Comparison of HB2001 Minimum Requirements and Staff Recommendations¹

Minimum Lot Sizes (square feet) ²				
	Required by Law	Staff's Option 1	Staff's Option 2	
Duplex	4,500	3,000	2,250	
Triplex	5,000	4,500	3,500	
Fourplex	7,000	6,000	4,500	

Parking Requirements per Unit				
	Required by Law	Staff's Option 1	Staff's Option 2	
Duplex	1	1	0	
Triplex	1	0.67	0	
Fourplex	1	0.5	0	

The terms Option 1 and Option 2 and the values in the above table will be referenced in the detailed comparison that follows.

¹ All information for this document was taken from the following memos presented to the City Council in their AIS for the May 24, 2021, work session. April 24, 202 they were presented to the Planning Commission:

- April 19, 2021, Summary of Draft Code Amendments All Middle Housing Types, from Kate Rogers and Matt Hastie, APG (Angelo Planning Group)
- April 19, 2021, Impacts of Code Scenarios, from Becky Hewitt and Tyler Bump, ECONorthwest
- See May 24, 2021, City Council agenda for copies of the above memos.

- When staff uses the term "Allow" it means "Required by Law"
- When staff uses the term "Encourage" it means Option 1
- When staff uses the term "incentivize" it means option 2

Staff's terms were used in their surveys and were confusing to many people.

² For this paper neutral terms are used. The relation between the neutral terms and the terms used by staff in their documents are:

Summary of HB2001 Requirements and Staff Proposals (Note extreme differences)			
Minimum HB2001 Requirements	Staff's Proposal	Questions and Comments	
Lot Size – See the above chart for HB2001 requirements.	R-1 near transit (this means ¼ mile from frequent transit lines – Hilyard to Potter is approximately ¼ mile): Option 2 R-1 elsewhere: Option 1 R-2 – R-4 (consistent with current code)		
Detached Plexes – HB2001 gives cities the option of defining plexes as in one structure or de tached. The law does not require detached plex units, the City has discretion on this issue.	Staff has decided to allow both attached and detached plexes. Single family standards apply to plexes whether attached or detached, except lot size. This will result in multiple single-family houses on the same lot. (See Lot Splitting)	If de tached are plexes any different than single-family homes? Should they be required to be built on the minimum lot size for single-family homes, 4,500 sf? Is a de tached plex no longer middle housing? Clear and objective definitions are needed.	
Lot Splitting – SB458 is a new law that was passed in 2021 and goes into effect July 1, 2022, concurrent with HB2001. It gives developers the "by right" to split lots for middle housing, without an opportunity for appeal by community members. This law is superfluous since HB2001 allows that plexes can be built as row houses on separate lots or as cottage clusters on separate lots.	Staff has not said how they plan to implement SB458, but the implications are enormous. The purpose is so developers can split middle housing lots without incurring appeals and sell rather than rent the units. Oregon's condo liability laws make it costly to sell units in a plex as a condo. Minimum lot size would likely be lost, as would lot coverage and open space.	Would each resulting lot be eligible for an ADU or another middle housing unit to make it a duplex? What standards will be put in place to maintain lot size lot coverage and open space? Far better neighborhood engagement is needed before implementing SB458. Detached plexes should not be permitted.	
Parking – HB2001 allows one on-site parking space for each dwelling unit if the city uses the minimum lot size required by the law. If lot sizes are reduced so are parking requirements.	Staff recommends option 2 near transit, elsewhere option 1, with on-street parking credit everywhere.		

