



May 9, 2023

Hon. Julie Fahey, Chair
Hons. Breese-Iverson and Kropf, Vice-Chairs
House Committee on Rules
Oregon Legislature
Salem, OR 97301

RE: OPPOSE HB 3414 (As Introduced, subject to either the -5 or the -6 Amendments)

Dear Chair Fahey, Vice Chairs Breese-Iverson and Kropf, and Committee Members,

As Oregon's only statewide non-profit historic preservation organization, Restore Oregon works with thousands of people across the state each year to preserve, reuse, and pass forward the historic places and spaces that embody Oregon's diverse cultural heritage. By helping our fellow citizens preserve our state's unique built, natural and cultural environments, we help celebrate and promote much of what makes Oregon special.

Restore Oregon would like to voice our opposition to Section 2 of HB 3414 as it fails to acknowledge the important role cultural and historic heritage plays in the development of place-making throughout the state. Historic resources are unique assets for local communities and their long-term preservation requires adherence with longstanding protection rules. Similarly, archeological resources require delicate attention, including regulations requiring archeological oversight and avoidance of Native American sites. Design standards for Main Street and downtown areas are necessary to ensure that these special places remain walkable and economically thriving commercial cores of Oregon's communities.

Although much of the siting of housing is already subject to clear and objective standards, including with respect to design, there are some places where discretionary review is necessary to aid historically disadvantaged areas that have suffered displacement and cultural decimation through things like urban renewal and damaging alterations to designated historic resources. Discretionary design review for these designated historic and cultural treasures is essential for understanding these diverse and underrepresented histories from erasure by market-rate development. All of these protections will be subject to adjustment if Section 2 passes.

Given these sensitive resources, preservationists and local governments have worked to create a system that not only allows but encourages additional density in historic areas. Restore Oregon and preservation advocates throughout the state have: (1) partnered with housing advocates to support the middle housing rules that prohibit imposing use or design standards that serve to constrain density for historic resources, (2) advocated for rule changes that allow for the application of residential building code standards for internal conversion rather than the more restrictive commercial standards, (3) supported local government incentives for greater density, SDC reductions, and expedited review in historic areas, and (4) lobbied for new legislation, such as HB 2984 and SB 919, that incentivizes conversion of existing buildings for residential uses.

In fact, in the recently adopted Portland Historic Code Project, the regulations provide "no limit on the number of dwelling units allowed on the site" for Historic/Conservation Landmarks and properties in Historic/Conservation Districts. This is far more flexible than even the local middle housing standards or the HB 2001 middle housing mandate. This flexibility is the incentive in exchange for the design and demolition protections protecting the exterior integrity of the existing historic resources. This approach represents a broadly-supported balance - if those design protections were not present, Portland would not have allowed the additional increase in density in historic areas. The -6 amendments, which allow by-right removal of protections, destroys this balance by allowing unlimited density without adherence to the design standards that otherwise protect these historic places.

This example illustrates that while historic districts are treated differently, the obligation to produce housing remains. Historic preservationists advocate for housing but not through arbitrary elimination of protections at the behest of an applicant.

Although the -6 amendments take a sledgehammer to swat at a fly, there are a number of things to like about the -5 amendments requested by Representative Gamba in that they:

- More clearly define the bounds of what parts of a development may qualify for an adjustment;
- Allow for design standards to remain for multi-family developments located within historic areas;
- Limit adjustments to only those substantive standards that currently qualify for adjustment consideration, as opposed to discretionary criteria or development standards for which adjustments are prohibited by the local government;
- Allow for adjustments to development standards that would not adversely impact historic resource preservation; and
- Require that every development seeking an adjustment realize a housing benefit in terms of overall affordability or housing density.

However, the -5 amendment also include some ambiguities and inconsistencies that require some additional revision including:

- Reorganization to clearly differentiate development standards from design standards, and articulate which design standards are and are not eligible for adjustment regardless of the nature of the housing in the building;
- Extend the exemption for historic design standards applicable to all housing types, including middle housing; and
- Allow local governments to impose conditions on development to ensure the benefits as a result of granting the adjustment are in fact realized.

Restore Oregon would welcome the opportunity to assist Representative Gamba and the Governor's Office to refine the -5 amendments in a way that both respects historic and cultural resources and, at the same time, furthers housing production goals.

Thank you for the opportunity to comment on HB 3414 and for taking Restore Oregon's comments into consideration.

A handwritten signature in black ink that reads "Nicole Possert". The signature is written in a cursive, flowing style.

Nicole Possert
Executive Director