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## HB 2558 is 180 degrees the opposite of positive strategy for high-density residential on public transit corridors.

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To: Rep.MarkMeek@oregonlegislature.gov, Rep.JackZika@oregonlegislature.gov, rep.RickiRuiz@oregonlegislature.gov, Rep.SheriSchouten@oregonlegislature.gov, Sen.MichaelDembrow@oregonlegislature.gov

Cc: Rep Fahey <Rep.JulieFahey@oregonlegislature.gov>, claire.adamsick@oregonlegislature.gov, Rep.PaulHolvey@oregonlegislature.gov, Sen Prozanski <Sen.FloydProzanski@oregonlegislature.gov>

Dear Representatives Meek, Campos, Ruiz, Schouten, Zika and Senator Dembrow,

First let me start by stating that -- long before someone came up with this bill's misguided concept -- I was deeply involved in working to get Eugene to encourage and support medium- and high-density Transit-Oriented Development (TOD), including subsidized multi-unit development, specifically along Eugene's major transit corridors. (See Attached)

For years I've been "hammering" Eugene's feckless Planning Division staff to implement Multiple-Unit Property Tax Exemption (MUPTEx) along the West Eugene EmX Extension (WEEE) alignment on the W. 6th and 7th Aves. couplet, which is on the northern border of my neighborhood, Jefferson Westside Neighbors.

This bill fails in the same way that so many of the Legislature's recent "top-down, one-size-fits-all" bills (e.g., 2019 HB 2001) fail. It's based on "we know best," when in fact, the particulars reflect ignorance.

Well-informed TOD planners know two essential things:

1. You don't spread mixed use linearly, you concentrate it on "natural" "hot-spots." Upzoning and making financial incentives available along every portion of a rapid transit corridor results in minimal and scattershot (dispersed here and there) development. This approach doesn't work because not enough housing is built in any one spot really close to commercial to support business development. And conversely, there's not enough commercial (and other "amenities") in any one spot to support rent levels necessary for high-density residential development.
2. "Hot spots are not circles! They're often "spiny" areas that follow existing development and pedestrian friendly access.

This bill gets half of #1 right. Limiting to areas around rapid transit stops, not along the entire route. But by encompassing all stops, the bill fails. Instead, a well-informed, effective approach is to assess which stops have the potential as "hot spots" and rezone and/or make incentives available only a limited set of locations.

The bill utterly fails at #2. More on that shortly.

But the bill is grossly flawed in two other ways:

1. HB2558 does NOTHING to address the real, on-the-ground issue: Supporting residential and mixed-use development on existing COMMERCIAL properties. Look at the attached map section "HB2558\_Area\_Eugene.Commercial.jpg". Anyone who knows Eugene knows that this "Blair Island" area is already a "hot spot" with many destination businesses and major amenities. But the area is way underutilized for housing. Most of the circle defined by HB 2558 is commercial, and there's almost no residential development on these sites. Why? Two reasons:
  - a) Because there's a perceived financial risk of doing the first major, non-subsidized housing development in the area; and
  - b) A lot zoned "C-2 Community Commercial" costs much more than would pencil out for major housing development to have a good return-on-risk.

SOLUTION: Focus your zoning and incentives on making these C-2 sites attractive for residential. Guess what? That means DOWNZONING to C-1 Neighborhood Commercial; amending the C-1 code to allow mid-rise apartments without ground-floor commercial, and providing subsidies for the first few projects.

2. HB2558 will worsen housing affordability. The residentially zoned areas in both of the attached map sections comprise older, lower-grade single-family, rental homes and a few old, pretty crummy two-story apartments.

These rentals may not be where you or the Executive Director of 1000 Fiends of Oregon would choose to live, but they provide a good number of affordable rentals. HB 2558 is a real estate investor's dream: Buy the cheaper, low-grade rental properties behind the commercial lots, scrape the housing off these lots, and build market-rate, mid- to high-rent apartments and condos. Other cities' experience with the HB 2558 kind of upzoning along rapid transit corridors has resulted in substantial displacement and "upzoning gentrification" to the detriment of lower income households that are displaced.

SOLUTION: Require substantial "affordable housing" (not as options) for any redevelopment on residential areas around "hot spots."

Turning back to the issue of "Hot Spots" not being circles: Look again at "HB2558\_Area\_Eugene.Commercial.jpg" As anyone in our neighborhood can tell you, the Blair Island "hot spot" is narrow east-to-west (along W. 7th Ave., which is NOT pleasant to walk along), but runs much deeper than the 1/8 mile north along Blair Ave. to the north. To the south, Monroe St. connects pedestrians to a really nice little neighborhood park. So, a well-informed planner would get on the ground and draw a "hot spot" boundary where mid- to high-density residential and mixed-use development could occur. For example, there are some mid-sized lots facing the park where "middle housing" would be appropriate as a "transitional" form and the additional residents would make the park safer ("more eyes on the park").

I'll be brutally frank: Whoever is pushing this kind of grossly flawed approach to TOD and affordable housing supply is evidently incompetent. This bill should be thrown in the trash, and the authors replaced with professionals who can apply competency, rather than "YIMBY" religious zealotry.

The only way to make TOD successful (and not make housing affordability worse) is to craft performance standards that have criteria that takes into account highly variable context among Oregon's cities. Some of us in Eugene know how to do that and are looking for real help. Whoever created the provisions of this bill hasn't got a clue.

Just remember that "The road to Hell is paved with good intentions." Although you sponsors of this bill may be well-intentioned, the provisions would turn Eugene and other cities' rapid transit systems into just *faster* roads to Hell.

Thank you for your consideration.

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#### Earth Advantage Accreditations:

- \* Sustainable Homes Professional
- \* Accessory Dwelling Unit (ADU) Specialist

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#### 3 attachments



**HB2558\_Area\_Eugene.Commercial.JPG**  
380K



**HB2558\_Area\_EugeneResidential.JPG**  
425K

 **MUDsubgroup10Dec2010Recommendations.pdf**

99K