

Testimony of James S. Heuer before the Joint Ways and Means Committee on HB 2007 As Amended

June 21, 2017

Honorable Senators and Representatives:

My name is Jim Heuer, and I'm Chairman of the Portland Coalition for Historic Resources, an informal collaboration of representatives of historic districts, historic preservation organizations, individual preservation activists, and anti-demolition and affordability advocates. We stand united in opposition to the current form (Amendment 6) of HB 2007. We have collaborated with Restore Oregon in drafting a workable alternative to HB 2007, which would both protect existing habitable, affordable housing while providing encouragement to and facilitation of construction of real affordable housing to alleviate the acute shortage experienced by people of modest means both in Portland and elsewhere in the state. We argue that you should either bury the current bill completely, or replace it in its entirety with the Restore Oregon replacement amendment.

Specifically, we object to not only the language of the bill in Amendment 6, but also in the closed, subterfuge laden process by which the bill has gotten to this point. The initial hearing on the bill was limited to testimony of supporters. Then when an "informational meeting" was held with both supporters and opponents in attendance, only invited participants were allowed to speak, and the result was not made part of the bill's public record. Finally, we have had but 48 hours to prepare for this public hearing, despite the fact that this bill has been under consideration since February. Considering the profound changes in historic resource protections and in urban land use planning contained in this bill, this is NOT the way to craft legislation. Worse yet, we have been continuously tantalized by amendment after amendment, some of which have been released (#2, #4 and #6) and others which the public has never seen (#3, #5), and most of which have involved detailed input from such entities as the Home Builders Association, 1000 Friends of Oregon, and the City of Portland Governmental Affairs Office with neither public access to these discussions nor any opportunity for residents of Portland to weigh in with City officials on what positions ought to be taken by the City. Were there no prohibitions on smoking in the State Capitol, we'd be leveling charges of decision making in the proverbial "smoke filled room"! Reprehensible? Yes. Good governance? No.

Our specific objections to the current bill (Amendment 6) include the following points:

- 1) The language of the bill provides half-hearted exemptions for historic districts from its draconian rules on maximizing density and height within UGB areas, but then **imposes outrageous changes to existing National Register Historic District protections against demolitions** -- in explicit contravention of the recently revised rules for Land Use Goal 5 regulating protections for all historic resources in Oregon.

This language is clearly predicated on arguments advanced by the House Speaker and other proponents of the bill, that historic districts are "racist", "NIMBY", "anti-density", and "equivalent to 'Redlining'". These obscenely false, corrosive and deceitful claims are not only an insult to the residents of existing historic districts, but they are based on a false equivalency between the historic evils of "Redlining" as inflicted on America's Black community up until the 1960s on the one hand and community efforts on the other hand, encouraged by State law and Land Use Rules, to preserve and protect portions of our cities and towns which both "work" and reflect the best of what our predecessors produced in their efforts at city-making. Indeed the use of the term "Redlining" in this context is not only false, but a cultural expropriation which is insulting to People of Color all over the State and totally meaningless in the context of historic district regulation.

This part of the bill ignores the steady increases in density in historic districts made possible by existing regulations -- not least of which is the active development of ADUs which are allowed by right in residential zones within historic districts throughout Portland. Ignored as well is the large number of lower and middle income residents as well as people of color at all income levels in existing historic districts in Portland, including the Alphabet District, Ladd's Addition, King's Hill, and Irvington. Also ignored is the real potential for more affordable multi-family housing resulting from internal conversions both in historic districts and elsewhere. This despite the fact that the very State-wide Housing Report upon which this bill is supposedly based, recommended strongly for incentives for internal conversions. Finally, this bill imposes unjustified limitations on demolition protection in historic districts which in aggregate across Oregon comprise little more than 1% of total residential land. How in heaven's name does this represent any kind of probity and balance of competing values?

Finally, on this point, I write as a member of the Goal 5 Rulemaking Advisory Committee that drafted the latest Goal 5 language adopted in January by LCDC. We provided for ample balance of community needs (including specific reference to locally adopted Comprehensive Plans) by jurisdictions when reviewing proposed demolitions of historic properties. The implementation and application of this balance was rightly left to the jurisdictions which are in the best position to make these value judgments in public forums within their own community. It is preposterous to imagine that a handful of legislators -- especially when egged on by the Oregon Home Builders Association -- are in a position to override these community processes.

2) The "build-baby-build" theme resonating throughout this bill's language is epitomized by the reckless and destructive "duplexes everywhere" language in the bill. While it is true that the City of Portland is exploring how to implement such a rule, there is absolutely no evidence that such a policy should be imposed state-wide:

- Portland's RIP effort seeks (at least in theory) to balance the density impacts of unlimited duplex development with the carrying capacity of infrastructure including transit. The

bill would negate this effort, needless scattering additional density where it does the least good in achieving walkable, transit-served communities.

- Portland's RIP is still in process, with major review planned for later in 2017. What possible value is there for the State to override this public process with no clear economic justification and uncertain value outside of Portland itself?
- The open invitation to demolish single family residences for replacement by duplexes simply accelerates the relentless process of driving middle and lower income residents out of walkable, inner city neighborhoods in favor of high-income buyers and renters. The result will be even more displacement and dislocation -- not to mention market driven inequity. The PCHR group and our allies in the affordable housing movement have provided more than adequate evidence of this contention.

3) What started out as an "affordable housing" bill to confront the "housing emergency" has morphed into a bill to dramatically deregulate the housing market. Those who struggle daily to find housing that they can afford are being thrown under the bus in a mad dash to "demolish" our way to affordability by building high-end market rate housing even more aggressively than is already happening in Portland and other rapidly growing cities. We have provided ample real estate economic analysis that shows that building high-end housing is NEVER the way to achieve real affordability. There is NO "trickle-down" effect in housing -- especially in cities like Portland and Ashland which are drawing large numbers of in-migrants from high-housing cost areas in California and Washington.

In summary, we find it hard to like anything in Amendment 6 of this bill other than the original, but relatively weak, language accelerating permit and land use reviews for new housing, and the requirement for jurisdictions to provide more statistical data to LCDC for evaluation of the rate of new housing production.

If the intent of the legislature is to encourage increased density, expand affordability, protect existing lower-cost housing stock, and promote environmentally responsible avoidance of gratuitous demolitions, then PCHR and Restore Oregon have provided you with replacement language for HB 2007 which will do just that. In the absence of legislative support for this sound, supportable approach, then we must respectfully request that you let this misconceived bill die in committee.

Submitted by:

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