# Missing Middle Housing and the Reinvention of Single Dwelling Zoning

LINLY F. REES

CHIEF DEPUTY CITY ATTORNEY

CITY OF PORTLAND

# Acknowledgements

MATERIALS DRAWN FROM PREVIOUS PRESENTATIONS BY:

SANDRA WOOD, MORGAN TRACY AND JENA HUGHES, CITY OF PORTLAND

MARY KYLE MCCURDY, 1000 FRIENDS OF OREGON

# What is middle housing?

# Under Oregon law, Middle Housing is:

- Duplexes
- Triplexes
- Quadplexes
- Cottage clusters: group of 4 or more detached units/acre with footprint of less than 900 sq. ft. each and includes a common courtyard
- Townhouses:  row of 2 or more attached units, each dwelling unit on an individual lot/parcel and shares at least one common wall with adjacent unit




## Residential Infill Project
Single-Dwelling Zones

## Better Housing by Design
Multi-Dwelling Zones

## Mixed Use Zones Project
Commercial/Mixed Use Zones

# Why is middle housing missing and why bring it back now?

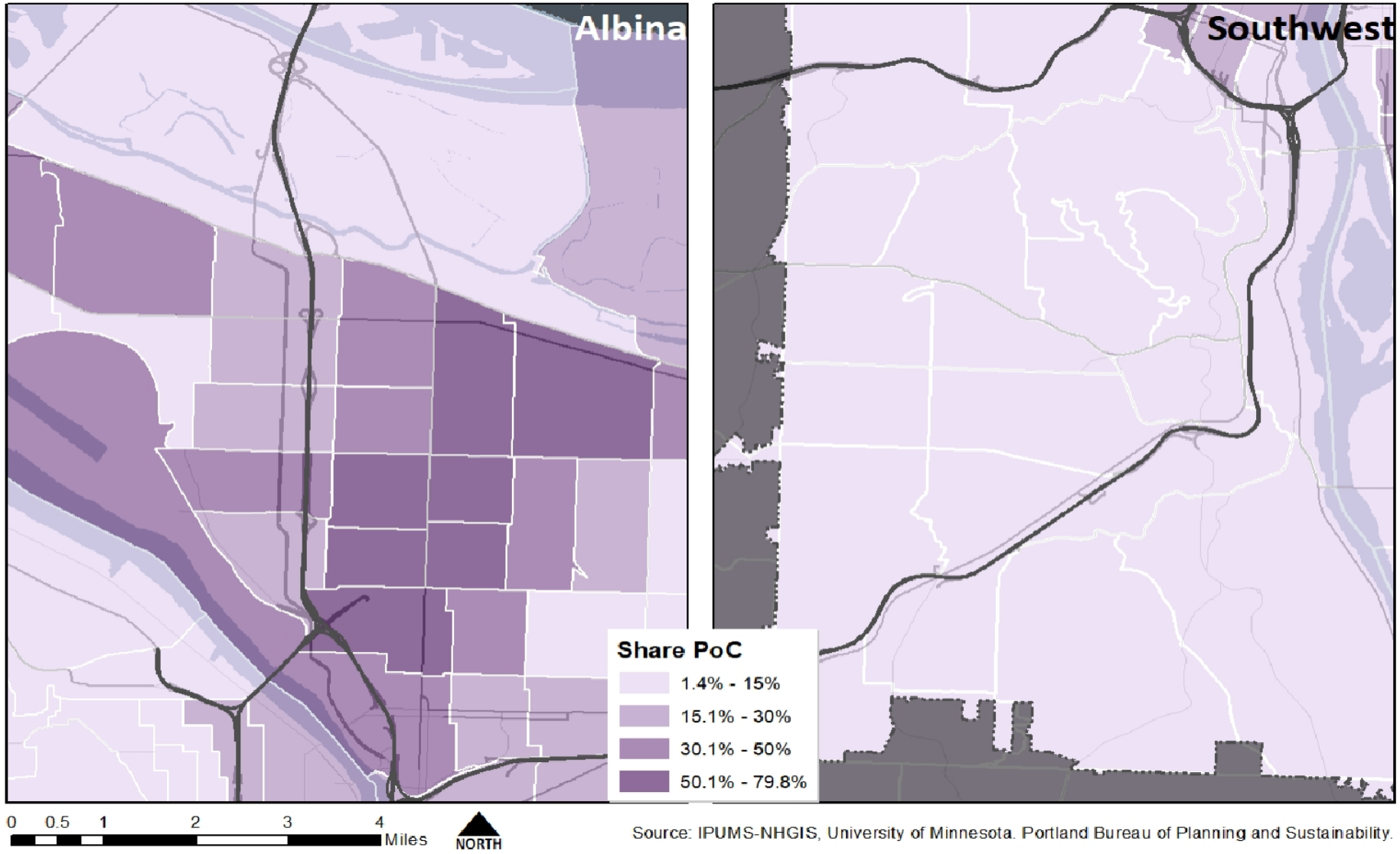


# Historical Context of Racist Planning

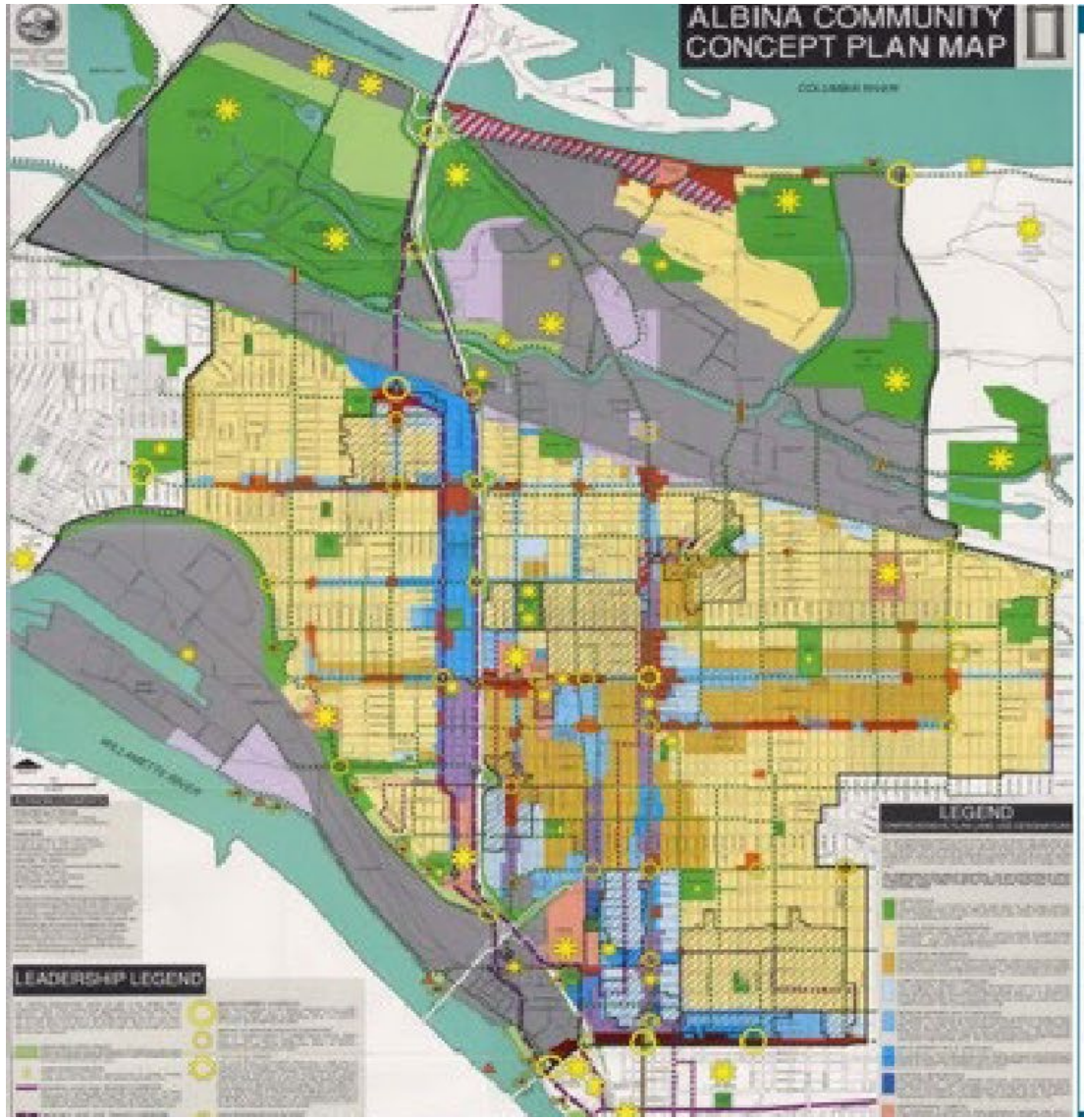
## How land use planning segregated Portland

