



The Home Team

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After exploring many alternative options the Home Team settled on six key strategies for community design:

1. Ensure that housing is affordable for working families and for those who cant work;
2. design and build compact high density mixed use centers;
3. interlink neighborhoods and the green network, and provide easy access to a range of open spaces;
4. incorporate employment and industrial development into the community;
5. place as many employment opportunities and public facilities within walking distance as possible;
6. create 28 neighborhoods centered on small schools, not as distinct “pods”, but as connected elements of the larger community; and,
7. provide many kinds of housing for many kinds of families, including co-housing and co-operative housing.

The Critical Question: Can Those Who Teach, Protect, and Serve the Community Afford to Live There?

Of critical importance to the Home Team was the question of affordable housing. With the recent dramatic increase in Portland area housing costs, many people are feeling housing stress. This stress is not confined to the poor. Those who make the median family income of \$38,000 – \$52,000 per year are feeling the pinch as well. Recently some have claimed that the UGB is to

blame for much of this increase.⁸ Others argue increases in home prices in Portland have more to do with increased demand, outdated subdivision regulations, and rising costs of materials. Several independent studies have shown that Portland's housing cost increases have been lower than housing price increases found in most other western US metropolitan areas, none of which have urban growth boundaries.⁹ A new study by the Brookings institution finds that Portland's growth management measures may actually be off-setting the housing price inflation being created by rapid population growth.¹⁰ Whatever the cause, no one denies the problem: housing is getting more expensive. Wherever the UGB expands, Metro must ensure that the widest possible range of income and family type demographics are accommodated. To do less would threaten a return to patterns of race, income and age segregation that the Portland area has recently made great strides to reverse. The challenge is to find a way to house those at the bottom quarter of the income pyramid, families making between \$11,000 (for one) and \$25,000 (for four) per year. These are the people who serve the food, take care of our kids, maintain and protect our buildings, and do the hundred other things that contribute to a livable community.

A Decent Home in a Quality Neighborhood for as Little as \$500 per Month

Home Team members understood the affordable housing issue from various perspectives. Housing advocate members explained what the real needs were, and suggested policy tools for meeting these needs. Developers and builders were available to compute how much it would cost to produce certain types of housing, and how much rent from tenants would be required to

amortize the mortgage held by the owner for the cost of this unit. Working together they made huge progress in bridging the gap between what the housing market can provide and what people actually can afford to pay. After wrestling with this problem for a number of days the Home Team concluded that one of the best strategies for housing those at the lower end of the income spectrum, *and* for opening up new opportunities for homeownership to moderate income families, was to include secondary rental suites in a large percentage of new detached and attached homes. As the graphs on the following pages make clear, secondary suites are the most economic way to provide low cost housing. Given their low cost to manufacture (up to 30% cheaper to build than apartments built in complexes), they could be profitably rented for as little as \$500 per month.

Own Your Own House for \$1,050 per Month

The other side of this secondary suite equation involves the homeowner to whom rent is paid. This “mortgage helper” rent makes owning a single-family home affordable to families at the 80% of median family income level, or those who can afford to spend \$1,050 on monthly rent. These are families who could not otherwise afford to own a home. The economic and social synergy of this relationship between principal owner and renter is obvious. Economic capital stays in the neighborhood, with the renter helping the owner afford a home, and the owner helping the renter live in a neighborhood, rather than in a “housing complex”. If economic circumstances change

for either family it need not mean abandoning their community. A renter whose circumstances improve can eventually move into homeownership if that is their desire. An owner whose family or economic circumstances change (divorce being the most common example) can more easily sort out living arrangements that will minimize disruption to them and their children.

For Those Who Can't Afford \$500

A monthly income of \$500 doesn't help if you only have \$275 a month for rent, which is all a full time day care provider living alone can afford to pay. Nor will it help a four-person household headed by a special education teacher, which has only \$390 a month to spend on rent, nor someone living on general assistance, social security, social security insurance, or a half time job at minimum wage -- people who can afford between \$94 and \$204 a month for housing.

