



Increasing the Supply of Middle Housing in Oregon: How & Why

OREGON STATE REPRESENTATIVE JULIE FAHEY



Oregon Landscape

- Population: 4.2 million / Avg. annual growth over past 5 years: 1.3%
- Land use system created in 1973
 - Urban growth boundaries prevent sprawl and preserve valuable farmland
 - Every city required to have a comprehensive plan – guides how land is planned/zoned and determines development patterns for decades at a time
 - Explicit values/goals: Local control AND local responsibility for ensuring sufficient supply of housing

Goal 10: Housing

“ To provide for the housing needs of citizens of the state... plans shall encourage the availability of adequate numbers of needed housing units at price ranges & rent levels which are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing location, type and density. ”



Housing Crisis in Oregon

- About half of renter households are cost-burdened (rent >30% of income) and nearly one quarter are severely cost-burdened (rent >50% of income)
 - About a quarter of homeowner households are cost-burdened
- 2018 analysis: Oregon is 155,000 housing units short of current need (9% of current stock), mostly for middle and lower-income Oregonians
- Rental vacancy rates consistently below 4% (well below US average)

Root Cause → ***Lack of Housing Supply***

Solving this will take many years, and there is no single solution

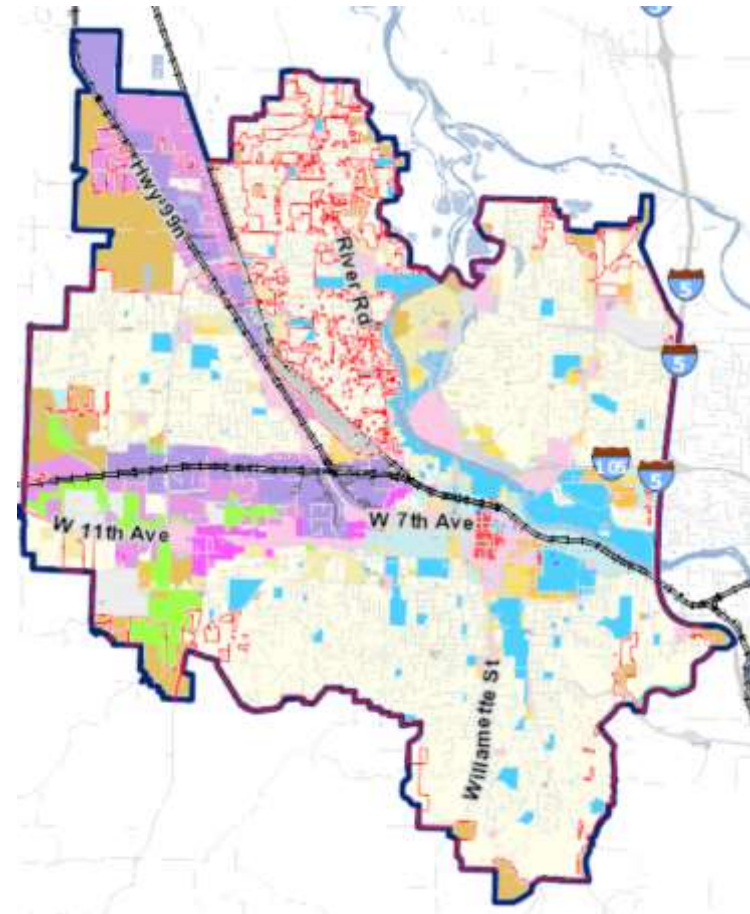


Impact of Zoning

- It has been illegal to build anything other than a single family home on the vast majority of land zoned for residential use in Oregon

Eugene Zoning

*Low density =
lightest shading*





ADUs – A First Step in Zoning Reforms

- In 2017, SB 1051 expanded allowances for accessory dwelling unit development
- ADUs help increase housing supply, provide options for housing homeowners' family members, and can provide a source of income for homeowners

Senate Bill 1051

“ A city with a population greater than 2,500 or a county with a population greater than 15,000 shall allow in areas zoned for detached single-family dwellings the development of at least one accessory dwelling unit for each detached single-family dwelling, subject to reasonable local regulations relating to siting & design. ”



The Next Step...



