From:	Vic Roehm
To:	JWMNR Exhibits
Subject:	HB 2007 - Natural Resources Subcommittee of the Joint Ways & Means Committee
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I am contacting you regarding HB2007. I understand there has been a great deal of lobbying on this. I am not a lobbyist, just a concerned citizen. I am part of a group of neighbors called "Laurelhurst Forward." I apologize in advance for the length of this e-mail, but I want to make certain that various facts are entered into the record on this issue.

First, I would like to thank all of you for making housing a priority. As you are obviously aware, we face a housing crisis at every price point and especially at the low end.

What do National Registry Historic Districts have to do with this? Well, let me give you a real world example from my small little corner of Laurelhurst. I live on Clackamas St. near the intersection with 33rd. To the North, on 33rd, there is a home which had fallen on disrepair as well as some adjacent vacant lots on Halsey St. at the very northernmost point of Laurelhurst, adjacent to I-84. I have attached some photos of this home. It was most recently used by heroin addicts squatting on the property--the police just recently swept this home of trespassers at the request of the new owner, a small developer and found a number of hypodermic needles . That developer plans to demolish the home and replace it with a six-plex with price points between \$325,000 and \$450,000 for 1,200 square foot condos with garage parking. He plans to put three additional six-plexes on the neighboring vacant lots on Halsey St.

Why does this matter? Because this development would not happen if my neighborhood was a National Registry Historic District. The demolition would not be approved in all likelihood because, while the home is in very bad shape, it was not in bad enough shape to be condemned. Additionally, the developer probably would not have purchased this property at all if it were subject to demolition review. The vacant lots on Halsey could only be developed to a maximum height of two and a half stories in an NRHD based on the "character of the neighborhood" meaning that the developer would need to maximize usable square footage and the garage parking would be abandoned since the City of Portland does not require it for these lots. This might mean that instead of the price points described above, based on the "character of the neighborhood" that still fits into the "character of the neighborhood" that still fits into the "character of the neighborhood" by matching the aesthetics of the surrounding home, but without any real requirement that the materials used be of any higher quality.

Is this a preferable result for the City, the State or my neighborhood: (1) to have lots than can provide moderately priced housing for 24+ people instead used to house at most 4 families, (2) to cause further congestion of our small neighborhood by forcing cars onto the streets, (3) to possibly have the lots continue to be undeveloped because of the challenges associated with this site? It seems to me that the answer is a resounding "no" and that this example is exactly why HB2007 needs to address the abuse of the National Registry Historic District nomination process.

I am not against historic preservation. My father was a Civil War re-enactor. I grew up visiting and appreciating historic places. My wife and I lived in German Village in Columbus, Ohio, a National Registry Historic District, before moving West. It was there that we learned the problems associated with living in these districts. Our winter heating bills were over \$500/month in large part because we were not permitted to replace our original windows with more energy efficient windows--we could hear the panes of glass banging against one another in the wind. The replacement of a shed door that was broken into took weeks and cost \$1,500 to replace when it should have been \$150 and we were restricted from using a more protective steel replacement. For us, these issues were inconvenient. For people of more limited means (young families and those on fixed incomes), these issues would be more problematic.

The original purpose of the National Registry is to preserve museum quality homes for posterity as pristine examples of the time periods they represent. However, that is not the purpose for which it is being used in many instances in Oregon. The Residential Infill Project is a big part of the reason for the push for a National Registry Historic District in Laurelhurst. This page is just one example of the proponents fearmongering about RIP. <u>http://www.historiclaurelhurst.com/single-</u> post/2017/02/08/How-Big-Will-Duplexes-And-Triplexes-Be-Under-RIP. While they use coded language, some other proponents in Eastmoreland have been more direct. "Our feeling is that the density should be where it belongs," Eastmoreland Neighborhood Association member Tim Moore told OPB last October. "You're talking about lower income people or younger people who want to rent or need to rent and they need to be where there's good transit. This is a little oasis because it's down here, and it's just not appropriate." ://www.wweek.com/news/courts/2017/05/11/ eastmoreland-resident-sues-state-to-block-historic-district-designation/ When I have raised the fact that a Historic District will result in people on fixed incomes and younger families being forced to buy more expensive windows and add substantial expense to their home remodeling projects, the response back from some NRHD supporters has been "let them move out of our neighborhood."

We cannot allow affluent neighborhoods to opt out of the burden of easing our housing problem simply because they have the means to front the fees to establish National Registry Historic Districts. Nor should we be encouraging a preference towards these districts instead of less burdensome alternatives when they so clearly disadvantage those with lower incomes. Yet, that is exactly what we see happening. This is a misuse of the National Registry.