Workshop participants concluded that the market can and should provide most housing through free market mechanisms at market rates; but for those whose incomes fall below what the market can satisfy, more must be done. Most of what could be done for this group is impossible to show on the drawings. The suggestions provided by the Home Team are policy based and thus invisible. The suggestions include:

- require fees on market developments to offset the cost for producing low rent housing in other areas;
- establish and finance a Damascus Area community land trust to ensure long term availability of decent and affordable housing;

- require the provision of affordable housing before economic development for jobs can proceed;
- Use federal and state housing programs more aggressively to enhance the capacity of low income households to compete in the rental housing marketplace;
- Establish agreements with developers to provide a certain percentage of units in new developments as affordable, to be managed by non-profit housing groups (these and other approaches are described in the housing appendix).

The Cost to Produce A Home – A “Back of the Envelope” Analysis from the Damascus Design Workshop

Housing Type	Interior Space in sq. ft.	Residential Density, Units/Acre (gross incl. street ROW)	Unit Sale Price	Developed Land Value	Development Cost Per Unit	Residual Value per Unit	Mortgage or Rent per month Required to Amortize Cost
Single Family Detached							
Estate housing	3,200	3.5	500,000	100,000	47,000	47,000	\$ 3,200
Medium lot (4,500 sq. ft.)	2,150	7.3	280,000	56,000	22,000	22,000	\$2,000 – 1,500 with rental suite
Small lot (3,500 sq ft.)	1,700	8.4	220,000	44,000	20,000	20,000	\$1,550 – 1,050 with rental suite
Single Family Attached							
Town House	1,100	18.2	150,000	30,000	12,500	17,500	\$1,050
Row House	1,300	19.9	180,000	36,000	12,500	23,000	\$1,300 – 800 with rental suite (“stacked townhouse” form)
Duplex	1,750	15.8	170,000	34,000	10,500	23,520	\$1,200 – 700 with ground floor suite
Rental Units or Condo. Apt.							
1-2 BR Apartments	700	30.3	80,000	16,800	5,800	11,000	\$780
2-3 BR Apartments	800	27.6	90,000	18,000	6,500	11,500	\$875
Secondary Suite in Detached Residence	600-800	On 25% of all lots					\$500

The Cost to Actually Live There! – A “Back of the Envelope” Monthly Rental Requirement Analysis from the Damascus Area Design Workshop

<i>Housing Type</i>	<i>Residential Density, Units/Acre (gross including street ROW)</i>	<i>Mortgage or Rent per month Required to Amortize Cost</i>
<i>Single Family Detached</i>		
Estate housing	3.5	\$ 3,200
Medium lot (4,500 sq. ft.)	7.3	\$2,000 – 1,500 with rental suite
Small lot (3,500 sq ft.)	8.4	\$1,550 – 1,050 with rental suite
<i>Single Family Attached</i>		
Town House	18.2	\$1,050
Row House	19.9	\$1,300 – 800 with rental suite (“stacked townhouse” form)
Duplex	15.8	\$1,200 – 700 with ground floor suite
<i>Rental Units</i>		
1-2 BR Apartments	30.3	\$780
2-3 BR Apartments	27.6	\$875
Secondary Suite in Detached Residence	On 25% of all lots	\$500

Different Dwelling Types on the Same Block

Members of the Home Team felt that simply providing housing stock for the various income and demographic groups was not enough. It was also important that the house types be mixed on each block such that different family types and income groups would be located closer together than is the norm in suburban communities. Team members produced block studies (shown on the following page) to demonstrate a mixed income block that still maintains the “single family home feel”. They felt that Portlanders do not object to people of different incomes living next to them so much as they object to completely different types of *buildings* situated near their own.

Good Jobs Near Home

The Damascus region could never thrive if it grew into a 25 square mile bedroom community – yet another suburban area where residents travel long distances in search of family wage jobs. Generally, community planners try to provide at least one job site per household. For the Damascus area, this would mean a minimum of 40,000 jobs. However, the larger Clackamas County area presently has a very large jobs-to-worker deficit. There is, therefore, a strong rationale for the Damascus area to be a net provider of jobs for the other parts of the County and for adjacent parts of the Portland metropolitan area. In such instances, planners often use a target of two jobs per household or a minimum of 80,000 jobs.

The Home Team used the target figure of 40,000 living wage¹¹ jobs at the low end, and 80,000 living wage jobs at the high-end to guide their deliberations. The plan that they developed is quite flexible in adapting to this wide spread. The modularity of the block structure allows the plan to adapt to unforeseen economic development opportunities with much greater ease than can a rigid “pod” based land use plan.

