ENA President <president@eastmorelandpdx.org>

Fwd: OPPOSITION TO HB-2001, SB10, HB2003

1 message

ENA President <president@eastmorelandpdx.org> Mon, Mar 18, 2019 at 4:33 PM
To: hhs.exhibits@oregonlegislature.gov

Dear Legislators,

Thanks for considering our testimony in opposition to these bills.

Spinning off the Portland RIP rezone, three apparently well intended bills in the 2019 Oregon legislative session promise affordability through statewide mandates for housing densification: SB-10, HB-2003, HB-2001. If any pass, resembling their current content, the result will undermine the fundamental goals of Senate Bill 100. That 1973 foundational land use law protects farm and forest, requires cities to grow incrementally and stabilizes neighborhoods. It requires an ongoing 20-year supply of land for all types of housing for all levels of income, provided through planning processes at the local level, first and foremost with *meaningful citizen engagement.*

Riding the crest of concern of housing affordability, the housing densification bills emerging from the Oregon legislative session that make a mockery of thoughtful land use planning and Senate Bill 100. In SB-10 for example, densities of *14 to 75 dwellings per acre must be allowed* everywhere within a half mile of frequent transit lines. The implications for demolitions and displacement are stunning. **These bills are Wolves' Legislation in Sheep's Clothing**

The Players

OHBA, representing homebuilder/developer/investor interests, is gunning for unlimited access to land zoned residential while simultaneously advocating for expansion of the urban growth boundary (UGB). Holland Partners are behind SB-10 transit line intense densification that Bay Area voters rejected. 1000 Friends of Oregon (1KFO), has a singular historic focus to preserve forest and farmland and limiting UGB expansions. Since UGB constraints are substantially (if imperfectly) settled in policies and public opinion, 1KFO, aka Portland for Everyone (P4E), has retooled as a grass roots advocate for "affordable innovative housing" and has embraced all of the above.

Follow the money. It is now clear that 1KFO's messaging for the random densification agenda is an offspring of precedent of developer funded efforts in Seattle. While playing to the interests and needs of young educated workers who prefer to live close to urban centers, these are not "grassroots" efforts but heavily funded by corporate and real estate investment interests including Holland Partner Group (Oregon Smart Growth PAC) backed by Blackstone Group, Clyde Holland (Chairman of National Up for Growth and leading Washington State Donald Trump fundraiser), Uber, Airbnb, and tech industry supporters of Seattle-based Sightline Institute which also has close ties with 1KFO.

Although long-time adversaries, 1KFO and OHBA and their sponsors, have found common ground demonizing zoning regulations as the source of high housing costs. Oregon Up For Growth cheered them on. These organizations use the same rhetoric and talking points that dense

redevelopment of all single-family neighborhoods will lead to more affordable housing, even for homeless. They have combined their well-funded lobbying horsepower and influence with Speaker Kotek to draft legislation that radically preempts local zoning. All include unfunded mandates for planning and infrastructure that burden local government and local taxpayers.

1KFO, the lead advocate and sponsor of the Portland RIP and the densification legislation identified above, has taken up a libertarian approach to zoning which encourages random residential densities. Such regulations can and will, in future, be easily manipulated to allow larger structures following the elimination of single-family zoning. In the Portland RIP, the sweetener is temporarily limiting the size of single-family homes and by requiring at least two and as many as four dwellings on *every new or redeveloped residential lot* applied throughout 93% of Portland's R2.5, R5 and R7 single-family neighborhoods. OHBA has embedded provisions designed to weaken building code regulations, accountability laws, and abbreviate permit processes that cost developers time and expense.

Why the RIP and its legislative offspring?