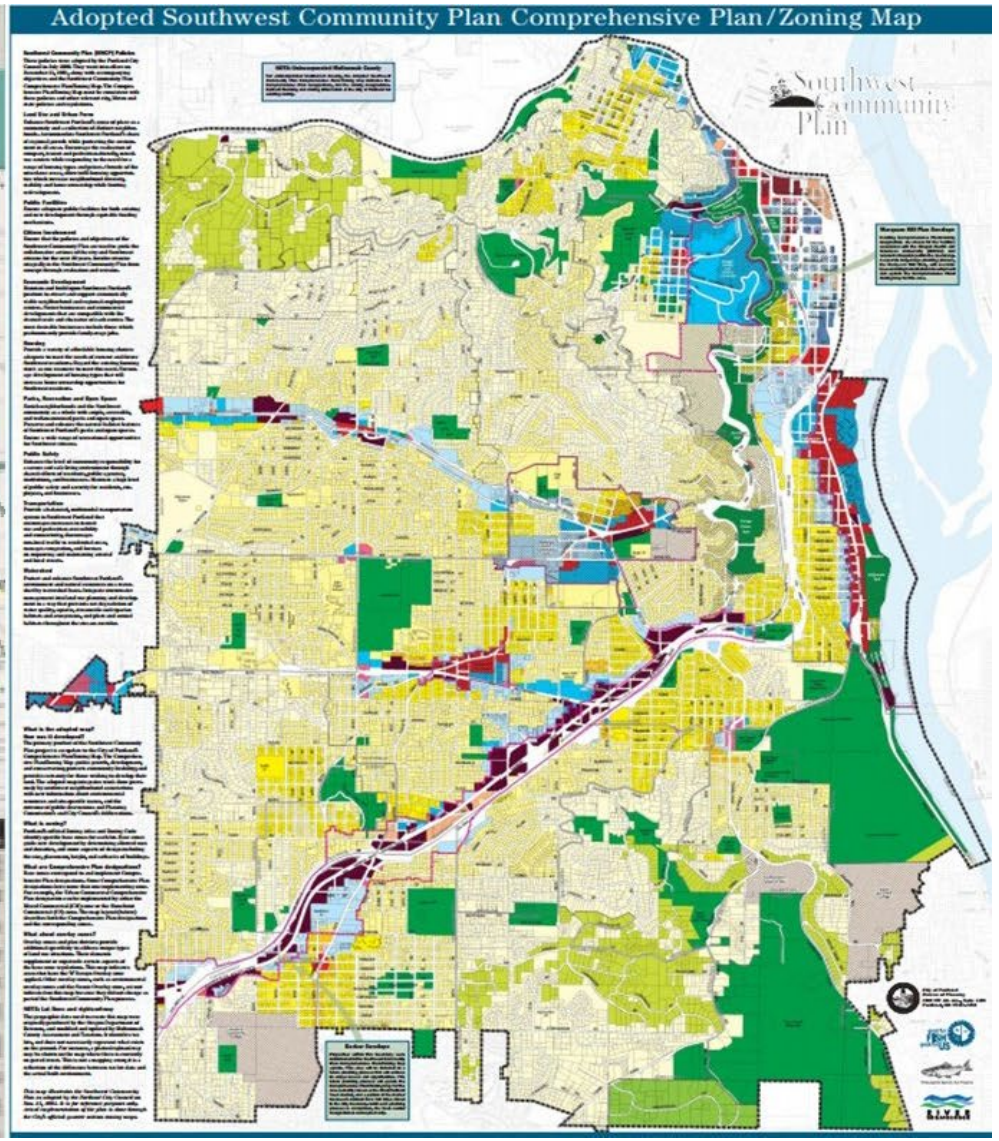
**https://www.portland.gov/sites/default/files/2019-12/portlandracistplanninghistoryreport.pdf**

# Share of People of Color in 1990: Albina vs. Southwest



# Albina vs. Southwest



# Changing Needs

- 260,000 more people expected in 123,000 new households
- Smaller household sizes
- Smaller percentage of households with children
- Greater racial diversity
- Aging population wanting to age in place