Work at Home

In keeping with the directives contained in the design brief, the Home Team developed a plan that would provide a significant number of jobs in homes. Live-work options were assumed to be allowable in most residential areas, with certain centrally located residential areas designed specifically to take advantage of their strategic location through incorporation of architectural features that would make home occupations especially practical (such as stacked townhouses where the ground floor unit could be used as a consultant office, coffee shop, or home repair service for example). The Home Team developed a community design approach that could provide between 5% and 10% of all jobs (or 5,000 to 10,000 jobs) in live-work settings, with no upward limit on the number of jobs that could eventually be provided in this form.

Work Close to Home

While live-work constitutes a rapidly expanding percentage of the contemporary workforce, the Home Team recognized that this emerging sector still constitutes a relatively small share of the *total* workforce and will likely remain a relatively small share for some time. Consequently, the Home Team assumed that dedicated job sites would provide over nine tenths of all jobs. The Home Team calculated that 25,000 jobs would be in settings that were an ordinary part of the community: in schools, health care facilities, dental clinics, accountants offices, etc. (for example, there would be 3,000 jobs for elementary and high school teachers alone), and the myriad other services we seldom think about until needed such as car, appliance, computer, and plumbing repair facilities. These are “service sector” jobs and consistently rank as the largest single sector in the job marketplace. It is important to note that these jobs do not show up in the form of large tracts of land zoned for single purposes. Rather, they are integrated into predominantly residential districts where they serve the needs of the people who live there.

Work at the “Business City”

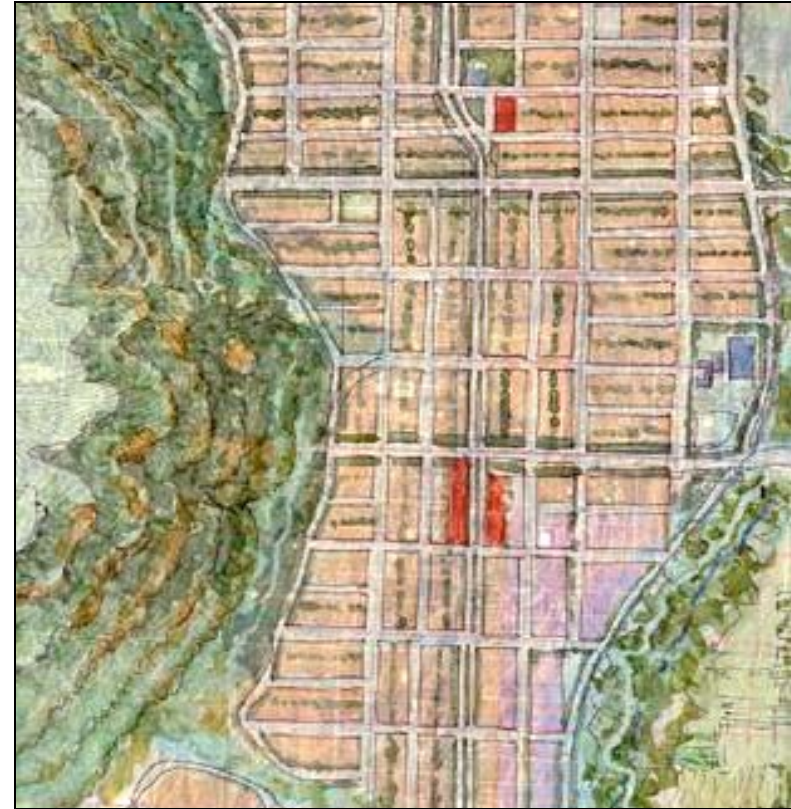
The plan provides a minimum of 500 acres of land zoned for business and industrial uses. Using a figure of 1,000 feet of land per job (or 43 jobs per acre) the plan provides for 21,500 tech/business/industrial jobs in dedicated sites. These figures could be much

higher if the team's recommendations for a change in the way we imagine industrial development are realized. For decades, we have expected large industrial/corporate clients to demand vast campus like settings where one-story structures are surrounded by parking and landscaping. Jobs in such settings are very hard to access by transit and relatively inefficient users of serviced land. This being said, the plan preserves a minimum of two unencumbered 50-acre parcels for industrial clients who require campus settings.

