
Land Use Housing Strategies: Phase 1

Working Group #1

Meeting Notes #2 – Zoom

Wednesday October 21, 2020, @ 1-3 pm (via Zoom)

Attendees

Working Group members: Devin Ellin, Heather Riggs, Joseph Edge, Julie Dimick, Craig VanVolkenburg, Kenneth Fischer, Nate Ember, Roseann Johnson, Sherry Grau, Tyler MacInnis, Scott Hoelscher, Anthony Reiderer, Mitra Anoushiravani, Rick Nys

Project staff: Martha Fritzie, Karen Buehrig, Joy Fields, Ellen Rogalin

Guests: Michelle DaRosa, Martine Coblenz, Csea Leonard

Topic	Comments
Welcome and Introductions	Brief introductions around the room
Updates from Staff (Martha) HB2001, RFQs	<p>DLCD rulemaking for HB2001 (“middle housing”) nearly completed – second hearing scheduled for November 12, 2020. Once we know the rules, the county will begin process to review codes and implement HB2001 in the urban single-family residential zones (Phase 2 of LU Housing Strategies project).</p> <p>The county will be contracting with consultants to assist with public outreach efforts around middle housing code changes.</p>
<p>Presentation & Discussion - Equity Approach (Joy)</p> <ul style="list-style-type: none"> • Introduction from Equity & Inclusion Office (EIO) staff <p><u>Presentation:</u> Equity Lens Process:</p> <ul style="list-style-type: none"> • <i>Engages communities of color and those disproportionately impacted by historic and current housing disparities in the county,</i> • <i>Leads by example and actively makes informed decisions while bringing the voices of those disproportionately affected to the table, and</i> • <i>Considers current and future impacts that our decisions make on communities of color and impacted populations.</i> 	<p><u>Discussion:</u></p> <ul style="list-style-type: none"> • Increasing density in commercial districts – fall-out from redlining are then we are continuing the effects of redlining by keeping the density out of the suburban neighborhoods (Good neighborhoods). We need to encourage increased density in the suburban areas. • Focusing density on commercial districts disproportionately focuses multifamily development outside of the suburban area. Look at environmental impacts/ open space, trees, greenspace is also important to look at when considering density. • Affordability and availability of housing in the “good neighborhoods” requires more density. When you densify it drives up costs and rents. If you do nothing there is less supply and higher costs. Therefore, either way there are impacts to cost. There are lessons learned from Portland that we need to consider. How do we involve the underrepresented people in this work? • Displacement and cost increased in the Pearl District and Orenco Station. Who needs to be here? How can we engage the community?

<p>Desired Outcomes:</p> <p>a. improve access to housing (including whether the housing was available at affordable rates and close to transit or employment centers),</p> <p>b. increase long-term stability of current residents (individual housing units that remained in their original location and at their original affordability) and</p> <p>c. reduce displacement pressures (that cause residents to move out of their current neighborhood due to increase in cost, redevelopment, or closure of site, with an area wide implication).</p> <p>Analysis and strategies: Who will benefit from or be burdened by your proposal? What are your strategies for advancing racial equity or mitigating unintended consequences?</p>	<ul style="list-style-type: none"> • Define Commercial Zoning District – Pearl District is mixed-use. Heavy Trucking and school districts can be impacted on definition. • Single most important factor affecting housing is the supply. Everything else is secondary. A small supply will not be able to serve everybody. Parks may not be as important as having a house available. Equity lens – green space is an added cost – does it take away from the # of housing units provided. Access to good schools and lack of pollution are important and we need to consider supply in addition to other factors. Many commercial areas abut residential districts already. They are not highly industrial. What is going to make the most impact? Supply. • Who is at this table and who is missing? HACC is partnered with Unite Oregon for the supportive housing bond issue. Are there opportunities for shared learning that we can use for this work in this group. • We need more housing period. There are different definitions of affordability. A developer typically builds moderately affordable units. The faith communities are trying to build units that rent for \$600 /month. • There needs to be more “workforce” housing available in this area. • Supply – lack of supply that drives up cost – We need land or space to build the units. If we look at the strategies – increasing density will encourage building up to do the best we can for the land supply we have. Which voices do we need? – What are the future voices, who will live there in the future? Employers who have workers who cannot find places to live – are good audiences to get input from =- They may not all be from “historically marginalized communities” but they may meet the socioeconomic status of underrepresented. • As affordable housing developers we target the extremely low income individuals. One tool is vouchers. We need more vouchers to develop long-term affordable units for populations such as for seniors on a fixed income.
<p>Presentation - Lessons Learned from Park Avenue Station Area (PASA) Project (Karen)</p> <p><u>Presentation</u></p> <ul style="list-style-type: none"> • Project status update • Survey results • Draft code considerations related to potentially increasing densities and changing parking requirements for multi-family housing 	<p><u>Questions/Comments:</u></p> <ul style="list-style-type: none"> • What is the difference between the Park Avenue Plan vs the remaining commercial areas? • <i>Answer:</i> Immediate proximity to the light rail station and also contains some medium density zoning, not just commercial • In response to a question about urban renewal, staff noted that Park Avenue is not intended to be urban renewal project and is not located in an urban renewal district. • Likes the concept – commercial area with a lot of residential properties surrounding. Was property value part of the studies for the Park Avenue project? • <i>Answer:</i> No. As we move forward with this project, as part of the equity lens we have to consider the potential for increased property values/ increased rent/ increased taxes. PASA –

