

# HB 2001 Code Amendments – Talking Points 7/7/21

Point / Counterpoints from June 14<sup>th</sup> Planning Commission work session



In the June 14<sup>th</sup> Planning Commission work session, staff seemingly threw out “red herrings” to try dissuade public comments.

- Anyone raising questions about these code amendments or speaking in opposition must be a racist or against middle housing (aka a NIMBY).
- Staff’s code changes are the last step in a process begun in 2014 to promote middle housing in Bend.

*Staff’s implication - You’re all racists and NIMBYs if you speak in opposition to these code amendments.*

**Counterpoint** – We understand HB 2001 mandates middle housing but it doesn’t mandate that we can only use the state’s generated two options to regulate housing. The community has a path to regulate siting and design standards as long as the regulations don’t cause unreasonable cost or delay while achieving the objective of HB 2001 and maintaining some reasonable compatibility within neighborhoods. **Staff has done their best to bury the community choice option. (4 actions; a) lobbied against this option, b) hid this option, c) said it was too expensive, and d) then said they didn’t know how to use this option.**

*Staff’s Point – Process began in 2014*

**Counterpoint** – The process to create code amendments to siting and design standards began with a small committee in the fall of 2020 by staff who skipped two critical steps. Bend may be the only “large city” in Oregon which **skipped the community engagement step** and **the evaluating effectiveness step** before drafting code amendments.

The community is expected to just trust staff, designers and the builders. Meanwhile, the Council needs to follow their own goal, to “build trust” with the community.

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*“We have the potential to drastically increase the quantity and the diversity of the housing options for people living in Bend...that everyone who works in Bend can afford to live in Bend. – Councilor Goodman-Campbell on June 14<sup>th</sup>.*

How? Here is a reality check of the Councilor’s rhetoric:

**1. Drastically increase.....diversity of the housing options:** All five of the HB 2001 middle housing building types are already in the current Bend Development Code. The only change is that a quadplex / four-plex can now be built in RS zone where it was previously limited to RM and RH zones. **There is no increase in diversity of housing options.**

**2. Drastically increase.....quantity of housing:** Over 95% of the middle housing has been built in “developments.” Most of the new middle housing will continue to be built in “developments” where the existing code will require a share of multi-unit and middle housing to be built. HB 2001 was intended to encourage “In-fill” middle housing, but it is limited by a lack of vacant parcels or lots with financially feasible re-development. **Staff has provided no evidence to suggest there will be drastic increase in quantity of housing resulting from these code amendments.**

### **3. That everyone who works in Bend can afford to live in Bend.**

- In 2011, about ½ of Bend’s workers commuted. In the last ten years, traffic on US 97 and US 20 has increased by 20%. Will these code amendments solve this problem? No.
- Proformas were run on duplexes, triplexes and quadplexes using the state’s consultant formula and their unit prices from 2020. The findings are;
  - The family household income required for a stand alone “plex” would be as follows:
    - 1,500 sq.ft. / 4 bdrm / Duplex unit =\$160,000 per year
    - 1,000 sq.ft. / 3 bdrm / Triplex unit =\$107,000 per year
    - 750 sq.ft. / 2 bdrm / Quadplex unit =\$80,000 per year
    - The 2020 Area Median Income was \$76,600.
  - An infrequent scenario of a “plex” in combo with an existing home or short-term rental may lower the required income by as much as \$20,000 for each plex.
  - The more likely scenario is “tenants” will be unrelated adults (one per bedroom), but even this scenario is a stretch for many workers.

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- **Rents are set by the marketplace, not the costs.** Minor cost reductions like less parking or elimination BDC 3.6.200(H) street trees, landscaping, etc. won't reduce rent.
- Because these code amendments allows bigger buildings on smaller lots, the more likely outcome is an increase to both the cost and out-of-scale size of the proposed buildings. **It will be a lose-lose scenario for the community.**
- **Townhouses and Cottage Clusters affordability has no benefit from these code amendments.** In fact, cottage clusters are likely to be more expensive with the removal of the total floor area limitation of 1,200 sq. ft. which allows cottages up to 2,700 sq.ft.
- **These code amendments will encourage gentrification** instead of more affordable housing. Staff made no effort to prove otherwise.

**We recommend the decision makers pause the code amendment adoption process to gather the proof that the proposed code amendments will provide an increase in the quantity of housing that the workers of Bend can afford as claimed by Councilor Goodman-Campbell.**

- **There is no need to rush because all five of the middle housing types are allowed in the existing code.** For example, 412 middle housing units were built in the period from 2016 to 2019.
- **Staff needs to explain how increasing the FAR to 1.1 (including for single family residences) will make the units more affordable.** Larger units are the opposite of what Daniel Parolek recommended in his lecture of the five mistakes to avoid.
- Staff needs to complete the analysis to see if these code amendments are effective or will further the gentrification of Bend and the struggle of the workers in Bend.