Oregon Legislature Votes To Essentially Ban Single-Family Zoning July 1, 2019 · 7:03 PM ET



Oregon Strikes Exclusive Single-Family Zoning, But Effects May Take Years

By [Jeff Mapes](#) (OPB)

SLATE Legalize It

The apartment has been banned in far too many places, deepening racial divides and driving up rents. Oregon is set to be the first state to fix that—and it won't be the last.



Oregon's Single-Family Zoning Ban Was a 'Long Time Coming'

By [Laura Bliss](#)

The state's new upzoning bill would be historic. But Oregon has long been a pioneer in tight land-use controls that promote dense urban development.



House Bill 2001

- Cities with population >10,000: must allow ***duplexes*** in areas that allow detached single-family homes
- Cities with population >25,000: must allow ***all middle housing types*** somewhere in areas that allows detached single-family housing (e.g., triplexes on corner lots), with certain exceptions
 - Middle housing types: duplexes, triplexes, quadplexes, townhouses, and cottage clusters (small units that share a common courtyard)
- Directs state agencies to develop a model middle housing ordinance to help jurisdictions plan
- Makes it easier to convert existing single-family homes into middle housing by creating an alternative approval process for internal conversions



Why the emphasis on middle housing?

- The status quo is not working in Oregon
- No magic bullet solution to making housing more affordable, including upzoning and middle housing
- However, allowing middle housing in more neighborhoods:
 - Makes it easier for publicly-subsidized low-income housing developers *and* the private market to provide more housing units, and...
 - The units they provide will be affordable to more people



Exclusive Single Family Zoning: A tool historically used to keep neighborhoods economically & racially segregated



How Housing Policies Keep White Neighborhoods So White (and Black Neighborhoods So Black)

Decades of local zoning regulations and land-use policies have kept racial segregation firmly rooted in place.

DANIEL C. VOCK, J. BRIAN CHARLES AND MIKE MACIAG | JANUARY 23, 2019

“

We found local governments bear much of the responsibility for creating and maintaining segregated communities. When it comes to land use – what gets built where – governments use zoning restrictions to keep out rental housing, which attracts blacks and other minorities, from predominantly white areas. They....often explicitly bar any use other than single-family homes.

”



Economic Opportunity

- Economist Raj Chetty's research on high opportunity neighborhoods demonstrates that when children grow up in a "high opportunity neighborhood", they are significantly more likely to move from the lower end of the income distribution to the upper end
- Increasing the diversity of housing types in these neighborhoods is one way to ensure more kids have the chance to benefit from them, increasing economic mobility in our communities



Increasing Diversity of Housing Types

- To meet the changing needs of Oregonians, we need more housing options and a wider variety of housing sizes
- Family sizes are getting smaller and more than half of Oregon households have only 1 or 2 people
- Diverse housing types allow seniors to age in place or move to unique housing types like cottage clusters to have a supportive community
- Younger families may not be able to afford to buy a single family home – townhomes/condos are a more affordable first home option



Environmental impact of density

- Multi-unit developments have lower carbon footprints
- More walkable neighborhoods
- Prevent sprawl, protecting farm and forest land



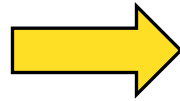
Broad coalition of supporters





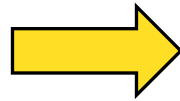
Opposition Arguments

State-level solution takes away local control



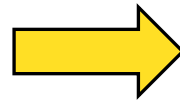
- Many cities are not meeting their obligations under Goal 10 of our land use system
 - Local jurisdictions were given significant flexibility to determine where they want to allow the different types of middle housing
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The character of certain neighborhoods will be changed



- In places that have allowed middle housing, change happened gradually and over the course of multiple decades
 - Local governments are able to regulate the siting & design of middle housing to ensure that new homes are compatible with the neighborhood
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Will hurt property values or only be developed in 'working class' areas



"In general, neither multifamily rental housing, nor low-income housing, causes neighboring property values to decline.... Working communities with multifamily dwellings actually have higher property values than other types of working communities. In other words, the average value of owner-occupied houses was highest in working communities with the most multifamily units."

- Joint Center for Housing Studies at Harvard University



What kind of community do you want to live in?

- Housing is more affordable for more residents
- More integrated, and less segregated by income and race
- More economic opportunity for all residents
- More residents have housing that meets their individual needs
- More people can afford to become homeowners
- More environmentally sustainable patterns of development