# Concerns – Scale of New Houses

# Household and House Size



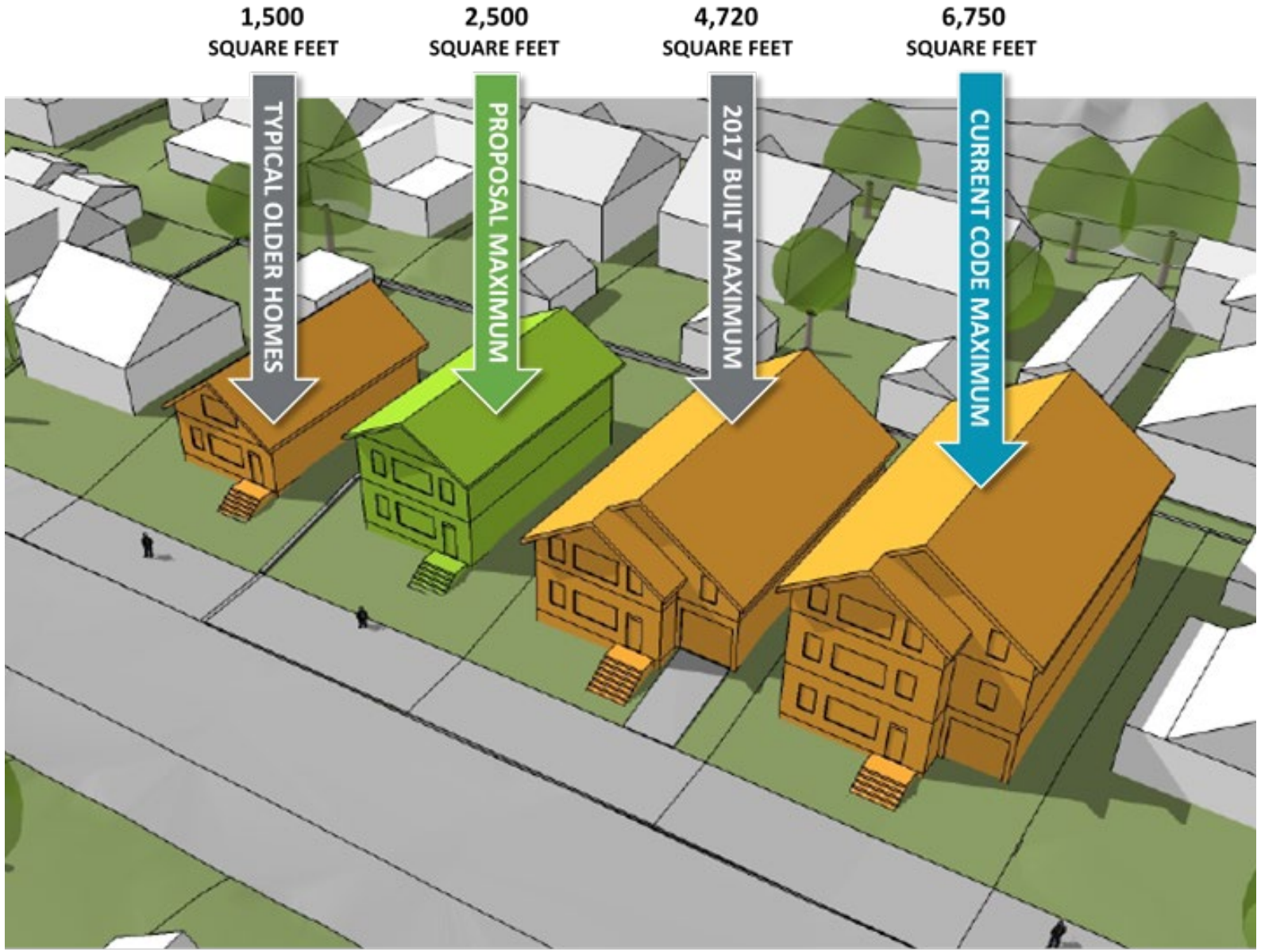

1920



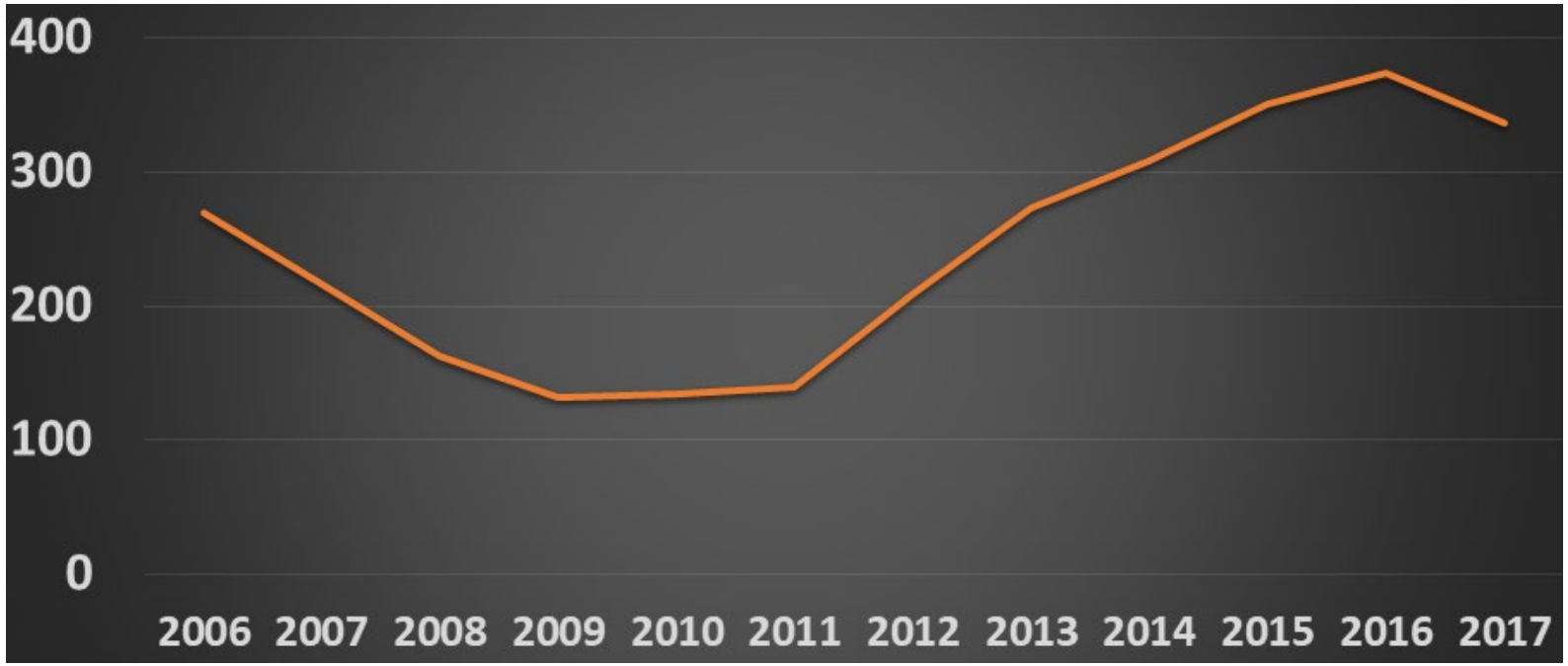

1980




2010


1,500
SQUARE FEET
2,500
SQUARE FEET
4,720
SQUARE FEET
6,750
SQUARE FEET
TYPICAL OLDER HOMES
PROPOSAL MAXIMUM
2017 BUILT MAXIMUM
CURRENT CODE MAXIMUM

