

My name is Roseann Johnson and I represent Bluestone Homes, Inc., which develops and builds in Portland, OR. I am a native Oregonian and have lived in the Portland metro area most of my life. Bluestone employs my parents, myself and a site supervisor, each native Oregonians, along with a part-time bookkeeper. We have worked exclusively within the City of Portland building new homes for the past 22 years. On average we hire over 30 subcontractors for each project as well as purchasing materials from local suppliers. We are a local company hiring local people and purchasing from local vendors.

I am testifying on behalf of the Oregon Home Builders Association (OHBA) and the urban development/infill builder community with respect to building single family dwellings where zoning permits, within the urban growth boundary.

Many of the homes we have built in the last 22 years have been on lots under 26 feet wide. For many potential buyers, homes on these size lots represent an entry to homeownership they would otherwise not have in the city, not to mention in a given neighborhood. The fact is there will always be more and less desirable neighborhoods, and that many less-desirable neighborhoods can transition to be some of the most walkable, community-oriented spaces in the city. Creating opportunities for both existing and potential homeowners in a variety of neighborhoods is one of the biggest factors leading to inter-generational wealth, where families can share living space, live near each other, plan for aging, and pass along property gains.

Our new homes on so-called 'narrow' or 'skinny' lots have and continue to increase the livability of the neighborhoods in which we build, open the door of homeownership to families and individuals, and provide increased taxes for the city.

We in the development and building community see HB3018 as protecting property rights under the 5<sup>th</sup> Amendment of the U.S. Constitution and providing equal protection under the law per the Constitutional 14<sup>th</sup> Amendment.

A jurisdiction should not be allowed to ban housing on lots that it deems 'incompatible' in size or 'antiquated' for the current zone. The paradigms around narrow lots—often having to do with aesthetic concerns about the building product thereon—fluctuate and vary from person to person, city to city. One person's/neighborhood's/city's view of the ideal buildable lot is not the criteria by which that legally established lot is developed or not. Zoning codes and design review, where applicable, shape what is built, but the inherent buildable nature of the lot does not change. In other words, subjective views of housing on narrow lots do not change the fact that cities do not have the authority to relegate lots of a certain width as unbuildable via changes to any code ordinance or administrative rule.

16081 S. Moore Rd., Oregon City, OR 97045 ~ 503.632.5985 ~ 503.632.5950 fax office@bluestonehomes.net www.BluestoneHomes.net



HB3018 directly supports the needed housing legislation passed in 2017. A 'No' vote on HB3018 would allow municipalities to craft their planning and zoning codes in such a way that could erase legal, viable lots from the buildable inventory. This action further limits the land supply in a time of land scarcity, high land costs and lengthy jurisdictional plan review timelines, particularly in Portland. Conversely, a 'YES' vote on HB3018 rightly protects lots and preserves the buildable land supply, which will continue to allow housing—both rental and fee-simple-- to be built across the neighborhoods of any city and thus meet the housing needs of residents of all income levels.

I support HB3018 in preserving the ability to build single family dwelling units on all lots within the zone, including historically platted lots. While Portland's Residential Infill Project is projected to cap the Floor Area Ratio (FAR) so as to limit the size of dwelling units in the single-family zones—and therefore limit the potential financial feasibility of building them given current land costs—HB3018 would still allow these lots to be in the buildable inventory for development as the market may deem.

HB3018 is indeed a stride in the right direction. However, I believe legislation could go even farther to keep buildable lots from disappearing, by protecting the ability to build functional family-sized homes on narrow lots. Small homes—effectively enforced by a jurisdiction's zoning code-- will not often pencil in sought after neighborhoods. Because the price of land is so high, the new house in turn must command a higher price per square foot than its larger footprint neighbors. Additionally, because construction financing requires comparable sales within a close vicinity, there is less likelihood of artificially-enforced, smaller homes coming to fruition in 'established' neighborhoods. The take-aways are that cities should not be able to preclude functional housing in singledwelling zones by virtue of their zoning code, and that neighborhoods don't get to say 'no' to housing that looks different.

I ask that with HB3018, the Committee consider the property rights of both existing and future property owners, homeowners, and tenants: to build, purchase and/or rent housing at all income levels. Portland and cities across the state desperately need all types of housing. With increased certainty surrounding narrow lots zoned for single family dwelling units (FAR and other zoning requirements notwithstanding) we at Bluestone, and companies like us, will be more likely to acquire, develop and build needed housing on these lots.

No city should allow any single-family neighborhoods within its jurisdiction to opt-out of development on legally established lots. I urge the committee to vote 'YES' on HB3018 and decidedly preserve all said lots within an urban growth boundary-- regardless of size—for building in single family dwelling zones.

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Thank you for your time and consideration.

Thosan you

Roseann Johnson Development Manager Bluestone Homes, Inc. 971.221.6734 c Roseann@bluestonehomes.net