Are these legitimate responses to housing affordability or part of a self-serving and ideologically driven agenda? Where is the evidence that Oregon zoning laws are a significant contributor to high housing costs? Where is the evidence that *randomly* demolishing houses for densification will reduce traffic and sprawl, improve neighborhood livability, or enhance environmental health such as tree canopy? Is there evidence that LUBA , the Oregon land use law oversight and enforcement agency, systematically fails to enforce SB-100 requirements for local governments such as Portland, Wilsonville, or Bend? Will the implicit long-term redevelopment provide neighborhood stability, reduce displacement - at all income levels - and improve the character of Oregon's cities as SB-100 requires? Will the Portland RIP abate the ongoing displacement of lower income folks and racial minorities or simply accelerate the damage to neighborhood fabric and environmental health with random infill?

These questions beg to be answered. Let's start with Portland where at least some scrutiny has been given to the issues of available lands, displacement impacts, and likelihood of providing additional housing.

Consider some Portland-specific facts:

- In Portland's adopted 2035 Comprehensive Plan, the approved map shows the location of the 20-year supply of vacant and underutilized land zoned for residential use. In addition every residential corner lot is zoned for 2 houses, every midblock lot may include an 800SF ADU, density overlays are applied to substantial areas of the city. In excess of 41,000 lots zoned for denser housing in Portland are available excluding ADUs. These *entitlements are largely unused*.

- Portland's cost of housing burden is high but comparable to 20 other US cities and the lowest among large cities on the West Coast despite a reputation for quality of life and low unemployment. Housing price increases in 2018 were 60th among the largest US cities.

- Rental costs are leveling or declining. Rental units are now projected overbuilt for several years to come. Prices have crested. Construction of single-family housing and apartments is projected to slow next year.

It should be everyone's concern that many in Portland are finding housing expensive if not unaffordable. But there is no evidence that there is a shortage of available buildable land as the RIP or the advocates for the legislative initiatives claim. As for other Oregon cities, it is LUBA's responsibility to insure that targets for buildable lands are met. Will rezoning with a sledgehammer and wrecking ball contribute to more housing or affordability? Think again.

Conclusion

The Portland RIP is a charade promising what it can't deliver. RIP's statewide legislative distaff are bold and dangerous interventions. We need leaders who analyze facts, not tune into rhetorical dog whistles, before formulating policy and passing laws that result in permanent economic, social, cultural, and environmental damage. These bills are conceptually flawed and special interest driven. They are legislative cluster bombs which will not begin to address the issues of affordable housing that they claim to address. We do have time to get this right.