# Concerns – House Demolitions



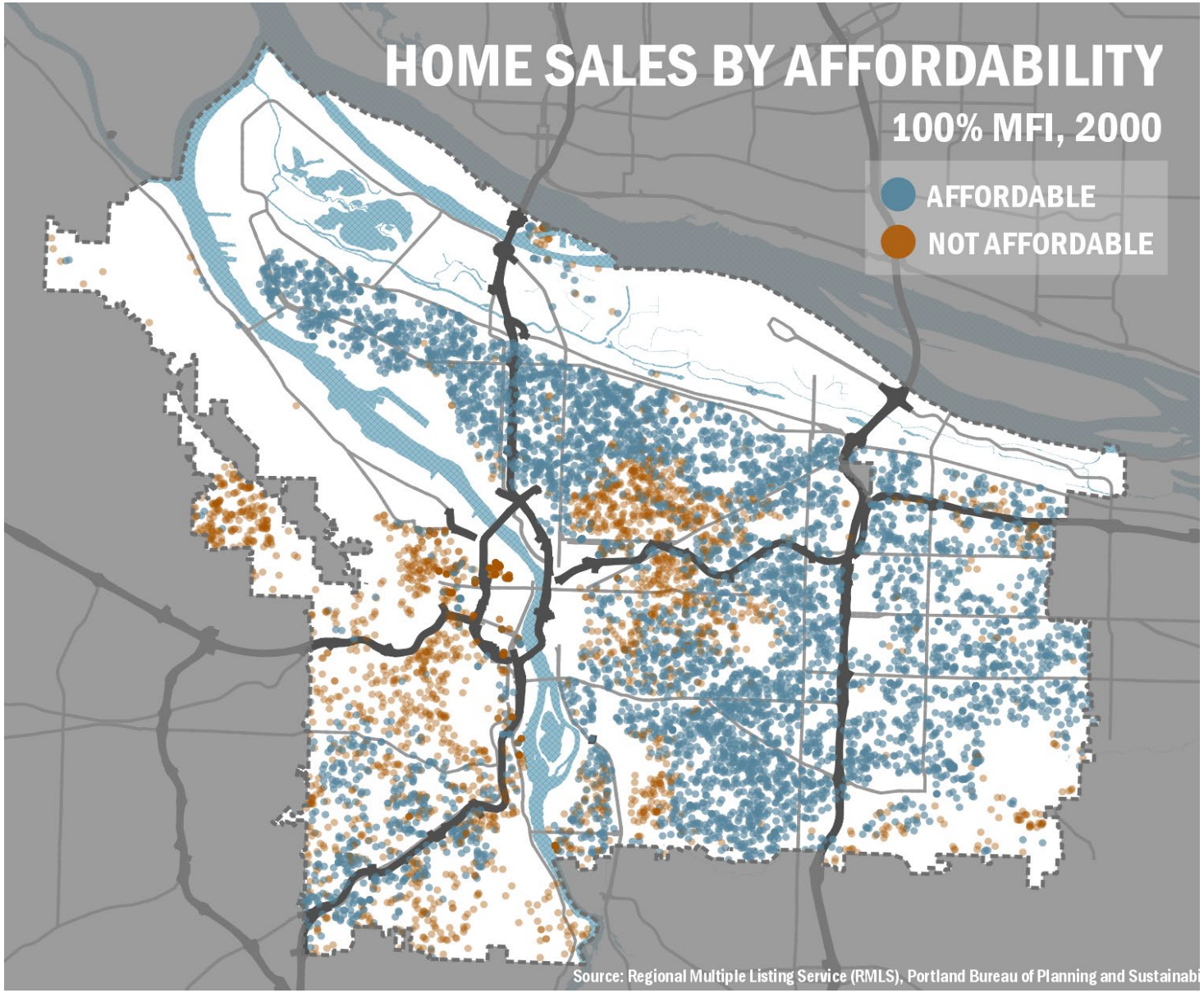
# Concerns – Lack of Housing Diversity



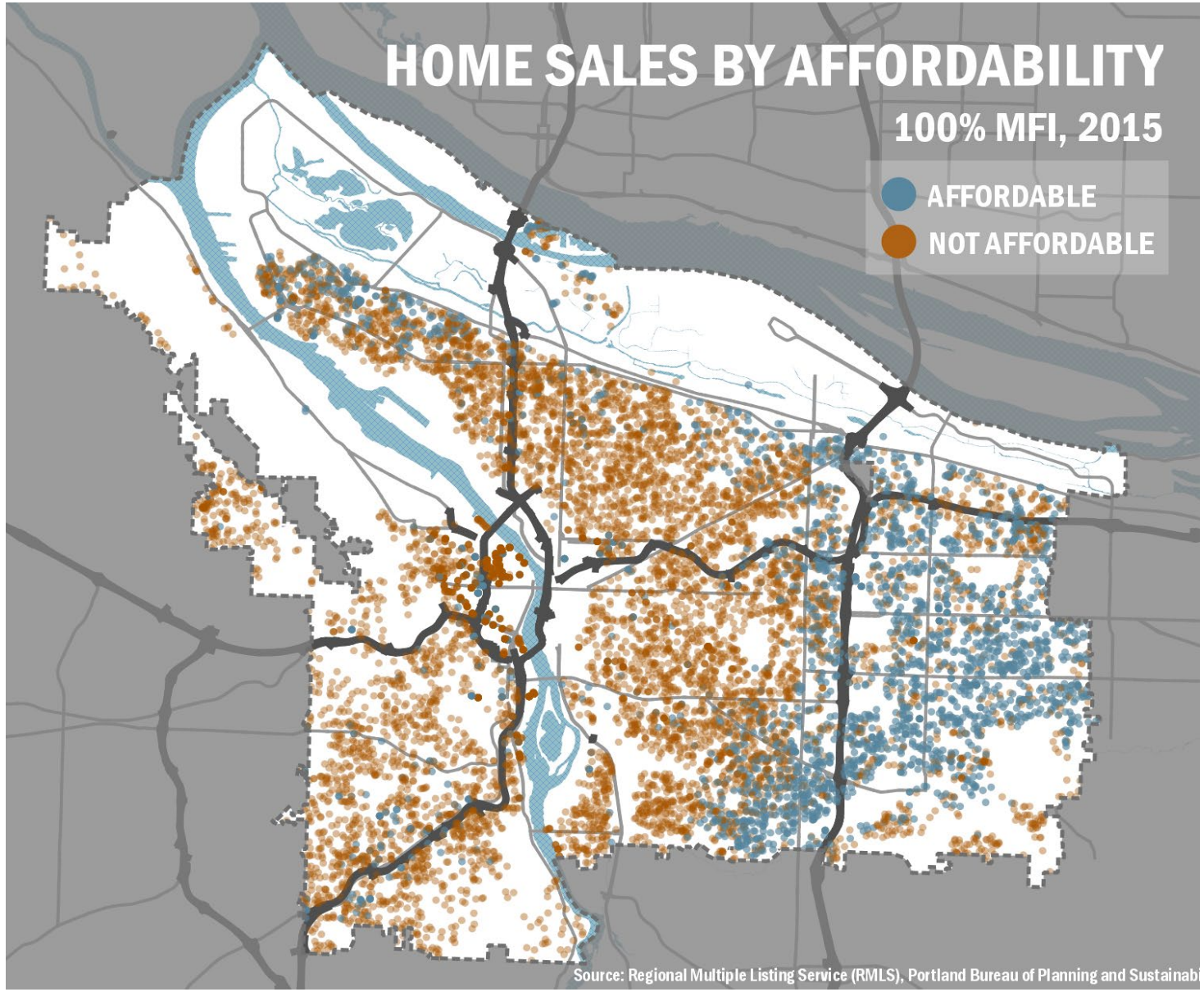
56%



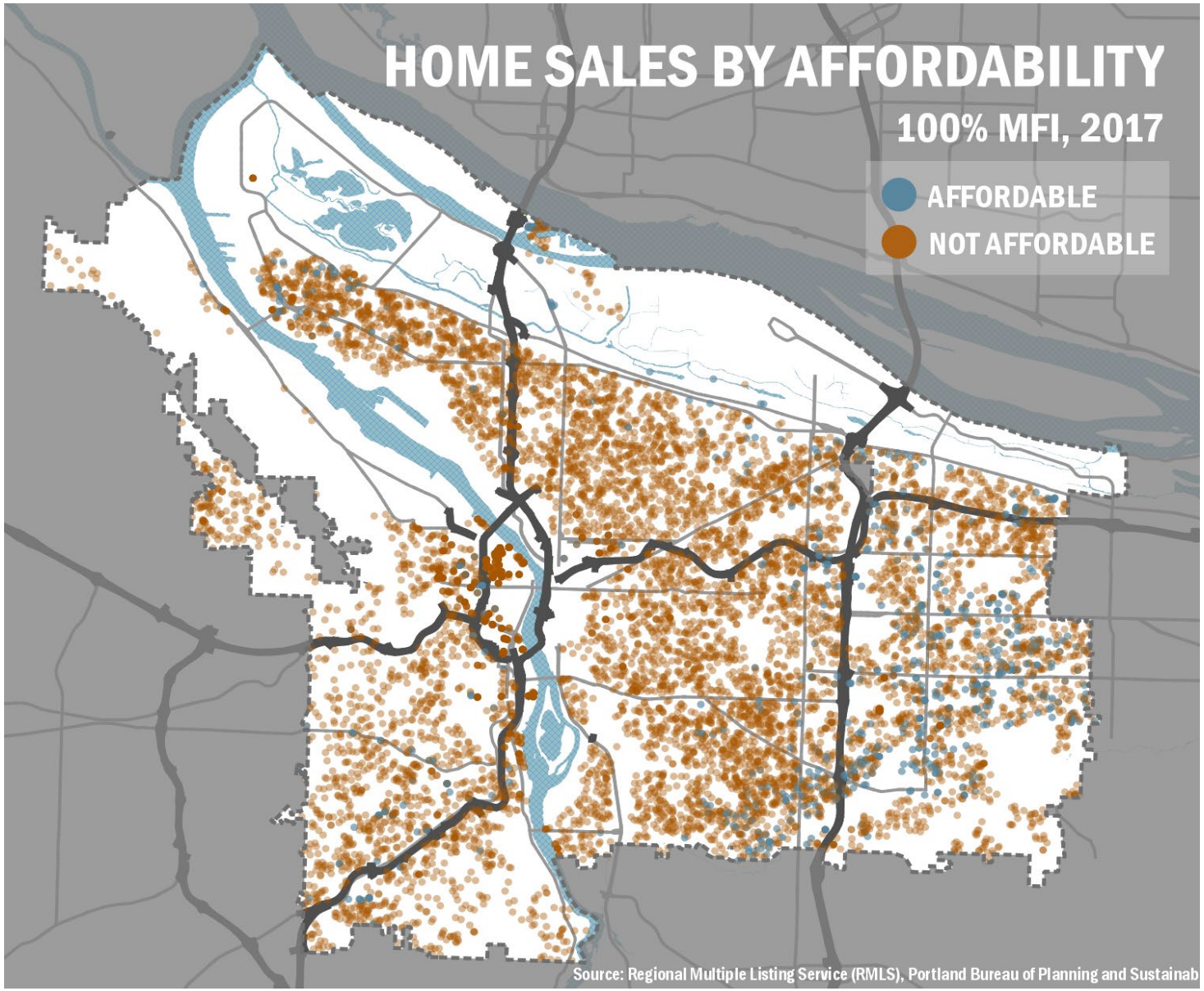
40%




# Concerns – Affordability




# Concerns – Affordability




# Concerns – Affordability

RIP compared to current zoning

**New Units**



198%

**Demolitions**



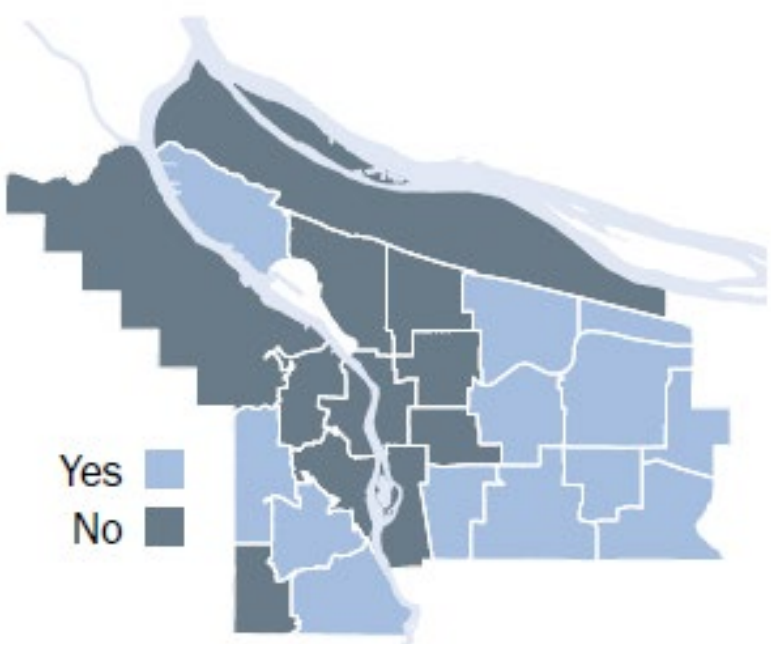
8%

**Avg Unit Cost**

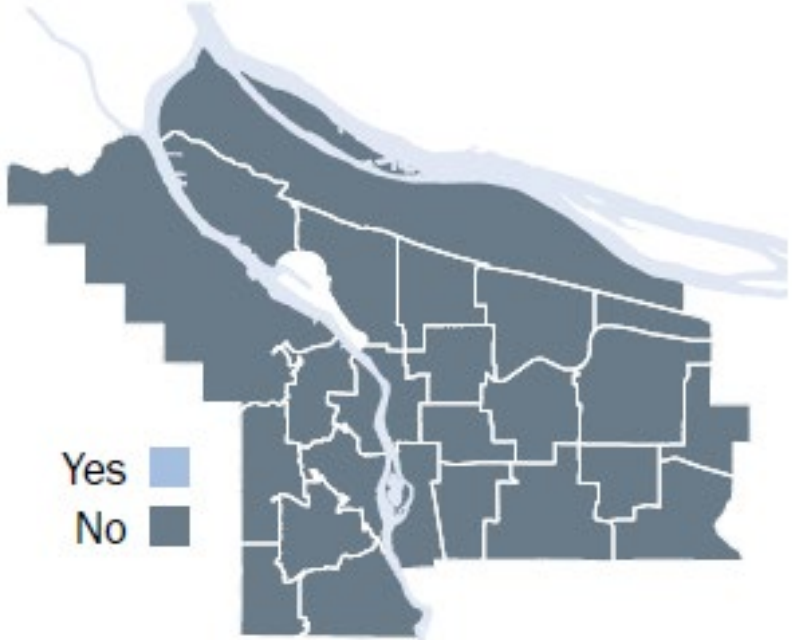


-56%

# Concerns – Displacement

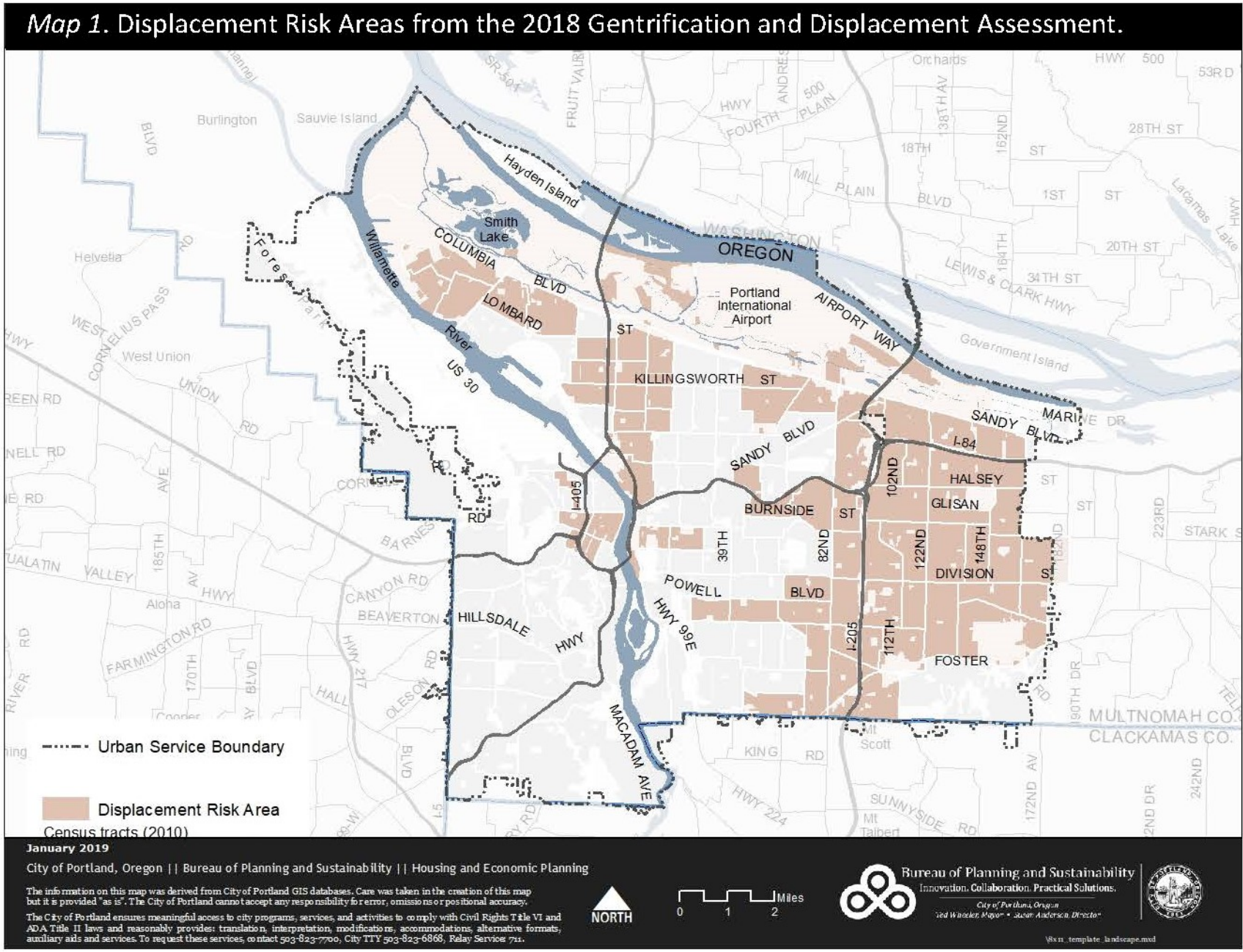



**Average Portland Household (all races and ethnicities)**




**Average Black Household**

# Assessing Displacement Risk



# What are the State of Oregon and Portland doing about it?

# House Bill 2001 (ORS 197.758)
# Cities over 10,000  (not in Metro)

- Duplexes must be allowed on SF *lots* in residential *zones*
  - by June 30, 2021

# Cities over 25,000; all Metro cities over 1,000

- Duplexes must be allowed on SF lots in residential zones
- All middle housing types must be allowed in residential *areas* where SF housing allowed
  - by June 30, 2022

# HB2001: Where it Does Not Apply

- Metro cities under 1,000
- Lands outside UGBs
- Unincorporated lands that lack sufficient urban services
- Lands not zoned for residential use, including lands zoned for commercial, industrial, agricultural, or public use;
- Unincorporated lands zoned under an interim zoning designation that maintains the land's potential for planned urban development

# State Level Implementation

- December 31, 2020: State agency must adopt model code for duplexes and other middle housing. Local governments whose codes and comprehensive plans do not allow middle housing by required date must directly apply the model code
