

ORDINANCE No. 190093 As Amended

Amend the Comprehensive Plan, Comprehensive Plan Map, Zoning Map, Title 33 Planning and Zoning, and Title 30 Affordable Housing, to revise the Single-Dwelling Residential designations and base zones. (Ordinance; amend Code Title 33, Title 30 and amend the Portland Comprehensive Plan and zoning maps)

The City of Portland Ordains:

Section 1. The Council finds:

General Findings

1. Portland is expected to grow by more than 100,000 households by the year 2035.
2. The cost of housing in Portland is rising. The average cost of rent in Portland increased by 5 percent or more between 2012 and 2016, and by 2 percent in 2017. Between 2011 and 2018, the median home sale price citywide rose 60 percent — or more than \$150,000. As of 2018, the median home sale price exceeded \$475,000 in more than half the neighborhoods in the city. In order to afford the median price home in Portland today, families must earn 130% to 160% of the median family income.
3. In addition, the city's history of racially discriminatory decision-making and public policies have contributed to today's racial disparities in homeownership rates and wealth attainment and has resulted in geographic racial segregation in Portland.
4. For these reasons, the ability for many households to gain entry into many of the city's single-dwelling neighborhoods is increasingly out of reach.
5. At the same time, the city is becoming more diverse, the overall population is aging, and the number of people per household is getting smaller.
6. The Comprehensive Plan includes policies directed toward encouraging more housing choices to accommodate a wider diversity of family sizes, incomes and ages (Policy 4.15); encourage development and preservation of small resource-efficient and affordable single-family homes in all areas of the city (Policy 4.18); expanding housing choice in all of Portland's neighborhoods (Policy 5.4); encouraging middle housing—multi-unit or clustered residential buildings that provide relatively smaller, less expensive units (Policy 5.6); and encouraging a variety of ownership opportunities and choices (Policy 5.43).
7. Nearly half of the city's land area is zoned for single-dwelling residential development, however, apartments are the predominant housing type being built in Portland—74 percent of all units built in 2016.
8. Portland's single-dwelling zoning currently allows up to two dwelling units per lot—one house and one accessory dwelling unit, or in some cases, a duplex on a corner. And yet, due to the high cost of land, the size of dwelling units continues to increase, and the price of the units is higher than most Portlanders can afford.
9. In 2015, the Bureau of Planning and Sustainability began the Residential Infill Project with the goal of responding to these trends and changing demographics. Then-Mayor Charlie Hales appointed a Stakeholder Advisory Committee (SAC) to assist the Bureau of Planning and Sustainability in developing a plan to amend the city's single-dwelling

zoning code to alleviate the rising cost of housing and reduce the size of new houses. The SAC met 14 times between September 2015 and October 2016.

10. The Residential Infill Project Concept Plan was released for public review on June 15, 2016. City Council held public hearings on the concept plan in November 2016 and passed Resolution No. 37252 on December 7, 2016 endorsing the concepts in the plan.
11. The Residential Infill Project Proposed Draft was released for public review on April 2, 2018.
12. On April 2, 2018 notice of the proposed draft was mailed to the Department of Land Conservation and Development in compliance with the post-acknowledgement review process required by OAR 660-18-020.
13. On April 4, April 9, and April 11, 2018 notice of the proposed draft was mailed to all property owners potentially affected by proposed zoning map and code changes as required by ORS 227.186.
14. On May 8, 2018 and May 15, 2018, the Planning and Sustainability Commission held public hearings on the proposed draft. In addition, the Commission held 2 briefings and 9 work sessions before voting to forward the Residential Infill Project to City Council on March 12, 2019.
15. The Residential Infill Project Recommended Draft was released for public review on August 2, 2019.
16. On October 9, 2019 a revised notice of the recommended draft was mailed to the Department of Land Conservation and Development in compliance with the post-acknowledgement review process required by OAR 660-18-045.
17. On December 12, 2019 notice of the January 15, 2020 and January 16, 2020 City Council public hearings was mailed to those who presented oral and written testimony at the Planning and Sustainability Commission public hearing. In addition, the City emailed notice of the hearing to its Residential Infill Project email list.
18. The Residential Infill Project amendments allow up to six dwelling units per lot (based on lot sizes and affordability level) in the R7, R5 and R2.5 zones, and allows the units to be arranged in multiple configurations including a single structure with up to six dwelling units or a combination of a primary and accessory structure.
19. The amendments provide opportunities for a wider variety of housing options and can reduce the cost of a single unit by roughly half the cost of a single new house.
20. The amendments encourage additional regulated affordable housing units.
21. The amendments also include a cap on house size by limiting the amount of floor area allowed per lot in the R7, R5 and R2.5 zones. The cap is intended to ensure that:
 - Additional development in these zones is compatible with existing development; and
 - Additional dwelling units are affordable to a wider cross-section of Portland residents because smaller dwelling units are often less expensive than larger units.
22. The Residential Infill Project also rezones approximately 7,000 lots from R5 to R2.5. The rezoned lots are narrow, platted lots—generally 2,500 square feet in size—that are substandard for the R5 zones. The rezoning is intended to increase opportunities for

