

John Liu     publicjohnliu@gmail.com  
Portland

## I Support HB2663

All over Oregon, at both the local and state level, we are struggling with housing policy conflicts. Demolition of housing vs rehabilitation and retention of housing, high density development vs neighborhood identity and character, redevelopment to expensive new housing vs retaining lower/moderate priced existing housing.

**What is the solution that will allow us to (1) add more housing (2) that is affordable (3) without demolition (4) preserves neighborhoods and (5) is feasible for individuals.**

One solution is accessory dwelling units; these are very popular in Portland and the Legislature encouraged them elsewhere via SB1051 (2018). The other solution, that this bill is about, is **internal conversion of existing houses to multiple units.**

There are *many reasons* to prefer internal conversions to demolitions.

**Environmental.** The greenest house is an existing house. In our climate, it takes many decades to recover the climate change impact of demolishing an existing house and its embodied energy, even if the new building is energy-efficient.

“if the city of Portland were to retrofit and reuse the single-family homes and commercial office buildings that it is otherwise likely to demolish over the next 10 years, the potential impact reduction would total approximately 231,000 metric tons of Co2 – approximately 15% of their county’s total Co2 reduction targets over the next decade.”<sup>1</sup>

**Economic.** Land and new construction are very expensive. New duplexes in Portland routinely cost \$700,000 per unit. Redeveloping neighborhoods via demolition/new build creates new housing, yes, but usually not housing attainable to the families who once lived there. Building new housing in that manner actually *increases prices and displacement.*

Last year, a Curbed article looked at Portland’s infill housing policies, described by a city representative as: “*redoing zoning codes and rules to permit more multifamily units, make room for bigger infill projects, including residential infill, and, ultimately, increasing supply.*” In response, Professor Bates of PSU explained that new development raises prices and displacement.

“*According to Bates, the Albina neighborhood is seeing change accelerate, as more and more buildings come on line and new residents move in. In the short*

---

<sup>1</sup> “The Greenest Building: Quantifying the Environmental Value of Building Reuse”, Executive Summary at p. viii, <https://forum.savingplaces.org/HigherLogic/System/DownloadDocumentFile.ashx?DocumentFileKey=b6b14c78-e108-1931-3f6d-9df1a153f9e1&forceDialog=0>

*term, 'new housing supply in a neighborhood increases prices and displacement,' she says."*<sup>2</sup>

**Place and Identity.** Many Oregonians are deeply rooted in our neighborhoods. The existing houses are the integral fabric of neighborhoods, the built environment that let us know we are home.

It is not surprising that rezoning for demolition-based development that tears apart this neighborhood fabric draws fierce resistance.

However, internal conversions can add housing without divisive and controversial rezoning. In Portland alone, there are over 10,000 single-family houses on lots zoned for multifamily housing (zones R1, R2, RX, RH).<sup>3</sup> All of these can legally be converted to multifamily today, with no change in zoning. If more conversion capacity is needed, allowing and encouraging internal conversions will draw far more citizen support than opening neighborhoods to accelerated demolitions.

**HB2663 gives us another path. It recognizes that existing houses, neighborhoods, and communities are not obstacles to be bulldozed and displaced - they are solutions.**

The City of Portland commissioned a study of internal conversions in 2016.<sup>4</sup>

"Many existing homes are currently being demolished to make way for newer and much larger housing stock, and there is little financial incentive to retain existing older homes which are smaller and may have deferred maintenance issues. Internal conversions may offer a viable path to providing financial incentive for preserving existing buildings by converting them to multiple dwelling units."

One sample house examined in the study was a "two story 1910s Portland foursquare on a tight site with an attic and basement". (I live in exactly such a house.) The study shows how this common type of house can be **converted to multiple attractive, livable units without major exterior alteration and without demolition**. As can many other existing houses.

---

<sup>2</sup> Curbed: "In Portland, a neighborhood designs its own solution to displacement". <https://www.curbed.com/2018/6/26/17506094/portland-neighborhood-displacement-gentrification-albina>

<sup>3</sup> Totals from Portland Coalition for Historic Resources, based on review of city of Portland data. Exact count in 2012 was 13,486 but some have been demolished since.

<sup>4</sup> "Residential Infill Project: Internal Conversion Report", page 2. <https://www.portlandoregon.gov/bps/article/594797>

The study identified regulatory requirements that make such conversions “complex and/or challenging” and also administrative and legislative ways to reduce those obstacles. **The primary obstacle [to internal conversion] is the transition to commercial (specialty) building code at 3 units.**

“A primary obstacle to converting houses into 3+ units is the transition from residential to commercial building code. Although appeals are regularly considered to allow for alternative paths to code compliance, advocating for a statewide change in the building code thresholds for internal conversions could more readily enable conversions and minimize the level of exterior change required for 3+ unit conversions.”<sup>5</sup>

**HB2663 will address this primary obstacle. I urge its passage.**

John Liu  
Portland, Oregon

Member of the Portland Coalition For Historic Resources

publicjohnliu@gmail.com

---

<sup>5</sup> “Residential Infill Project: Internal Conversion Report”, page 2.