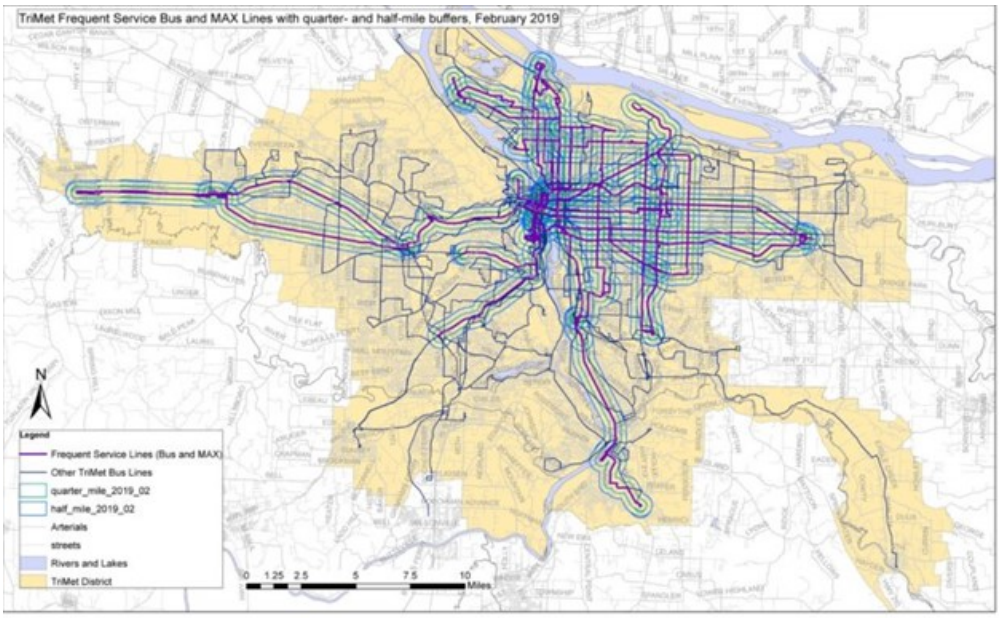
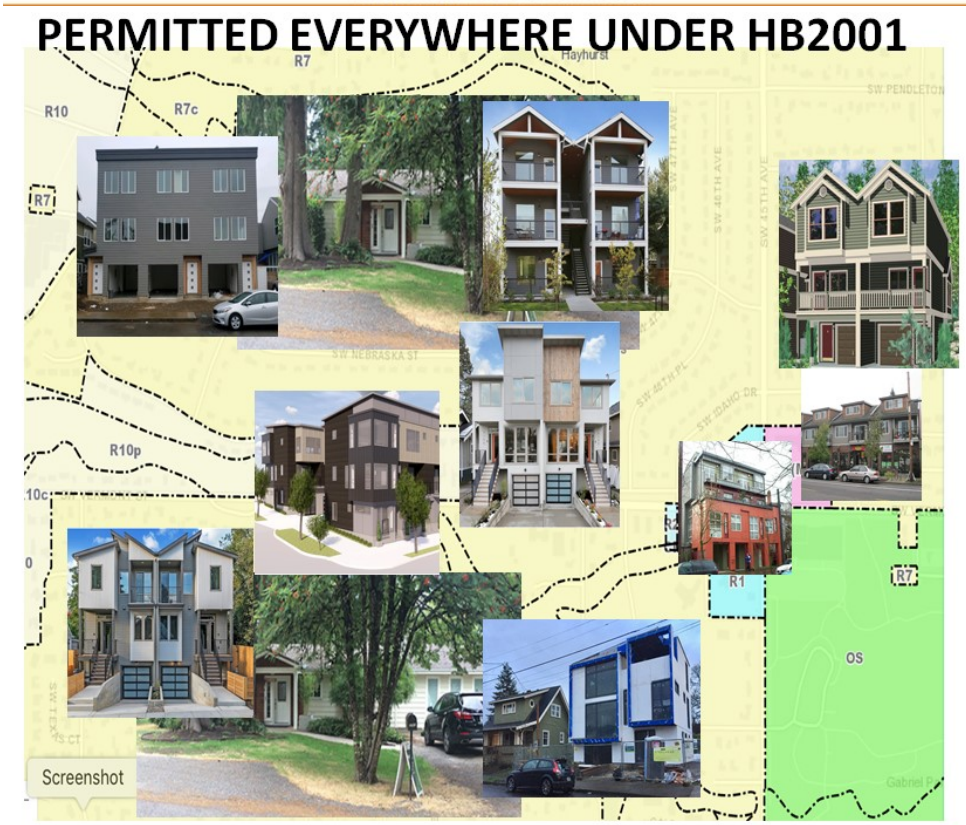


Image courtesy of TriMet, used with permission.



Senate Bill 10: Densities of *14 to 75 dwellings per acre must be allowed* within the boundaries indicated.

Thanks for your attention and consideration,

Rod Merrick,

3627 SE Cooper St., Portland, OR

Rod Merrick AIA is an architect, Board President Eastmoreland Neighborhood Association, member2015 RIPStrategic Advisory Committee, and Portland Together member. http://pdxisnot4sale.org/

References:

https://www.kiplinger.com/tool/real-estate/T010-S003-home-prices-in-100-top-u-s-metro-areas/index.php

https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/HB2003

Zoning info is per the adopted 2035 Comp Plan. Data sources include the Portland Zoning map, the Portland Address Database, the Portland Building Footprint database, and the County Taxlot database. These are combined to create a simple database of properties with their characteristics. For example, the Building Footprint database has the latitude and longitude of the center of each building recorded and that is overlaid with the coordinates of the boundaries of every discrete zoning segment to determine in which zone each building is located.