- State agency must establish uniform standards to allow alternate approval of construction for conversion of SF dwellings into no more than **four units**

# Local Government Implementation – Siting & Design

- Local governments may regulate siting & design if the regulations do not, individually or cumulatively, discourage development through unreasonable costs or delay
- Local governments may regulate middle housing to comply with protective measures adopted pursuant to statewide planning goals

# Local Government Implementation – Affordability Incentives

In implementing HB 2001, local governments shall consider ways to increase affordability of middle housing, including but not limited to:

- Waiving or deferring SDCs
- Adopting or amending criteria for property tax exemptions or freezes under various statutory provisions
- Assessing a construction excise tax

# Local Government Implementation – Transportation Planning

When local government makes a legislative decision to amend its comprehensive plan or adopt land use regulations to allow middle housing in areas zoned for residential use that allow for detached SF dwellings:

- the local government is not required to consider whether the amendments significantly affect an existing or planned transportation facility

# Infrastructure Extension to Deadlines

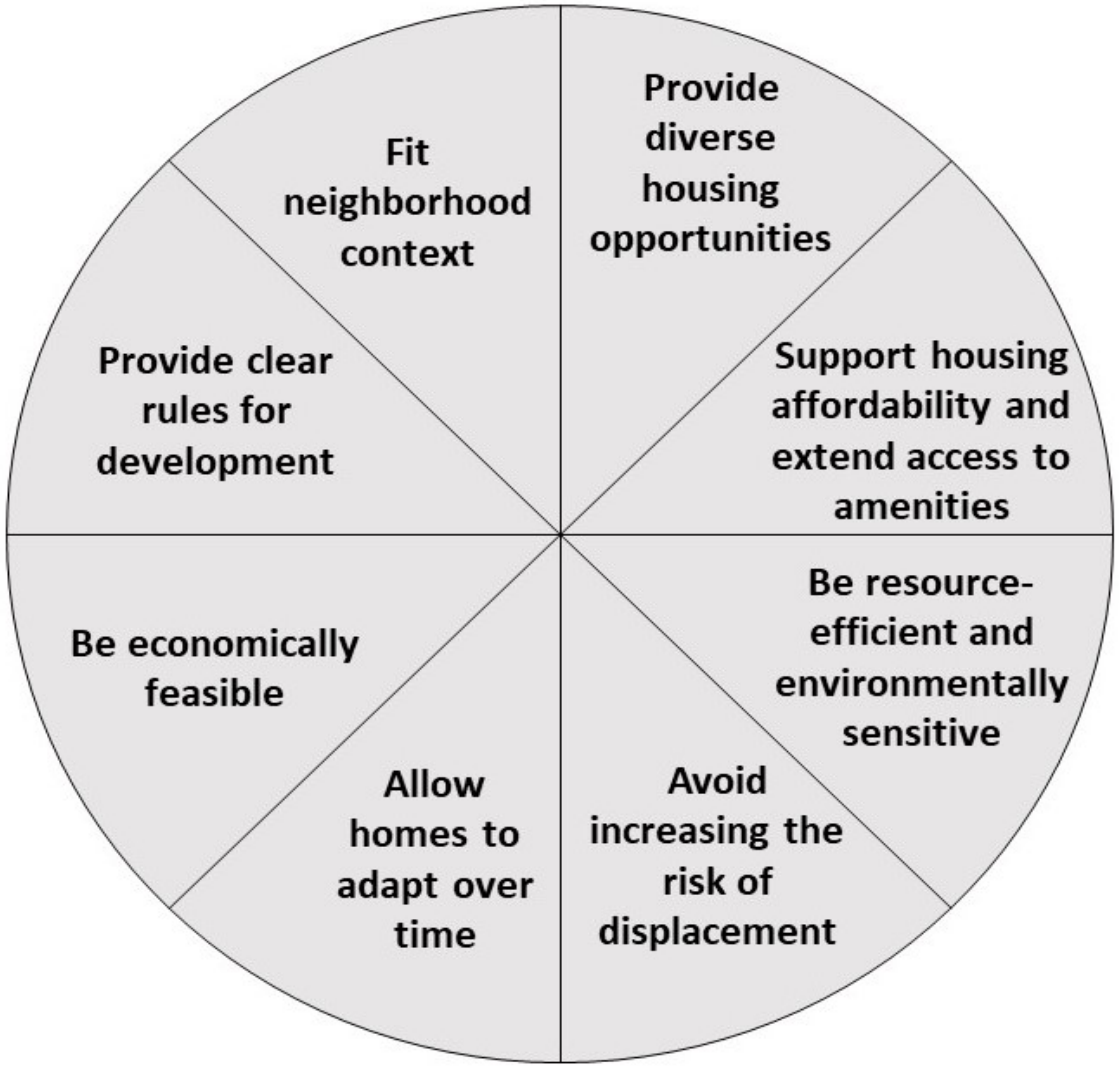
**Extension** to compliance deadlines allowed:

- for specific areas identified by city where water, sewer, storm drainage, or transportation services are significantly deficient or are expected to be significantly deficient before December 31, 2023, *and*
- for which local government has established a plan to remedy the deficiency that DLCD approves, *and*
- extension may not extend beyond the plan date by which the local government intends to correct the deficiency.