Summary of HB2	001 Requirements and Staff Proposals (Note extra	eme differences)
Minimum HB2001 Requirements	Staff's Proposal	Questions and Comments
Lot Coverage – Remains at 50% for R-1 and R-2, R-3, and R-4 N/A	Staff does not recommend a change.	How is this maintained on smaller lots, taller structures? What happens when lots are split? If plexes are detached is 50% still required?
Building Height – current single-family standards comply with maximum building height. • R-1: 30 ft + 7 ft for pitched roof • R-2: 35 ft • R-3: 50 ft • R-4: 120 ft	Near transit R-1: 35 ft + 7 ft for pitched roof R-2 through R-4 no change (A phone pole is approximately forty feet.) The minimal changes to building height seems innocuous until you consider middle housing will be detached plexes, built on smaller lots that may be split further. There will be sunlight issues, poor conditions for gardening and lack of yard space for children and pets.	Are the building height standards in the UO area still in effect? The extra five feet makes it easier and more likely to build three story structures. How will blockage of solar panels be handled? Does the community want large units shoehorned into neighborhoods degrading livability and compatibility with surrounding built out areas?
Density – Generally Middle Housing is exempt from density constraints. Row houses can have lots as small as 1,500 sf but cannot exceed twenty-five units per acre in R-1. Open Space – Current standard in R-2 – R-4:	Staff is considering dropping lot size for row houses to 1,125 sf in R-1, but this would exceed the density prescribed in the law. Their preferred option is to exempt row houses from maximum density; allow minimum lot size to control density. Reduce to 10% or remove.	Since this conflicts with the legislation, is this legal?
20% open space complies. R-1 needs to be checked.	Again, lot splitting causes concerns by reducing open space.	
Driveway and Parking – current standards comply	Exempt middle housing from current UO area special standards (See EC 9.2751 (15)	Why should middle housing be exempt from these standards? Middle housing near UO will be student housing and have the same parking problems as other housing. This decision was made without consulting the neighborhoods affected.

Summary of HB2001 Requirements and Staff Proposals (Note extreme differences)			
Minimum HB2001 Requirements	Staff's Proposal	Questions and Comments	
Affordability – The law encourages Cities to keep the cost of middle housing down by not imposing regulations that delay approval or increase the cost of middle housing.	The April 19, 2021, Impacts of Code Scenarios memo claims that by reducing minimum lot size and minimum parking requirements middle housing can be affordable to households earning between 71% and 94% of Area Median Income. There is insufficient detail to verify this finding.	Should Options 1 and 2 only be allowed if middle housing is built for and rented to income qualified individuals in the 75% or less AMI category? Otherwise, should only the minimum standards be allowed?	
Near Transit – HB2001 does not discuss locating middle housing near transit. There is no requirement for this in the legislation.	"Near transit" is defined as "within ¼ mile of frequent transit lines." (Hilyard to Potter is approximately ¼ mile.) This is broader than just EMX lines and covers much of Eugene's core neighborhoods. Option 2 incentives are applied near transit, but option 1 is recommended "elsewhere" away from "frequent transit lines", with no explanation given.	Is low density middle housing what is really needed near transit rather than higher density multi-unit housing?	

<u>Issues</u>

Many problems could be avoided if the city followed the minimum standards required by HB2001.

If in the medium and high-density zones (R-2, R-3, and R-4) the city did not permit new single-family detached houses, middle housing would only be able to be added to existing single-family homes in those zones. In these higher density areas larger apartments are more desirable rather than low density middle housing.

SB458 needs to be implemented along with middle housing changes by July 1, 2022. No public process has been started. Neighborhoods must immediately be involved in this process.

There is a minimal supply of vacant lots for new middle housing. As a result, older more affordable single-family homes will be purchased, demolished and new market rate middle housing built. The issue of demolishing currently affordable housing and displacing residents needs to be addressed. (Ted + memo)

Lot splitting may have conflicts with fire regulations, especially if alley access is involved. Building large homes on small close together lots may make it more difficult to control the spread of fire.

The information on middle housing affordability presented to both the planning commission and city council lacked sufficient detail, such as proformas, to validate the conclusions. The example used to show middle housing could be built and rented at 80% MFI was an 810 sf, two-bedroom, one bath unit rented to a family of three. Neither Projects receiving a MUPTE nor the highly subsidized 1059 Willamette project have been able to offer units of this size at 100% AMI or 80% AMI. Only studio apartments were feasible. It is difficult to believe middle housing affordability will be anything except market rate housing. Before justifying incentives and reductions to fees in the belief that middle housing will be rented below market rate housing more research is needed.

Send comments on these extreme changes to:

The Mayor, City Council and City Manager:

mayorcouncilandcitymanager@ci.eugene.or.us

The Planning Commission: PlanningCommissioners@ci.eugene.or.us

And Planning Director: alissa.h.hansen@ci.eugene.or.us