



Home Builders Association
of Metropolitan Portland

2/15/2022

Deborah Lockwood, Chair
Washington County Planning Commission
155 N. First Avenue, Suite: 350
Hillsboro, OR 97124

Delivered by E-mail

Re: Public Comment - Ordinances 885 & 886

Dear Chair Lockwood and Members of the Washington County Planning Commission:

I am writing you today to offer comments on Washington County Land Use Ordinances 885 & 886 as proposed. The Home Builders Association of Metropolitan Portland (HBA) and those we represent including homebuilders, developers, non-profits, tradespeople and home building industry professionals, thank you and staff for your continuing work on implementation of HB 2001 and SB 458.

The Home Builders Association of Metropolitan Portland (HBA) represents over 1,400 organizations and tens of thousands of Oregonians who work in the residential building and remodeling industries throughout the greater Portland region. We are dedicated to maximizing housing choices for all who reside in the region while promoting housing access and availability at all levels of the economic ladder.

HB 2001 and SB 458 were written to address our housing crisis through two-pronged approach; allowing for the direct creation of more affordable units and lower cost by increasing supply, a micro and macro solution, respectively. Thus, our comments are offered through this understanding and lens.

After reviewing the propose changes, we are supportive, generally, of the approach taken with regards to implementing the requirements of HB 2001 and SB 458 and appreciate staff's effort to minimize the additional requirements or design standards that will serve as further barriers to affordable housing development and additional supply. However, we have a few concerns with the ordinances as proposed and how they will affect housing availability and affordability in Washington County. Additionally, we also encourage you to consider going beyond the minimum requirements of the statute.

Our first concern is the requirement for sidewalks and the additional cost this will add to not only middle housing types but also traditional single-family residences as well. One of the main issues these two laws are trying to address is housing affordability and limited home ownership opportunities. This change is in direct violation of that concept. It seems counterproductive that the county would not only add this

requirement to middle housing types, but to go so far as changing code for all housing types so that it can be levied on middle housing.

To understand what this requirement would mean for middle housing, I reached out to some members to estimate cost. For a duplex on a fifty-foot lot, the total cost including materials, labor, survey and design, and permitting would add over \$6,000 to the project, which accounts for an additional \$3,000 on each unit. To put that into perspective, according to a February 2021 NAHB study, for every \$1,000 increase in the price of a home in the greater Portland Metropolitan region, 985 families are priced out of home ownership. This increase alone would price almost 3000 families out of every unit produced under this requirement.

The requirement for sidewalks on home additions, even if limited to expansions of a certain size, also causes us concern. In recent years, our remodelers have been adding more square footage to homes than they have in the past due to consumer desire for independent home office space, multi-generational living arrangements and larger amounts of personal space for family members. Although this trend isn't new, the last two years of covid restrictions have accelerated these changes in market demand and we expect them to continue. We are concerned that this added cost may make many projects uneconomical, but more importantly, a nexus between the construction type and the community impact being mitigated is tenuous at best.

In multiple statements made by staff and committee members during the previous work sessions, sidewalks are a "desire" of the community. Assuming that, they should be paid for by the community rather than individual homeowners, especially in light of the housing affordability crisis we find ourselves in. Just as in our personal and professional lives, during economically challenging times, wants must be balanced against the need created by the crisis; and that need is more housing, generally and more affordable housing, specifically.

Another concern that is inherent in the sidewalk requirement but also arises with right of way (ROW) dedication requirement, is the loss of actual developable land as well as any diminishment of lot size. An important component of the solution HB 2001 envisions, is the ability to put more units on an individual lot, as long as the market and consumer demand supports it. Lot development flexibility is integral to achieving this goal. It is feasible, and some may say likely, that the dedication requirements, by limiting lot area, will limit the development opportunities for many lots. An example would be that only three units are created on a lot that could reasonably accommodate four, or even more detrimental to the goal of the bill, only a single-family home because three units on the lot are not economically viable to develop where four would have been. In addition, since land price is the largest single factor in the cost of housing, those three units would have to be offered at a higher price point, than four units on the same lot. We ask that the commission consider easements, were viable, rather than dedication to offer more development opportunities across available lots.

As previously stated, we are appreciative of the light approach to new design standards, but must highlight two issues that we see with Ordinance 885 as proposed; the garage standard and the glazing requirement.

Working in other jurisdictions that have a similar maximum garage façade standard, we have seen it eliminate a lot of good design types and have pushed units to single car or alley load garages. This will also affect available driveway space and may push more cars into the street, a concern for current residences. Rather than hold to this strict standard, we suggest that the county offer a path to allow for larger garages.

The other design requirement that causes concern is the 15% glazing requirement, especially as it pertains to street facing side yards. Middle housing units are, by design, intended to use space more efficiently, but this requirement can make that difficult by creating interior design challenges due to required window placement. In addition, as we move to ever more stringent energy code standards, larger window surface area makes it more difficult to achieve the energy efficiency and savings that will be required. As we have seen in Washington, under their new energy code, the types of windows required to achieve the code requirements get exponentially more expensive as more glazing is part of the overall house design.

In addition to addressing these concerns in your deliberations, we encourage the commission to consider allowing detached “plex” units wherever attached products will be allowed. Potential homebuyers prefer units without shared walls and the opportunity to have an individual house, rather than an attached plex, no matter the individual lot size. According to the August 2020 Regional Housing Needs Analysis prepared for Oregon Housing and Community Services, forty percent of the new units needed in unincorporated Washington County will be “single-family detached” while only eight percent will be “single-family attached.”

There have been statements made that attached units are more affordable which aligns them more closely with the intent of the statute and there is a concern that detached units might not be affordable. Although attached units may be slightly more affordable, it isn’t the most desired product type and for this program to work efficiently, consumer demand must also be a consideration. As we know, affordability is an important component of the vision created by these bills, but to assume that individual unit type is the only way to address affordability ignores the wholistic approach that these laws intend. By offering both attached and detached housing types of middle housing, builders can address market demands, tailoring each project to the product type and layout most desirable and economically feasible for each lot thus creating more units and faster achievement of the desired goal.

We understand the county has a tight deadline of June 30, 2022, but luckily the state offers a safety net should Washington County need more time to address these concerns as well as consider the addition of detached plexes to allowable building types.

As HB 2001 is one of the most substantial pieces of land use legislation adopted since SB100 1973, we feel that if the county and this commission feels it is unable to seriously consider the concerns raised, a slower approach is in order, with the model code serving as a safety net until a thoroughly vetted approach can be developed.

With a housing deficit of 60,000 units today and a projected need for 225,000 more by 2040 in the Portland Metro area, the crisis will continue and prices will rise. City and county leaders must weigh their decisions based on this demand for units as well as the ever-increasing cost of housing.

As an industry that provides homes to Oregonians, we respectfully ask that you consider the housing crisis we are in and the affect these ordinances, as proposed, will have on home prices, the flexibility of total lot utilization and overall unit production.

Thank you again to you and staff for all of the hard work you have put into this process. The thoughtful and deliberate discussions that have taken place on this issue make obvious your desire to find solutions to our housing crisis and we appreciate your consideration of our comments.

Sincerely,



Ryan Makinster

Director of Policy and Government Relations