

OR State Legislature
House Committee on Housing & Homelessness

I am writing to provide testimony on House Bill 2138-1. At the Architectural Heritage Center and Bosco-Milligan Foundation, we support the intent to create more “missing middle” housing, however we are in the unfortunate position of having to **oppose the bill because of because of one line - Section 22(1) f – which unrelatedly removes Demolition Review for Contributing structures in National Register historic districts.**

Our position is simple: remove this one sentence during the bill amendment process. As written, Section 22(1)(f) has no requirement that middle housing or affordable housing replace the demolished historic structure. It has NO connection to the bill’s goal.

We know that our existing older homes are NOT an impediment to adding housing, nor does the balanced process of demolition review. Retaining Demolition Review does not remove the potential of a building demolition, it ensures a reasonable review process and a chance for the public to have a voice prior to doing so.

Why this matters:

- National Register districts often represent the collective cultural heritage of a community. Contributing structures are integral to understanding a district's social, economic, and architectural history. Retaining them allows future generations to appreciate and learn from the past.
- Contributing structures play a vital role in maintaining the historical integrity and character of a district. Removing or altering them can change the district's historical narrative and erode its authenticity.
- **Demolition review is the ONLY protection Oregon provides for these resources.**
- Historic designation requires rigorous research and vetting to prove cultural significance. They should not be erased without careful consideration.
- Demolition is forever and **more demolition works against our climate goals.**
- No protection + no restoration and reuse incentives mean **Oregon is dead last in the U.S. for stewardship of its heritage places. We can do better.**

Oregon needs to prioritize low-carbon housing strategies that add affordable options in existing buildings over impactful demolition and resource-intensive costly new construction whenever possible.

- New construction is incredibly carbon intensive. Building materials represent 90% of carbon emissions compared to operations. Consider the high carbon impact of extraction, refinement, and transport of new construction materials.
- According to Preservation Green Lab, it can take between 10-80 years to offset the environmental impact of demolition, even when replaced with a new building that is 30% more energy efficient. Translation: it is not just about making buildings more energy efficient, reducing extraction of new construction materials is critical.
- **“Renovating just one older home vs. demolishing or replacing it, equates to taking 93 cars off the road for an entire year.”** (Restore Oregon 2021 Brief based on EcoNorthwest Study)
- It is essential that we leverage our existing resources as much as possible now because what we do in the next ten years will have the greatest impact in mitigating the increasingly harmful effects of climate change.

The attached research brief, highlights: “The City of Portland issued 1,160 demolition permits between 2016 – 2020. Subtracting deconstructions from the demolition total still yields a shocking figure: the CO2 emissions generated in Portland by **823 residential demolitions over a span of five years are roughly equivalent to the burning of 36 million gallons of gasoline or the annual emissions of 76,480 cars.** Over that same timespan, “the City of Portland issued 376 demolition permits for commercial buildings,” yielding emissions equivalent to 182 million gallons of gas **or annual emissions from over 380,000 cars.**

Countries like England have just made the shift to prioritize a “Retrofit First” policy. We can and should too. If there is concern about housing in heritage areas, adaptive reuse incentives can help us tap existing buildings for housing - a win-win opportunity with a low-carbon approach to adding density.

Three low-carbon housing strategies Oregon should be using to increase affordable housing:

1. Add a State Rehab Tax Incentive for Commercial Buildings - 39 other states have a Rehab Tax Credit, but this is missing from Oregon’s housing toolbox. This could provide an additional 20% more financial resources above the federal incentive (up to 40% benefit in total to address our housing, climate, and resiliency goals). This could provide funding for a) conversion of existing historic commercial properties to residential uses, b) help address unreinforced masonry buildings for enhanced resilience, and c) provide more energy efficiency to address climate goals.
2. Create the Package of Technical Tools & Incentives for Adaptive Density in Existing Dwellings. To increase housing in heritage areas, a more inclusive “both-and” strategy would be to add more units within designated historic areas through a financial incentive package for adapting existing residential to multi-unit housing in non-contributing properties, conversions to duplexes, adapting basements, attics, and garages as ADU’s, as well as adding additional square footage. These could include low interest loans, technical assistance, etc. Added housing units are quicker to provide, with less demolition impacts.
3. Retain Existing Affordable Housing within historic districts. Many older buildings provide greater affordability due to their age whereas new construction is inherently more expensive due to high cost of materials, transportation, refinement, and supply chain issues. Older buildings are often well-built of solid construction and provide naturally occurring affordable housing (“NOAH”) construction due to their age within historic areas. Frequently, these naturally affordable units are demolished and replaced with much more expensive single units or duplexes without any affordability requirement, with far greater price tags, spurring higher real estate prices, increased gentrification, and displacement of lower-income renters.

Oregonians care about both housing affordability, climate, and cultural preservation. Many communities understand that vital, livable cities require balancing economic health, housing, livability, and environmental sustainability, and that there are many ways to achieve our goals. The adaptive approaches above are likely to garner greater support from communities across Oregon because they retain our heritage and support more housing with lower impact. A successful housing policy needs a broader spectrum of performance and impact criteria for evaluating “good” housing – not just fast, cheap, and plentiful – we need to ensure this includes climate, quality, affordability, cultural sensitivity, and making housing well-tuned to those that need it most.