# Prohibits Restrictions on Middle Housing

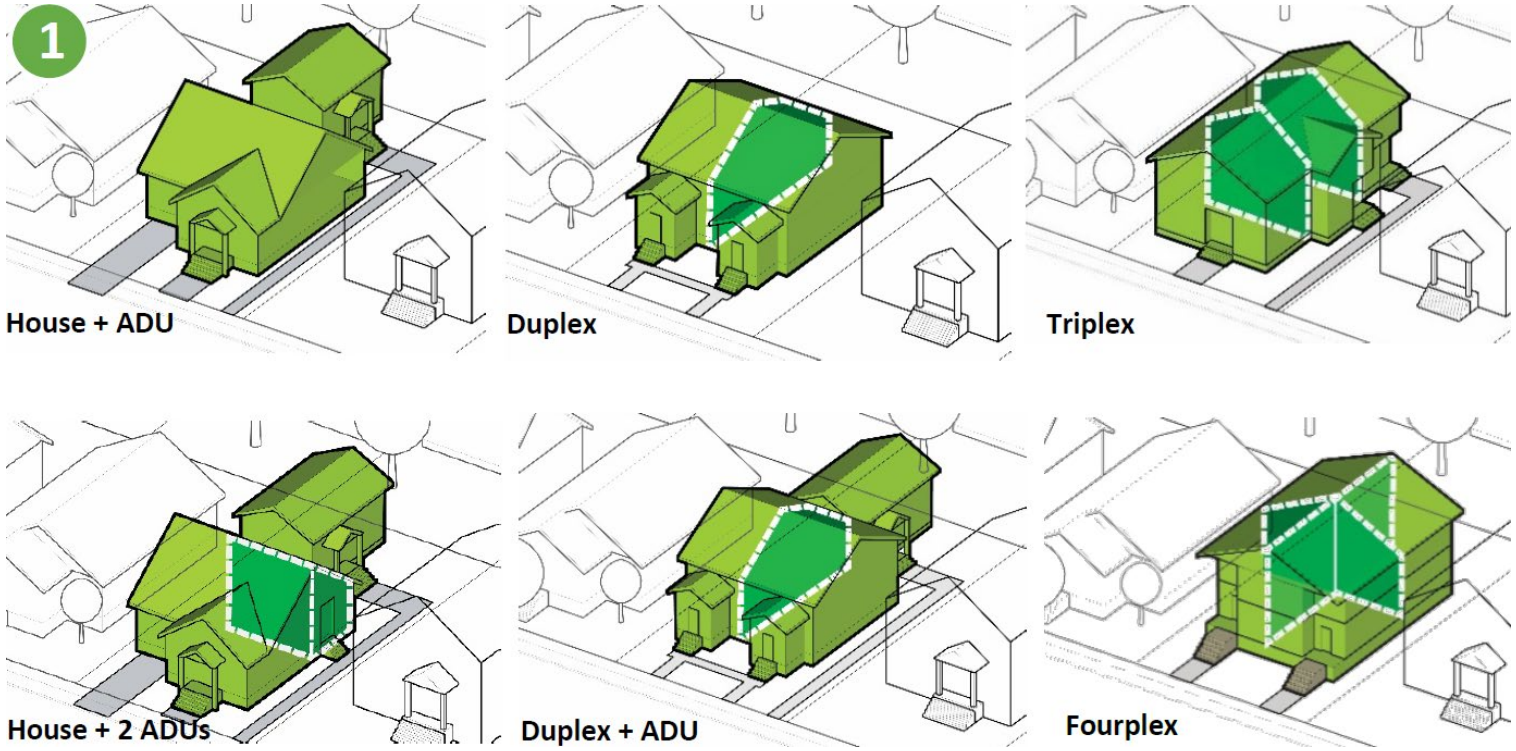
- Prohibits Homeowners Associations (HOAs) from adopting provisions on or after bill's effective date that prohibit or unreasonably restrict housing development otherwise allowed by local land use regulations.
- Renders provisions in deed restrictions adopted after bill's effective date unenforceable if provisions would prohibit middle housing or ADUs, but allow development of detached SF homes.

