Fire Marshall will require a lot of space. Fire hydrants not located well.
- PBOT should contribute to the costs of connections, instead of depending on one property for a needed connection. Need to address costs if want more connections.
- Density allowances should not be reduced after ROW dedication.
- Currently, street connection requirements deter development. Have avoided sites due to possibilities of street connection requirements.
- Can't keep housing affordable with PBOT's street connections requirements and the costs to development. Study should be done to show impacts of street dedications on development feasibility, housing costs and rents.
- PBOT needs to be reasonable in their requirements, reduce costs.
- PBOT should build needed connections, then apply liens on property owners that get paid when property sells.
- Out of the box thinking (like above) is what needs to happen.
- These are debt driven decisions -- the roads are going to encourage investments and city will realize improved property taxes.

Developers Roundtable - Submitted Written Notes:

- Allow density calculation to be based on site area before all dedications.
- Community Design Standards:
 - Use of fiber cement (composite materials) in RH zone should be allowed.
 - In R1, R2, and R3, fiber cement (composite materials) should not be limited to 6" wide.
 - Vehicle areas should be allowed between building and street under certain conditions. 146 East for example. Also applies to East Corridor Plan District Requirement.
 - There should be more flexibility in how to assemble vertical and square windows to form a horizontal composite window.
 - For main entrance, an articulated breezeway should be allowed to meet the requirement. (also applies to East Corridor Plan District Requirement).
- Amenity Bonus Play Area: more flexibility in the choice of equipment and ground cover.
- Bicycle Parking: within a unit, a designated space should be enough. There is no need to require a locking device within a living unit.
- Tree regulations are too limiting and have not resulted in a saving of trees for our projects.

- East Corridor Plan District: Revise FAR diagrams for denser development along Light Rail.
- A church's conditional use definition should include "affordable housing" as one of the approved uses.
- Revise on-site circulation that requires 6' wide sidewalks for small developments – 5' is plenty.