<p>Guiding Principles are trying to look at the PASA in a holistic way and provided the foundation for the Design Framework Plan.</p> <p>Proposed Standards:</p> <p><i>Commercial scale:</i> maintain existing requirements to preserve flexibility.</p> <p><i>Residential scale:</i></p> <ul style="list-style-type: none"> • No maximum density, minimum density of 22.5 units/acre • No height limit • 15% site landscaping <p><i>Reduce minimum parking ratios for residential development:</i></p> <ul style="list-style-type: none"> • 1 space per unit for multifamily (any size), cottages • 0.75 spaces per unit for affordable housing • 0.3 spaces per unit for 55+ restricted housing <p>Allow site-specific parking reductions:</p> <ul style="list-style-type: none"> • On-street parking credits in C-3 (existing) • 20% reduction within ¼ mile of transit (bus or MAX) • Shared parking within 500 ft • Car sharing space counts for two parking spaces • Reduce one space for each five additional bike spaces 	<p>business community input on how can we support existing businesses and encourage additional community dev.</p> <ul style="list-style-type: none"> • Based on the analysis there is a low projected ROI of 2.8-3.8% - was there any effort to slide the parking requirements down to look at the ROI? Is there a threshold of parking that would increase the ROI to 6.8% • Many area workers make too much \$ for affordable housing and too little for market rate. Trees, green-space are awesome but if we have to choose affordability/landscaping – the reality is we need housing units for those that do not have a place to live.
<p>Discussion – Ideas for potential zoning code changes related to three Phase 1 Housing strategies (Martha)</p> <ul style="list-style-type: none"> • Increasing or removing maximum density requirements for multi-family developments in commercial zoning districts • Parking ratios for multi-family housing based on proximity to transit and/or dwelling unit affordability • Changing density bonuses for inclusion of affordable housing 	<ul style="list-style-type: none"> • These have been discussed a very long time. I like what you are offering here as options in these three strategies. We do want incentives – a carrot to encourage affordable housing units. Maybe it is a 60% affordable housing density bonus along the travel corridors. Maybe we want car dependent development along 224 or maybe we do not. Start at 60 % affordable housing bonus along transit corridors. For PASA and Clackamas County there would be no density so the bonus would not come into play. Parking would then be the incentive since there are alternative transportation options. Density or parking requirements related to bike trails. Working with a limited amount of land - how can we get a meaningful increase in housing on such a small area of land? • There is such a need for increased capacity – PASA eliminating the cap accommodates more or bigger housing. Affordable housing bonus should not be tiered based on income. No one is building affordable units for 80% AMI and that is the income level that is experiencing foreclosures and issues. Parking ratios are a good place to start. If a corridor does not have good density

then transit will not be built. Commercial areas pose a problem because off-street parking is not available for overflow parking. Height – 5 stories is the practical level to build. Other thresholds are 8 stories and 12 stories and they are not applicable in CC. Affordable housing bonuses for other zones such as MR1 zones would be good.

- All of these are good ideas. These are going to be inadequate due to the limit on the availability of land. Habitat and Proud Ground 60-100% AMI for home ownership. Incentives are important for affordable housing. Include home ownership opportunities. Zoning strategies increasing density increases the cost of land and drives displacement and urban growth. Find land adjacent to commercial land and go through a zone change. Have a smoother process for affordable housing developers to zone changes (after the property is bought). This would limit the Pearl District effect. How can we limit the inflation of land cost (remove density and increase land cost)? Cost of public work improvements is another aspect that keeps projects from penciling for the affordable housing developers. SDCs for affordable housing projects need to be changed.
- Great comments. Challenged in making things penciled. Not having enough parking causes problems – we are under-parked and neighbors do not like it at all. We want to note that eliminating all parking is a problem. Bussing to handle transportation of employees without parking had to be implemented in SanFran. Having additional partnerships and conversations between other divisions would be helpful.
- It is hard, to purchase a site before you know what the zoning will be. The uncertainty of zoning is difficult. A clear path with certainty of potential zone changes.
- Why is there a commercial zoning district? What is the negative impacts of removing density? Parking Density- What is the negative impact of reducing parking?
- Need ordinances to allow more flexibility for affordable housing development. That would allow a truncated process for the developer to determine if they can develop what they want. Fast-tracking is a great idea – how can we make this work. Could we allow the elimination of density maximum only for affordable housing developers to allow for affordable housing? That way the market rate developers still have a max density. Nonprofit and for-profit developers develop affordable housing.
- Housing capacity zoning impacts affordable housing.
- Need land set for different densities to allow a diversity of housing types. Need certainty and predictability for developers. Prioritize affordability. If we have to prioritize – remove density limits only for affordable housing.
- Design surface parking that could be developed in the future if the parking is identified as not needed as demand for parking wains in the future. “Readily available to convert to other uses in the future if that is appropriate”.

	<ul style="list-style-type: none"> Predictability is needed. Combination of increasing maximum density across the board and allowing the maximum to be removed for affordable housing in a predictable way as an incentive. That way we reduce displacement and other adverse impacts.
Public comment	None
Next steps (Martha)	Next Working Group meeting will be scheduled Dec/Jan to review potential code amendments/options
Adjourn	3:00 pm