From: John Brennan
To: JWMNR Exhibits; Sen.LewFrederick@state.or.us
Subject: HB 2007 - No
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Ways & Means subcommittee on Natural Resources,

I am a resident of the Irvington neighborhood. I own a condo in an historic, 1911 building with four units. These are my comments against HB 2007.

Although the proponents of HB 2007 have conveyed a negative representation of those of us creating or living in historic districts as NIBMYs, this bill is not about race, class, or exclusivity. It's about money for the proponents. My neighborhood, the Irvington, is an integrated, multicultural neighborhood, with a seven year old historic district. And the desirable qualities of the Irvington are under threat from the State.

As you may know, Irvington has had integrated affordable housing since its founding. A majority of the many duplexes and four plexes in Irvington are resources that contribute to the historic district. In more recent history, Irvington has approved every (now 32) accessory dwelling unit (ADU) requested by property owners. ADUs increase density while allowing the district to maintain its historic integrity. ADUs also increase neighborhood cohesion by putting more neighbors in touch with each other by virtue of proximity. ADUs also offer opportunities for extended families to live together on the same property, whether it's boomerang kids or aging parents. That's another pattern the Irvington pulls from the past: families being close. Because of their often modest size, ADUs also tend to be affordable.

Irvington has a variety of housing stock: at least at hundred apartment units in smaller buildings, many condos, office buildings, commercial buildings, a dental clinic, many good restaurants, Blue Star donuts production facility, and even an unobtrusive noodle factory. As for single family units, Irvington has variety: modest, medium and large housing stock, many still affordable. Both grand and simple homes contribute to Irvington's historic district.

Perhaps most significantly, Irvington has two major public housing projects, Dahlke Manor and Grace Peck Terrace. Dahlke Manor is a nine-story public housing apartment with 115 one bedroom homes, and Grace Peck Terrace is a six-story Section 8 apartment building with 95 one-bedroom apartments. With at least 210 residents in public housing, the small, historic Irvington district holds more than its fair share compared with many other close-in Portland neighborhoods. While these bare-bones, utilitarian structures do not contribute historically, they contribute socially. Imposing State-sanctioned restrictions on demolitions directly threatens this historically diverse neighborhood. The state would also be dismissing the Irvington's own present-since-its-founding solutions to the very problems the bill is trying to address.

HB 2007 is about allowing the State of dictate the rules for the unrestricted right to demolish affordable homes and build market-priced and luxury dwelling units. None of these new market and luxury units will be affordable to buyers or renters earning below 100% median family income. HB 2007 will accelerate demolitions and gentrification. With one minor exception, it has nothing to do with providing real affordable housing.

The historical data on the new units resulting from demolitions is evidence enough.

Laurelhurst - Over a half a million ($500,000) increase in price with no increase in density.

23 demolitions
Average purchase price of demolished home $355,700
Average sale price of new unit $884,200

Beaumont/Wilshire - More than doubling of the price price with no increase in density.

34 demolitions
Average purchase price of $326,645 with average size of 1478 sq ft
Average sale price of new unit of $770,717 with size of 3160 sq ft

These are not examples of affordable housing for most Portlanders. It is affordable housing for the developers creating spec homes for a profit should they choose to live there. As shown above, larger homes do not equate to greater density. The same number of people live in bigger houses. In the case of a small apartment complex being torn down and replaced by two or three maxed-out homes, the density actually goes down. Lower density equals higher housing prices. Higher housing prices paired with lower density decrease affordability. I imagine this in my neighborhood and I imagine this across the state, and I see Oregon losing its character.

HB 2007 will override local zoning and historic protection regulations. HB 2007 will eliminate demolition protection in all historic districts and will destroy discretionary review which in Irvington relies on long-standing City compatibility standards. HB 2007 is a stealth bill-the only hearing was March 14, 2017, with only testimony from its backers. HB 2007 is an ill-conceived proposal, concocted in secret, and written entirely by those with vested interests or an ax to grind.

HB 2007 is arriving just as the State is considering eliminating state-wide restrictions on rent control, a mistake put in place by a similar process from a similar coalition of special interest groups more than 30 years ago.

I understand that the original bill as filed by the Speaker was a good bill designed to help low income people including the homeless. Then came the amendments. Throw out all amendments, all of them, and you have a good bill. A housing bill should be about creation, not destruction.

Affordability is a complex issue that needs a long-term perspective because it's a long standing, complex, and potentially expensive problem. The State should concern itself with larger solutions, not micromanage local jurisdictions. By allowing the destruction of historic homes for profit, HB 2007 could, as the saying goes, kill the goose that laid the golden egg. State controls over local demolitions will ruin neighborhoods. Many developers are too short sighted, perhaps blinded by profit, to understand this. Beside, they will take the profit and move on. They won't have to live with the erosion of the integrity of neighborhoods that their demolitions create.

Current zoning in the comprehensive plan includes sufficient zoning capacity for aggressive growth, allows an ADU on every lot in Portland, and allows for duplexes on every corner lot. Developers make more money with demolitions and bigger, more expensive replacement housing. It's good for them and not good for residents or neighborhoods.

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