# Goals of Residential Infill Project

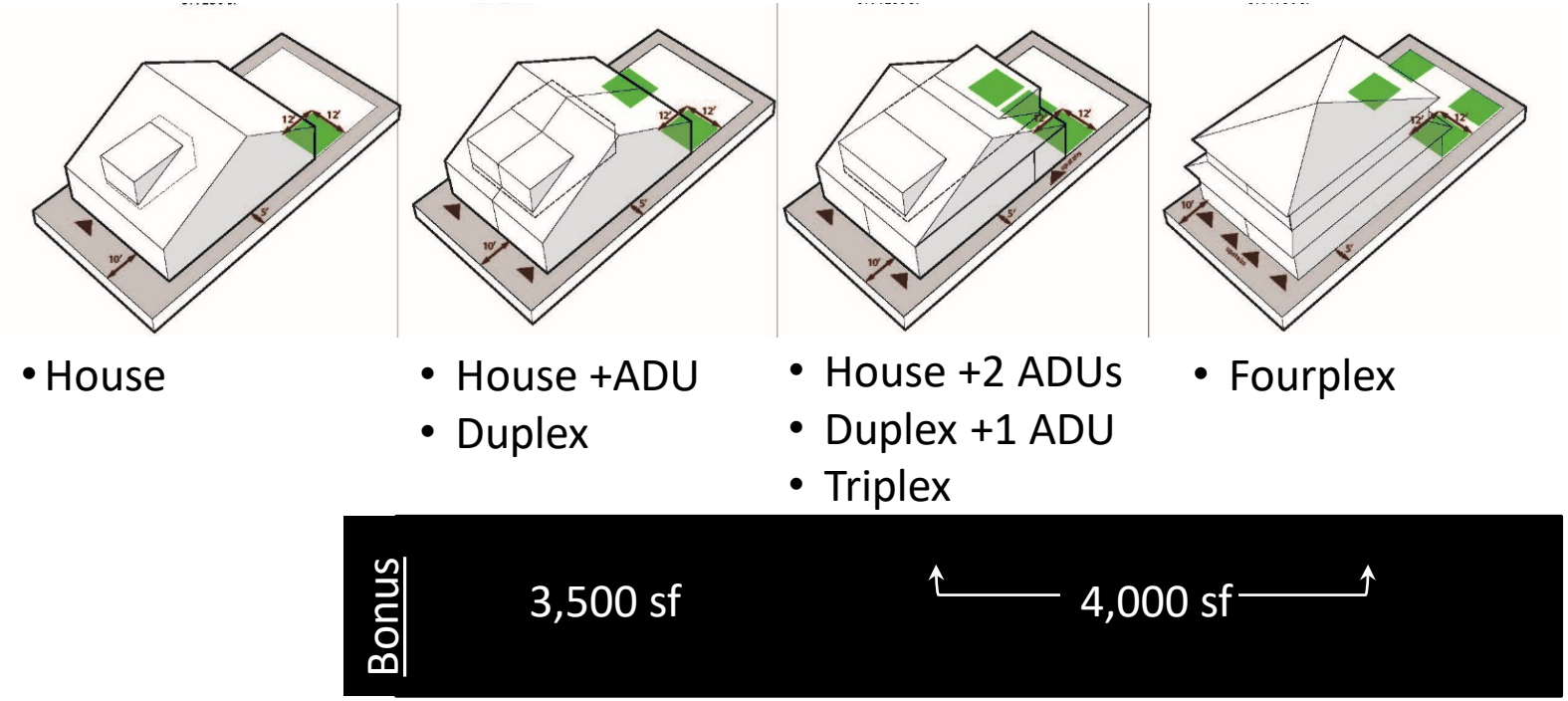





# 1. Reduce the scale of houses

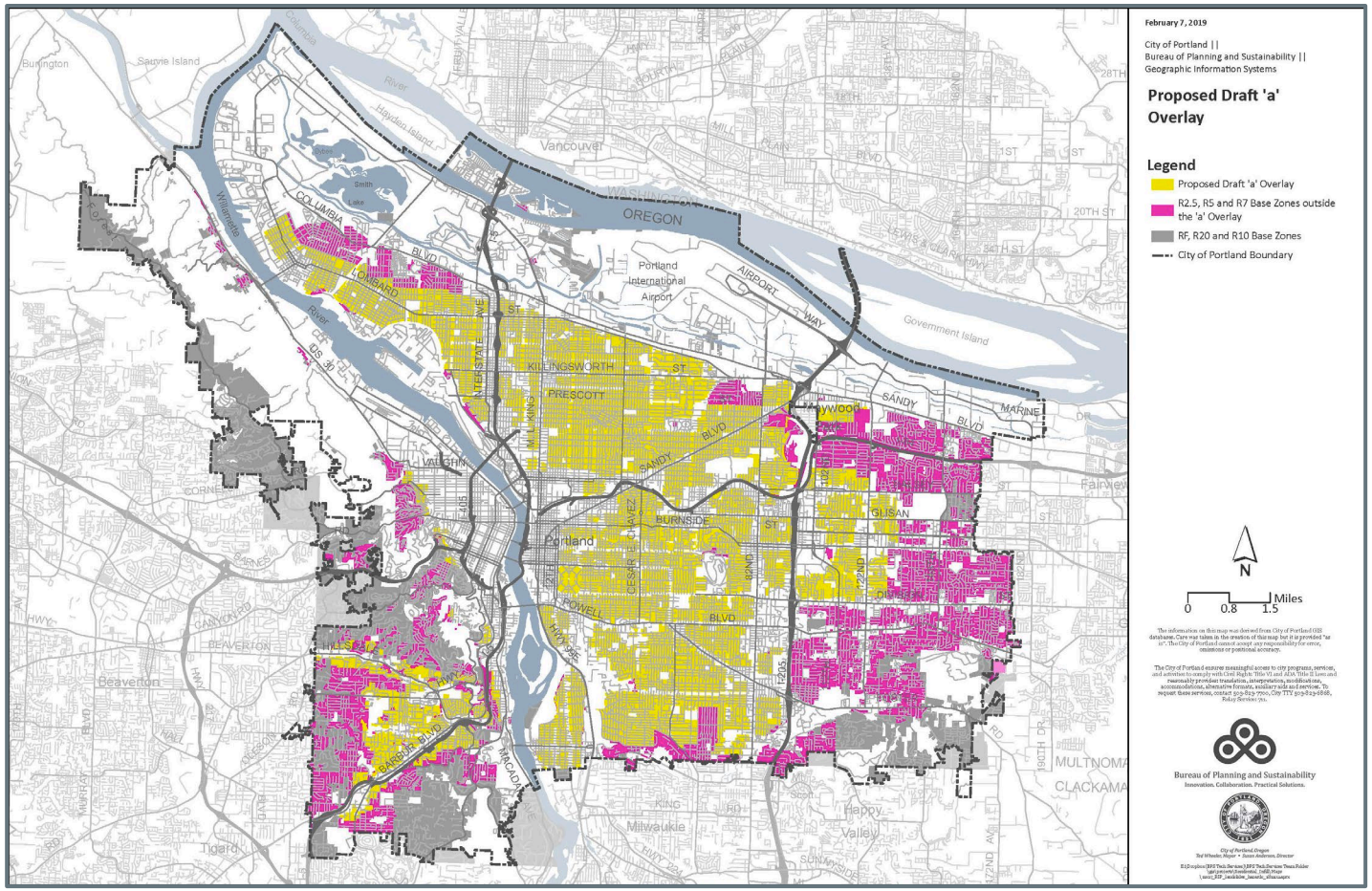



# 2. Allow more housing types




# 3. Revisit size of structures:

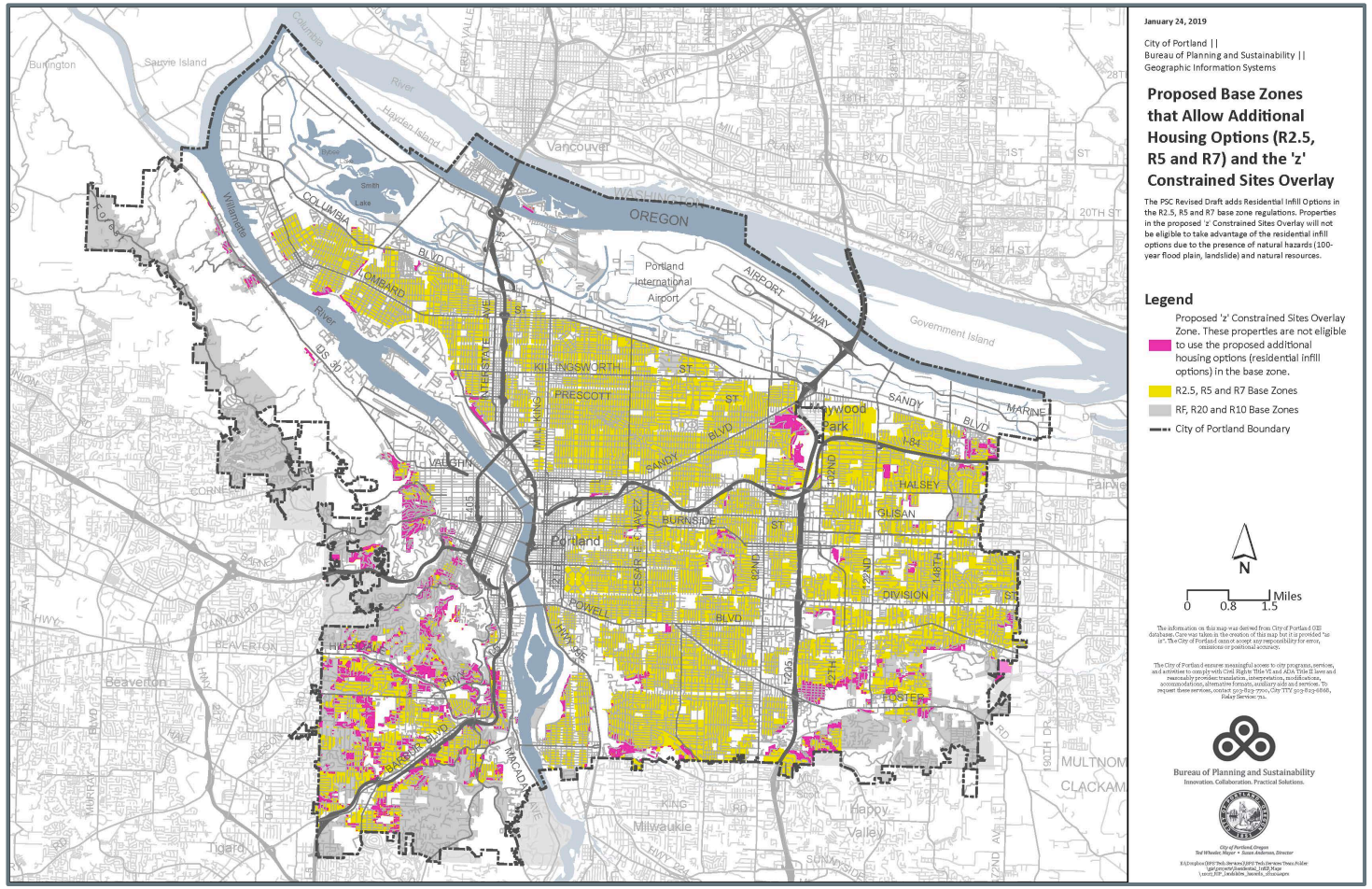
a. Use floor-to-area ratio (FAR)
b. Vary by number of units
c. Bonus FAR for affordability or preserving house




Additional housing types allowed ('a' overlay)

Additional housing types not allowed

# 4a. Allow in limited area (staff proposal)




# 4b. Allow everywhere (Adopted)

Additional housing types allowed ('a' overlay)

