

February 11, 2019

House Committee on Human Services and Housing
Oregon State Capitol, 900 Court Street NE, Room 453
Salem, Oregon, 97301
hhs.exhibits@oregonlegislature.gov

Dear House Committee on Human Services and Housing,

As a long-term Oregonian and current Multnomah Neighborhood Association chair, I am adamantly opposed to HB2001. As a thoughtful legislator I implore you to oppose this misguided and irresponsible approach to land use planning. It is fraught with problems, limited analysis, and is careless to the people who live here. We should not be forced to rezone cities throughout Oregon. This is clearly a detriment to residential neighborhoods and has no benefit for providing affordable housing. Let me be clear, I am supportive of affordable housing, however, this bill increases economic disparity in housing.

I am not alone in my opposition. Numerous studies, articles, and legislatures share in this opposition. One recent study shows that upzonings, like that proposed in HB2001, are ineffective in promoting either housing affordability or supply. The findings: “... **the short-term, local-level impacts of upzoning are higher property prices but no additional new housing construction.**” So not only does it worsen affordability, but it doesn’t increase housing supply in the near term (5-year interval studied).

Furthermore, I would like raise some specific concerns:

- **HB 2001** is essentially an “anti-planning” bill. Not only does it violate Statewide Goal 1 requirement for public involvement (in local planning), it completely undermines Statewide Goal 2 requiring comprehensive and coordinated planning. It mandates increased density without any planning or funding for the additional facilities and services that are necessary (roads, parks, sewers, schools, etc.). This one bill would essentially gut basic and fundamental elements of planning in Oregon.
- The classic “missing” middle housing (MMH) concept that is being promoted in this bill results in tiny, higher-end rental units (apartments) that are generally expensive and not desirable for those needing some personal space, storage space, or any vehicle parking. There is nothing to stop these units from being horribly ugly and incompatible with existing residential neighborhoods.
- The case for MMH is built on rhetoric with an appalling lack of factual evidence. There is no evidence it will produce housing that is more affordable than existing housing. There is no evidence it will produce affordable housing needed for low-income residents. There is no evidence that there is a demand for more MMH than is already being built. There are no surveys showing MMH demand is unmet. Instead a survey shows 80% of Portland Metro Area residents want to live in single family homes.

- MMH generates mostly tiny studio, one-, and two-bedroom units that don't accommodate families with children. In Lane County, 70% of renters with children are below 80% area median income (AMI). MMH fails to serve this critical demographic.
- Most of the unmet housing demand in Oregon is for single-family homes. Buyers still want large SF homes with yards and off-street parking (2-car garages). Just ask a realtor. They are not looking for housing with no garage and no driveway.
- The much-promoted MMH model has no off-street parking, and relies instead on parking on the street in front of other people's houses. How does this reconcile with current parking/travel behavior and record new car sales reported for 2018 (mostly SUVs)? Consider that there is about one car per adult on average in the U.S.
- A four-plex housing unit with no onsite parking will generate a need for 4 to 10 vehicle parking spaces. If there is space for one or two vehicles on the street in front of the unit, then where do the other 2 to 9 vehicles go? How many quadplexes can go on one block before there is no parking anywhere nearby? What sort of parking permit systems will be required to fix this mess? Who will want to live there?
- **HB 2001** categorically removes the option now and in future for single family house zoning densities. Consider that this is the overwhelmingly preferred housing type and density in cities across the state be it a manufactured home site, row house, or any of the diverse single house forms.
- **HB 2001** encourages densities of approximately 1 dwelling unit per 1000 SF of ground area for all single family land parcels. These comprise *most* of our urbanized land. While this is an appropriate density near centers and high amenity streets it is not appropriate when applied everywhere and at random.
- **HB 2001** encourages planning for residential uses shaped by the most profitable use of each parcel. By removing the guardrails intended to provide predictable underlying land values based on limited density and scale, the anticipated results will be displacement of owners and renters until over time the density of dwellings approaches the allowed ceiling.
- **HB 2001** removes opportunities for ownership by establishing multi-family units as a highest and best use of each parcel in what are now single family zones with a mixture of owners and renters. Such multi-units are characteristically owned by non-resident landlords or investors.
- **HB 2001** violates the intent and purpose of Oregon's Land use planning law. Cities are currently required in their Comprehensive Plans and zoning codes to provide for a 20 year supply of a variety of housing types and densities that meet community needs and use financial incentives to stimulate rehabilitation, not demolition, of existing housing.
- *"Housing takes many forms, and should be built to serve people at a variety of incomes levels. A housing supply that meets community needs is one that offers people a range of*