Removing Demolition Review is counter to Statewide planning goals. Ensuring communities retain a voice is a key tenet of State Goals 1 and 5. Retaining Demolition Review does not remove the potential for demolition, it simply ensures an equitable voice.

*The Oregon Legislature’s Citizen Engagement website¹ highlights boldly: “**The connection between people and their government is strengthened when the public has ample opportunity to have their concerns heard...**”* This is a value held dear to Oregonians, and we would hope that our state legislators would support retaining the long-standing best practice of Demolition Review that ensures exactly this – a public process that gives everyone a voice in shaping their community. Please remove Section 22(1)(f) from the bill and push for more climate responsive housing strategies for adaptive density.

Thank you,
Heather Flint Chatto, Executive Director
Architectural Heritage Center & Bosco-Milligan Foundation | 701 SE Grand Avenue, Portland, OR 97214

¹ Source: www.oregonlegislature.gov/citizen_engagement

Hidden Cost of Demolition & Reconstruction

Excerpts from P. Moretti's Oregon Field Notes article, 2021

"It is often assumed that the CO₂-reduction benefits gained by a new, energy efficient building outweigh any negative climate change impacts associated with the construction of that building." This is untrue.

A 2016 GreenLab study finds that "it takes 10 to 80 years for a new building that is 30 percent more efficient than an average-performing existing building to overcome... the negative climate change impacts related to the construction process."

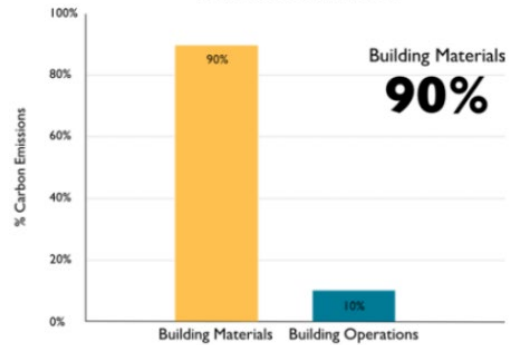
Renovating just one older home vs. demolishing or replacing it, equates to taking 93 cars off the road for an entire year.²

Renovating a 1500 square foot older home, instead of tearing one down replacing it with 3,000 square feet of new construction, reduces CO₂ emissions by 126 metric tons of carbon. A savings of 126 tons of embodied CO₂ is roughly equivalent to **preventing emissions from 44,048 gallons of gasoline.**

The City of Portland issued 1,160 demolition permits between 2016 – 2020. "Subtracting deconstructions from the demolition total still yields a shocking figure: the CO₂ emissions generated in Portland by **823 residential demolitions over a span of five years are roughly equivalent to the burning of 36,251,504 gallons of gasoline or the annual emissions of 76,480 cars**". "Over that same five-year period, the City of Portland issued 376 demolition permits for commercial buildings, yielding emissions equivalent to **182,031,752 gallons of gas**" or **annual emissions from over 380,000 cars.**

² The average car uses 474 gallons of gasoline per year.

Building Sector CO₂ Emissions
New Construction: 2015-2050



Source: ©2018 2030, Inc. / Architecture 2030. All Rights Reserved.
Data Source: EPA (2011), Richard Stein, CBCC (2003), McKinsey Global Institute

Fight Climate Change with Restoration & Reuse

Oregon's existing buildings are among our greatest renewable resources.

THE HIDDEN COST OF DEMOLITION & RECONSTRUCTION



126 METRIC TONS OF CARBON

Renovating a 1,500 SF older home, instead of tearing one down and replacing it with 3,000 SF of new construction, reduces CO₂ emissions by 126 tons.



1,383 METRIC TONS OF CARBON

Renovating a 10,000 SF commercial building versus replacing it with a 20,000 SF structure, which uses more energy-intensive materials, reduces CO₂ emissions by 1,383 tons.

RENOVATION & REUSE PREVENT EMISSIONS



44,048 GALLONS OF GAS

A savings of 126 tons of embodied CO₂ is roughly equivalent to preventing the emissions from 44,048 gallons of gasoline.



464,127 GALLONS OF GAS

The carbon savings for a commercial building is equivalent to preventing the emissions from 464,127 gallons of gasoline.

LOOKED AT ANOTHER WAY...



93 CARS OFF THE ROAD

The average car uses 474 gallons of gasoline per year. Renovating just one older home, vs. demolishing/replacing it, equates to taking 93 cars off the road for an entire year.



1,028 CARS OFF THE ROAD

Renovating an existing commercial structure makes an even bigger impact as its renovation equates to taking 1,028 cars off the road for an entire year.

DO THE MATH: IT REALLY ADDS UP!



From 2016-2020 in Portland, over 823 houses were demolished. That's equivalent to annual emissions from **76,480 cars!**



Over the same five years, 376 of Portland's commercial structures were razed. That's equivalent to annual emissions from **386,528 cars!**