Additional housing types not allowed

# How do unit size and cost relate?

## Single Family



## Duplex

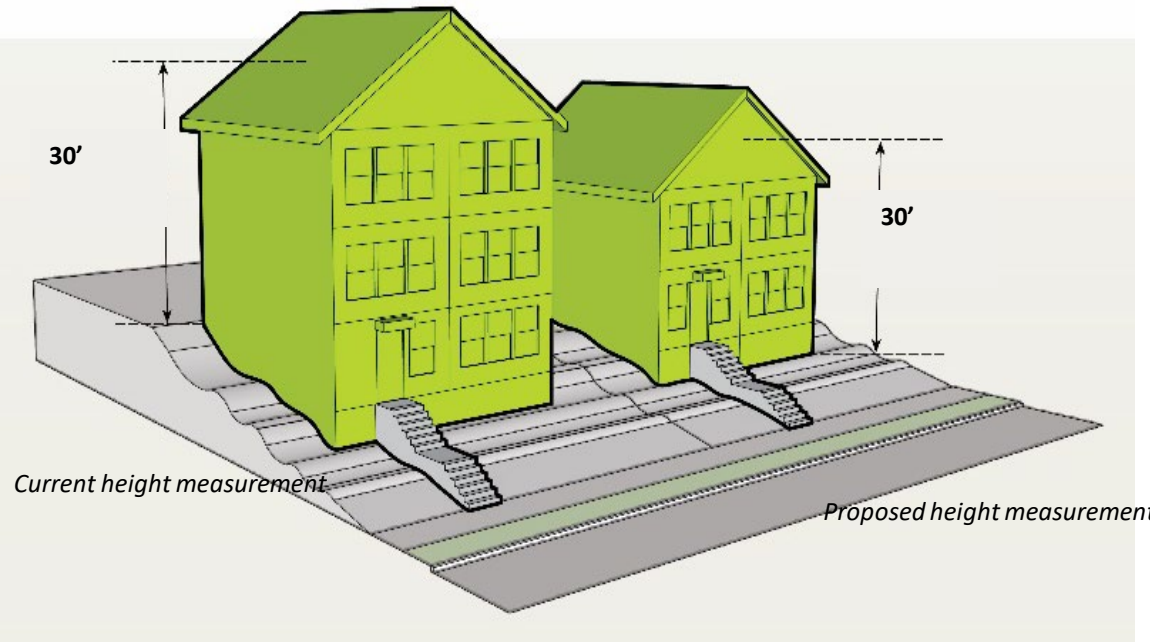


**170% MFI**

**110% MFI**

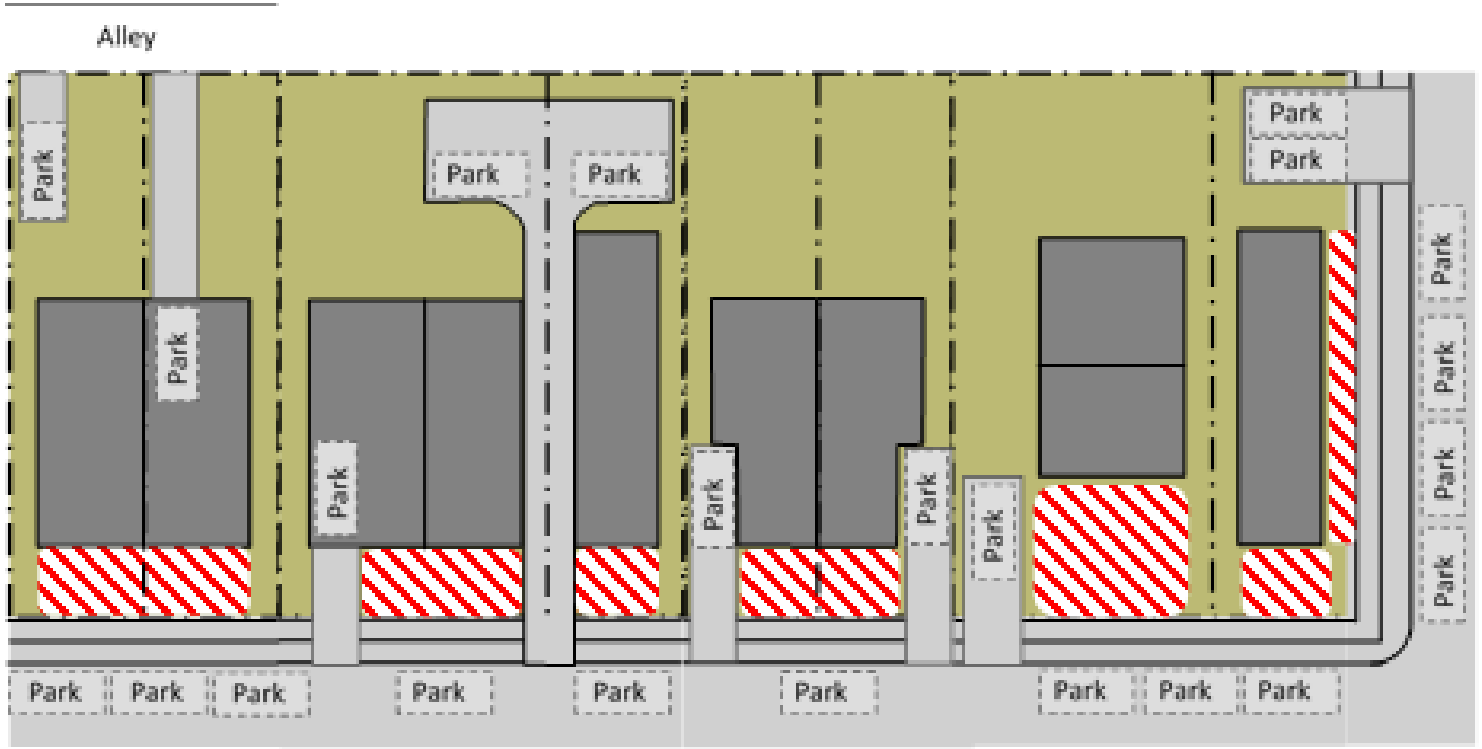
| Average Size | 2,500 Square Feet | 1,500 Square Feet |
|---|---|---|
| Average Sale Price | $772,500 | $463,500 |
| Average Price per SF | $309/SF | $309/SF |
| Average Rent | $5,400/month | $3,255/month |
| Average Rent per SF | $2.17/SF | $2.17/SF |



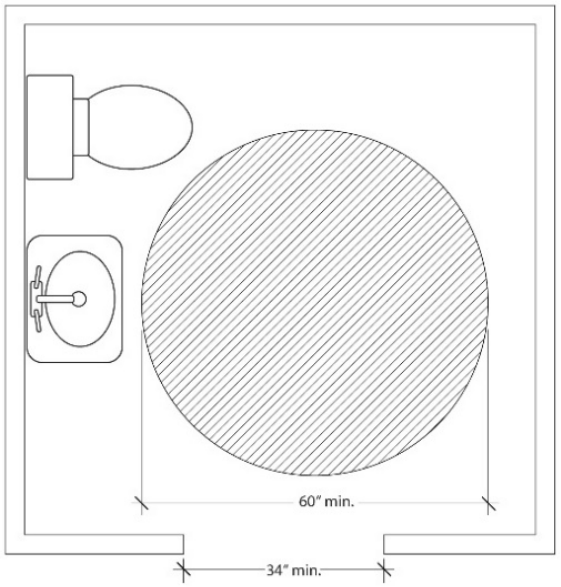



# 5. Improve building design

a) Measure height from the low point
b) Exclude dormers from height measurement
c) Continue to allow 2 ½ stories
d) Allow 2’ eave projections


Alley
Park
Park
Park






# 7. Increase accessible units

a) No-step entry
b) Wider doorways
c) Ground floor bathroom
d) Ground floor living space

# City Council Amendments

- More FAR, height and units (up to sixplex) for deeper affordability
- Limits development on site when historic resource has been demolished within 10 years to encourage adaptive reuse of historic resources

# What work still needs to be done?

-DEMOLITION CONCERNS

-DISPLACEMENT

# Types of Displacement

**Direct displacement** - When government acquires property through eminent domain and a property owner is forced to sell their home

**Indirect Displacement** - When policy changes create measurable impacts on market dynamics, such as an increase in rates of redevelopment

**Induced Displacement** - When market conditions respond to new development and changes in neighborhood character and impact existing housing units in terms of increasing rents or prices

# Displacement Impacts

What: Assessment of direct impacts from zoning changes

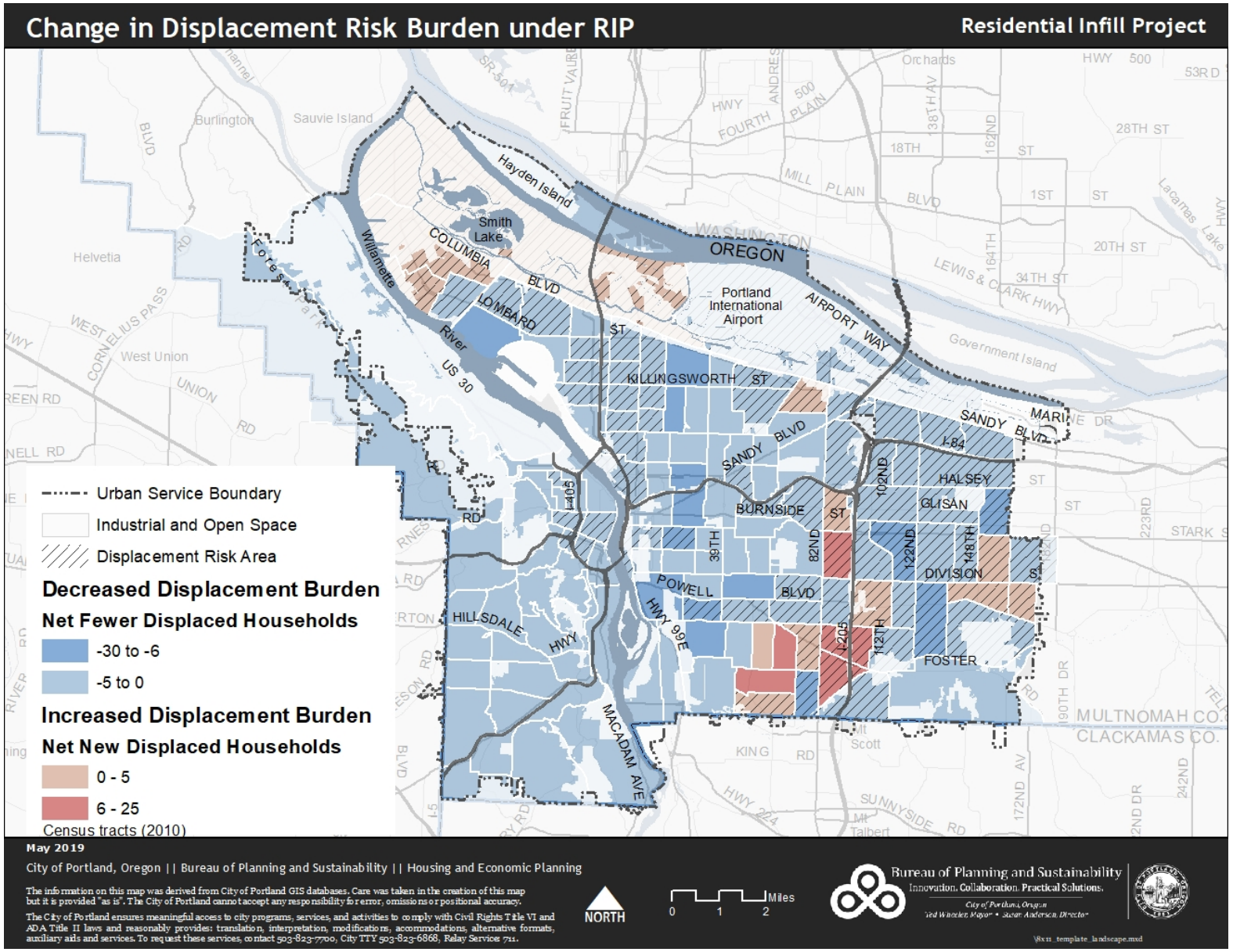
Who: Low income renters in single family structures

Where: Both citywide and in higher vulnerability areas

When: Over 20-year planning period

Net change: -28% Citywide

-21% Vulnerable areas



# Planning is about our future, now.



*“The best time to build a fourplex was 20 years ago. The second best time is now.”*