*different places to live, different community densities to choose from, and does not overburden the financial resources of any group living there." **Oregon Housing Goal 10.***

- *"Plans should take into account the effects of utilizing financial incentives and resources to (a) stimulate the rehabilitation of substandard housing without regard to the financial capacity of the owner so long as benefits accrue to the occupants; and (b) bring into compliance with codes adopted to assure safe and sanitary housing the dwellings of individuals who cannot on their own afford to meet such codes." **Oregon Housing Goal 10.***
- Presuming that state agencies (LCDC) and local governments are failing to enforce laws mandating a variety of housing types, is this justification to override and thus violate the intent, process, and procedures of those laws?
- **HB 2001** overrides civic engagement requirements under **Goal 1 Citizen Involvement** by short-circuiting the public process for determining community needs and removing local discretion in providing a variety of housing densities.
- **HB 2001** and the Portland **RIP** have two primary sponsors - Portland homebuilders associations and 1000 Friends. For 1000 Friends, elimination of single family zoning has apparently been a long term sub rosa agenda at least for chief lobbyist and now Deputy Director Mary Kyle McCurdy. She argues that aside from Portland, "many other jurisdictions around the state are not in compliance with Oregon Land Use Goal 10 Housing requirement to plan for "Needed Housing*" and that is why HB 2001 must be passed."
- **HB 2001** is a continuation of the failed 2017 Tina Kotek –Mary Kyle McCurdy-1000 Friends proposed legislation HB 2007 titled "Housing Affordability". That bill attempted to eliminate single family zoning and eliminate all forms of design review except in downtown Portland.
- **HB 2001** is a statewide application of the 1000 Friends-Portland Mayor's RIP proposal that is based on unfounded** and speculative assumptions. It is a model of scattershot density, unsupported by analysis, and misleadingly promising "needed housing*", social justice, and affordability.
- *[**Relative to RIP in Portland, data shows that there are approximately 3700 lots in the existing R1 ("middle housing") zones occupied by single family homes with an average size of 1475 square feet. R1 zone is designed for up to 5 units on 5000 square foot lots. These properties are almost entirely outside of historic districts or are NON-contributing properties IN historic districts.*
- *If development of "middle housing" were confined to areas zoned R1, the projected production of dwellings for the next 20 years anticipated by the Johnson economic study for the Portland under RIP would be accommodated entirely in these existing R1 zones.*

- *In addition to the R1 zone, there is the R2 zone and the R2.5 zone, the latter explicitly zoned for duplexes. There are 7,840 single family homes in the R2 zone having an average size of 1433 square feet. These are not in historic districts or are NON-contributing properties in historic districts.*
- *Considering only the R1 and R2 zones, Portland is already zoned to replace 11,500 single family homes with middle housing (and this doesn't count the 30,000+ lots on corners where single family houses can be replaced with duplexes, land already zoned R2.5, or accessory dwelling units allowed for every house).]*
- **HB 2001** is a Trojan Horse for developer/interests posing as a solution for a housing “crisis”. That crisis is one of affordability and the result of numerous market forces. It is not the result of zoning regulations, at least not in Portland. The affordability gap will not be resolved by eliminating single family zoning. HB 2001 will, however, result in displacement of residents of every income especially the poor and disadvantaged. HB 2001 fails to consider the negative environmental, financial, and social impacts on existing residents and violates the spirit and letter of Oregon’s proud history of sensible land use planning.
- **HB2001** may result in some needed if rarely affordable housing. On the other hand it may be the greatest land grab for housing investors in Oregon’s history. It will not support transit, address climate change, mitigate social injustice. It will be legally and socially disruptive. Ending single family zoning and confusing it with multi-family middle housing is a formula for increased demolitions, displacement, and speculative redevelopment. The big question is who benefits?

Again, as a thoughtful legislator please oppose this misguided and irresponsible approach to land use planning and focus on real solutions. I welcome the invitation to talk with Legislators who have a genuine interests in promoting housing affordability.

Respectfully,

/s/ Maria Thi Mai

Cc via email:

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