homeownership as dwelling units on these lots are generally smaller and therefore less expensive.

23. The amendments also help the city to comply with the following:
 - House Bill 2001, which the Oregon State Legislature passed on August 8, 2019, and requires cities with a population greater than 10,000 to allow duplexes on any lot zoned for single-family dwellings; and
 - Senate Bill 534, which the Oregon State Legislature passed on July 23, 2019, and requires local governments to allow single-family dwellings on residential lots platted and zoned for such uses.
24. The Findings of Fact Report, attached as Exhibit A, includes additional findings demonstrating consistency with the Statewide Planning Goals, Metro Urban Growth Management Functional Plan, and the City of Portland *2035 Comprehensive Plan*.
25. The amendments to Title 30 are necessary to extend the Deeper Housing Affordability FAR Density Program to the single-dwelling zones to support the Affordable Fourplexes and Multi-dwelling Structures Residential Infill Option.

NOW, THEREFORE, the Council directs:

- a. Adopt amended Exhibit A, dated July 2020, as additional findings.
- b. Amend the Portland Comprehensive Plan as shown in Exhibit B, Residential Infill Project As-Amended Draft, dated July 2020.
- c. Adopt the commentary in Exhibit B, Residential Infill Project As-Amended Draft, dated July 2020, as legislative intent and further findings.
- d. Amend Title 33, Planning and Zoning, of the Municipal Code of the City of Portland, as shown in Exhibit B, Residential Infill Project As-Amended Draft, dated July 2020, but excluding the amendments to Section 33.110.212 (When Primary Structures are Allowed), Chapter 33.675 (Lot Consolidation), Chapter 33.676 (Lot Confirmation), and the amendments to the lot-related and lot line-related definitions in 33.910 (Definitions).
- e. Amend Section 33.110.212 (When Primary Structures are Allowed), Chapter 33.675 (Lot Consolidation), Chapter 33.676 (Lot Confirmation), and the lot-related and lot line-related definitions in Chapter 33.910 (Definitions) as shown in Exhibit B, Residential Infill Project As-Amended Draft, dated July 2020.
- f. Amend the Portland Comprehensive Plan Map as shown on Exhibit C.
- g. Amend the official Zoning Map as shown on Exhibits D and E.
- h. Amend Title 30, Affordable Housing Preservation and Portland Renter Protections, of the Municipal Code of the City of Portland, as shown in Exhibit B, Residential Infill Project, As-Amended Draft, dated July 2020.

Section 2. Directives b, d, f, g, and h shall be in full force and effect on August 1, 2021. Directives a, c, and e shall be in full force and effect 30 days after final passage by City Council.

Section 3. If any section, subsection, sentence, clause, phrase, diagram or drawing contained in this ordinance, or the map, report, inventory, analysis, or document it adopts or amends, is held

to be deficient, invalid or unconstitutional, that shall not affect the validity of the remaining portions. The Council declares that it would have adopted the map, report, inventory, analysis, or document each section, subsection, sentence, clause, phrase, diagram and drawing thereof, regardless of the fact that any one or more sections, subsections, sentences, clauses, phrases, diagrams or drawings contained in this Ordinance, may be found to be deficient, invalid or unconstitutional.

Passed by the Council: **August 12, 2020**

Mayor Ted Wheeler
Prepared by: Morgan Tracy
Date Prepared: December 12, 2019

Mary Hull Caballero
Auditor of the City of Portland

By *CPhillips*

Deputy

