



Mary Davis

Division Director, Housing & Community Development Division

TO: Councilor Duson, Chair
Members of the Housing Committee

FROM: Jeff Levine, Planning & Urban Development Director
Mary Davis, Division Director
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DATE: March 30, 2017

SUBJECT: An outline of proposed amendments to Division 30 to support the creation of affordable housing in Portland.

Over the past year the City has actively engaged in a number of discussions involving a wide range of stakeholders in an attempt to address concerns related to Portland's housing market. One of the themes that evolved from these discussions was the need for greater housing supply particularly for households earning low and moderate incomes. In conjunction with this discussion and work being done for the new Comprehensive Plan, there appeared to be growing interest in further developing housing along Portland's transportation corridors and business nodes. Staff has developed a proposed framework for amending Division 30 of the City's Land Use code to bridge these two concepts with the aim of creating more affordable housing in areas appropriate for additional development.

The goal of these amendments would incentivize the creation of significant new affordable housing options for a wide range of households in need. It would also allow for developers of affordable housing to be more competitive with other developers for site acquisition and more competitive for public funding subsidies. The amendments would be designed to sensitively balance site context with modest height bonuses and small building setback reductions. These small forms of flexibility and zoning relief would provide developers of affordable housing greater project feasibility while also proactively providing clear rules for supporting more affordable housing in a consistent manner. The following bullet points express some ways in which the Committee could achieve these goals and structure amendments to Division 30 that would provide real opportunity for creating more affordable housing in Portland:

- Amendments would impact certain zones along and within transportation corridors, and business nodes;
 - For example, B-1, B-1b, B-2, B-2b, B-3, B-3b, B-3c, B-4, B-5, R-7, and R-P zones may be areas worthy of consideration;
- Escalating density bonuses, height, and setback reductions based on the percentage of low income and moderate income units in an overall project;



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- Planned Residential Unit Developments should be amended to allow for reductions in minimum lot areas per dwelling unit, setbacks, and building dimensions.

Attached to this memo is draft language that spells out in detail the proposed changes to Division 30 of Chapter 14 of the City Code that would allow for the outlined incentives to go into effect in the proposed zones. In addition, there is a zoning map highlighting the location of the zones to be impacted by these amendments. Large maps will be provided at the meeting and interested parties will be able to zoom in on electronic copies of the map made available as part of the Housing Committee packet on the City's website.

Following the Committee's deliberation and any related revisions, staff is requesting that the Committee take action on this item to send it to the Planning Board for their review. The City will conduct a robust public outreach for the Planning Board review of these amendments, including use of social media and on-line publicity. The item will ultimately require approval by the full Council who will have the additional benefit of feedback provided by the Committee, Planning Board, and general public to aid in any future decisions.