Proponents of National Registry Historic Districts routinely mislead homeowners about the detriments and benefits of National Registry status. Many homeowners in Laurelhurst are under the misunderstanding that a National Registry will prevent lot splits. It will not. They believe that it will prevent duplexes or triplexes. It will not. They even believe that it will specifically limit the size of new homes. It will not. What it will do is prevent those with one story homes from adding a second story addition. It will also add costs to remodeling projects and window replacements. This will dissuade those from lower incomes from moving into Laurelhurst and will add burdens to those with limited means who already live in the portions of Laurelhurst where smaller homes are more common. Irvington residents were not fully-informed of the consequences of their decision and came to find that there was no way out too late. <u>http://www.oregonlive.com/front-porch/index.ssf/2015/01/irvington residents gear up fo.html</u>. Buckman was fortunate enough to escape that fate, but only after the nomination was made despite the fact that the neighborhood clearly opposed the NRHD. <u>http://www.oregonlive.com/por tland/index.ssf/2013/05/buckman historic district_prop.html</u>

The resulting detriment to homeowners and home purchasers will be real. People who saved to buy the biggest home they could afford in a neighborhood hoping to someday remodel it into something larger as their family grows will find they cannot do as they planned when an NRHD is put in place. Elderly people who may have deferred maintenance during an illness will find that their project is now a "remodel" that they cannot afford. People with fixed or low incomes will find that a broken window is suddenly a very big expense that they hadn't expected. All of this means that a neighborhood like Laurelhurst, which already has very little economic diversity will be even less economically diverse as a result of a National Registry Historic District. Studies on the price of homes in NRHD's generally support this. National Registry Historic Districts act as signs on the boundaries of a community which read "Affluent Only."

I recently received a copy of the attached report being circulated by proponents of the National Registry Historic District. The group Historic Laurelhurst has repeatedly claimed there have been 30 demolitions over the 10 year period from 2007-2016. There own report calls this into question. For one, they do not identify 30 properties, but instead, 26. The final property is in Kerns, not Laurelhurst. I suspect that the attempts to create hysteria over the Residential Infill Project led Historic Laurelhurst to find any nearby multi-unit property they could to feed concerns about multi-unit homes replacing single family homes. The replaced home was rat and bird infested prior to its demolition and had numerous nuisance complaints, having been vacant for years. The reality is, that in the 20 years since duplexes have been permitted in Laurelhurst, only 1 was constructed. Two of the demolitions listed (6 and 19) had nuisance complaints prior to their demolition and it is quite likely demolition would have been permitted even in a National Registry Historic District. Three "demolitions" weren't demolitions at all, they were no construction on vacant lots (13-15).

17 of these homes appear to be conversions of smaller homes suitable for empty nesters to homes suitable for families. In several cases, after speaking to the contractors who worked on these projects, we have confirmed (1) that the homes were in severe states of disrepair and (2) that the existing first floor and basement were retained and a second story was added to the home. In other words, there was no "demolition." While the number of homes was static in these instances, the number of people potentially living in them increased. This is important when you consider the proximity and quality of schools in Laurelhurst. This is exactly where family homes should be placed.

There was one instance where one home replaced by two homes.

So, Laurelhurst "lost" 17 market rate houses suitable for seniors. But, as I pointed out at the onset, we are also gaining 24 condos via 4 6-plexes that wouldn't have been permitted if Laurelhurst were a National Registry Historic District with prices between \$325,000 and \$450,000--i.e. the same price point being replaced pursuant to Historic Laurelhurst's own data. These would also be suitable for seniors, perhaps even more than what they replaced since lawn and exterior maintenance may not be required.

So, when it is all said and done, in an 11-12 year period, Laurelhurst will have GAINED 28 new units of housing with 21 homes now suitable for families and 24 condos as replacement for the lost single-story housing stock. The housing will be a mix of market rate condos and more expensivefamily homes. It would seem that this is exactly what the State and the City of

Portland hope to accomplish with HB 2007 and the Residential Infill Project. Compare this to what would happen with a National Registry Historic District. 3 new single family home constructions limited by design review guidelines and a substantially smaller condominium complex (without demolition of the one home and with height limitations (2 stories) likely from an NRHD, you are likely down to 9-12 units). You are looking about a net gain of housing about half of what was achieved without a National Registry Historic District.

But, this also doesn't factor in something else I discovered in reviewing the permits associated with these changes. It turns out at least 5 basements were turned into habitable space with egress windows. That means they could potentially be used as internal ADU's. This may be on the low end as several mention basement remodels, but it is not clear whether this included the necessary changes to constitute habitable space. I note that it is a trend in higher end homes in Portland to include an ADU. Many home purchasers want to see the ability to subsidize their housing costs by renting a portion of their property out. This is a win-win that wouldn't be possible in the older, smaller homes.

Furthermore, unlike any multi-unit building that might be constructed in Laurelhurst, because of lot costs associated with them, ADU's may actually be made available as rentals. These would represent the most affordable housing options in Laurelhurst.

In conclusion, the status quo has netted Laurelhurst more housing at every price point, from affordable rentals to more expensive homes for families, than would have happened under a National Registry Historic District. I know that this is a very small portion of a very large and important bill. I also know that you are all being heavily lobbied by the City and the so-called "Preservation Lobby." However, it is very important that the National Registry not be used by affluent neighborhoods as a tool to undo City planning and to create additional costs and barriers to home ownership for those who are less well off.

Victor Roehm