The following is a count of lots, already zoned for higher densities, with single family houses in place:

> **9,926 lots with a house in R2.5** Zone, greater than 4900 square feet, entitled to be demolished and replaced with two attached houses.
> **3,817 lots with a house in the R1** Zone entitled to accommodate 5 units per 5000 square feet.
> **5,910 lots with a house in the R2** Zone entitled to accommodate 1 unit per 2000 square feet and where the lot is at least 4000 square feet.
> **814 lots with a house in the RH** Zone, entitled to accommodate much higher density multi-family dwellings.
> (**9,751 lots with a house in the R5 or R7** Zones where the lot is at least 7500 square feet and potentially divisible.)
> (**R5 and R7 Zone Corner lots,** potentially divisible, discussed below)

Total lots entitled for higher density = at least 30,218.
Excluding R5 and R7 potentially divisible larger lots, the net is = 20,467 lots.

Counting only houses on R5 lots less than 7500 square feet, and all 31,630 houses on R7 zoned lots, there are 92,633 houses. There are also six square miles of R10 and R20 zoned properties. None of these are included in the above analysis.

Houses on Corner Lots in the R5 and R7 zones may be replaced by duplexes. Portland's residential blocks from the early Streetcar Era were laid out in regular grids which typically have from 14 to 16 lots per block. In general, these regularly platted areas will have between 25% and 28% corner lots in total (4 corners vs 14 or 16 in total). In a block-by-block sampling of Laurelhurst, I found approximately 18-20% corner lots. However, such layouts are unusual.

Using a conservative estimate of **23% corner lots across the 92,633 houses subject to this rule renders an additional 21,000 single family homes on corner lots subject to replacement by duplexes.**

In summary, the number of single family **home lots in Portland ALREADY zoned for higher density ranges from 41,000 to at least 51,000 lots.**

In addition there is zoning in place for at least another 90,000 Accessory Dwelling Units.

Clyde Holland/Holland Partner Group:

> Here in Portland, Washington State billionaire Clyde Holland, CEO of Holland Partner Group, is an active partner with Blackstone - together buying and selling over 2 1/2 Billion dollars of multi-family real estate in the Portland area in just the last 2 years alone. Holland was Washington state's largest contributor to the Trump Victory fund and contributes millions each year at the national level and in Washington and Oregon. Holland also directs other PACs related to "smart growth". Both Clyde Holland and Holland Partner group are major donors to 1000 Friends of Oregon and Holland's Development Director, Mike Kingsella, partners closely with Portland For Everyone (a project of 1000 Friends that promotes market-rate redevelopment and hi-rise urban density). In California, Holland came under scrutiny by the local carpenters union for hiring subcontractors that do not meet prevailing wage and benefit provisions. And in Portland, one of Holland's luxury residential towers was featured in an article about more Portland high-rise apartments rented as hotel rooms; many without required permits.

In October 2018, 1000 Friends co-sponsored an Up For Growth Coalition seminar attended/presented by Mayor Wheeler. Up For Growth is an organization directed by Clyde Holland/Holland Partner Group. Mike Kingsella, the keynote speaker is the development director for Holland. Oregon Smart Growth is also a Holland endeavor, Gwenn Baldwin and Kingsella lobby city hall in tandem under that org. as well.

In December 2019, Smart Growth America/LOCUS published a report ranking Opportunity Zones to prioritize investments in what they call "triple-bottom-line" zones. Clyde Holland and Mike Kingsella are also on the steering committee of Smart Growth America/LOCUS. Portland ranks #1 in most filters of that report.

Links about RIP

https://www.oregonlive.com/portland/2019/03/controversial-portland-infill-plan-narrowly-advances.html

https://www.oregonlive.com/portland/2019/03/portland-trumpets-rosy-numbers-for-controversial-infill-plan-buries-dimmer-forecast.html

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