At the heart of the Home Team's industrial development plan is the new "Business City" concept for Damascus – a large 300-acre urban zone that would resemble thriving and dense industrial/business areas of Portland. This area integrates with the interconnected street system and the residential and commercial areas that surround it. The Home Team anticipated floor area ratios of up to 1.5 would be achievable. Corporate offices, back offices, and research centers would be housed in multi-story urban scale buildings. This would accommodate an emerging and powerful trend in industrial development, where clients are beginning to prefer more centralized multi story facilities for many of the new highly knowledge-intensive modern corporate activities. Other industrial "big box" structures of one story could also find a suitable setting in this location, occupying one, two, or four full blocks (or 5, 10 or 20 acre sites). Industrial/business park development of this type can provide up to four times as many jobs per acre as can suburban "campus" type development and be easily serviced by transit. For these compelling reasons



The Home Team's approach to economic development hinged on designing and building compact high density employment centers that are integrated – rather than segregated – from homes, transit and shopping. The largest of these is the 300-acre "Business City" site, located to the south-west of the Damascus Center. Here, corporate offices, back offices, and research centers are located in multi-story urban scale buildings that integrate with their surrounding residential and commercial context.

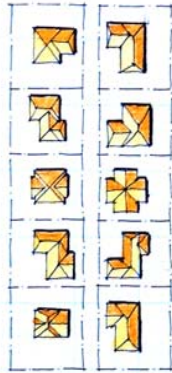


Another approach to employment is shown in the detail above. A total of 100-acres of employment sites (shown in purple) are incorporated into the block and parcel structure proposed for the new community bordering Rock Creek Road in Pleasant Valley.

Block Studies

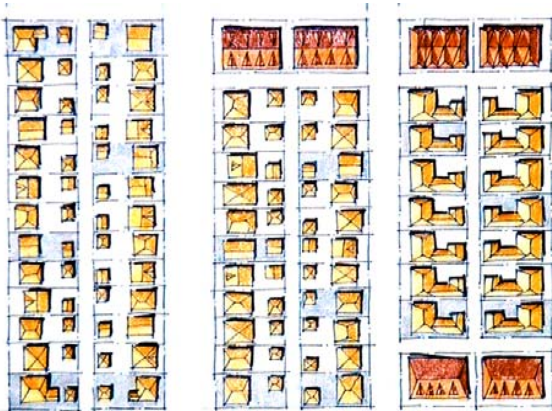
Low Density

- approx. 16% of all units
- large lot single-family
3 – 4 du/acre



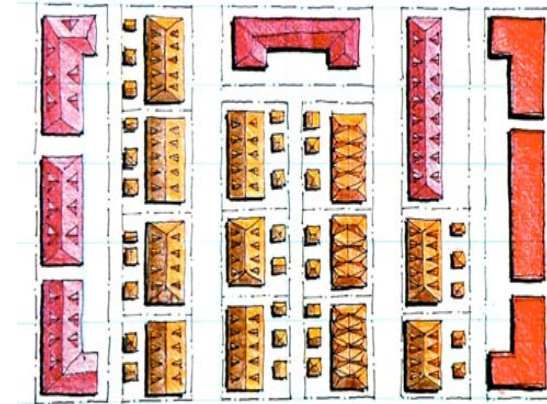
Medium Density

- approx. 30% of all units)
- small lot single family; duplex; secondary suites + coach houses (shown in grey).; townhouses.
- 13.5 - 15 du/acre



Low – medium Density

- approx. 34% of all units
- single-family detached; duplex; secondary suites + coach houses (shown in grey).
- 8.5 – 12.5 du/acre



High Density

- approx. 20% of all units
- townhouse; apartments; residential above commercial.
- 21 – 35 du/acre

the Home Team strongly recommends an examination of not just the amount of land required for jobs but also the urban design rules to apply to these job sites. Changes to these urban design rules could result in tremendous increases in job yields and transit use. Changes in corporate development trends are already visible, with corporate clients beginning to prefer more urban settings for their investments. If these trends unfold in the way the Home Team anticipates, the 500 acres of “Business City” space could yield up to 40,000 jobs. Whatever the final form of the buildings and sites in this area, this land would have easy access to Interstate 405 via Highway 212 and to Highway 26 via the new proposed Sunrise Parkway.

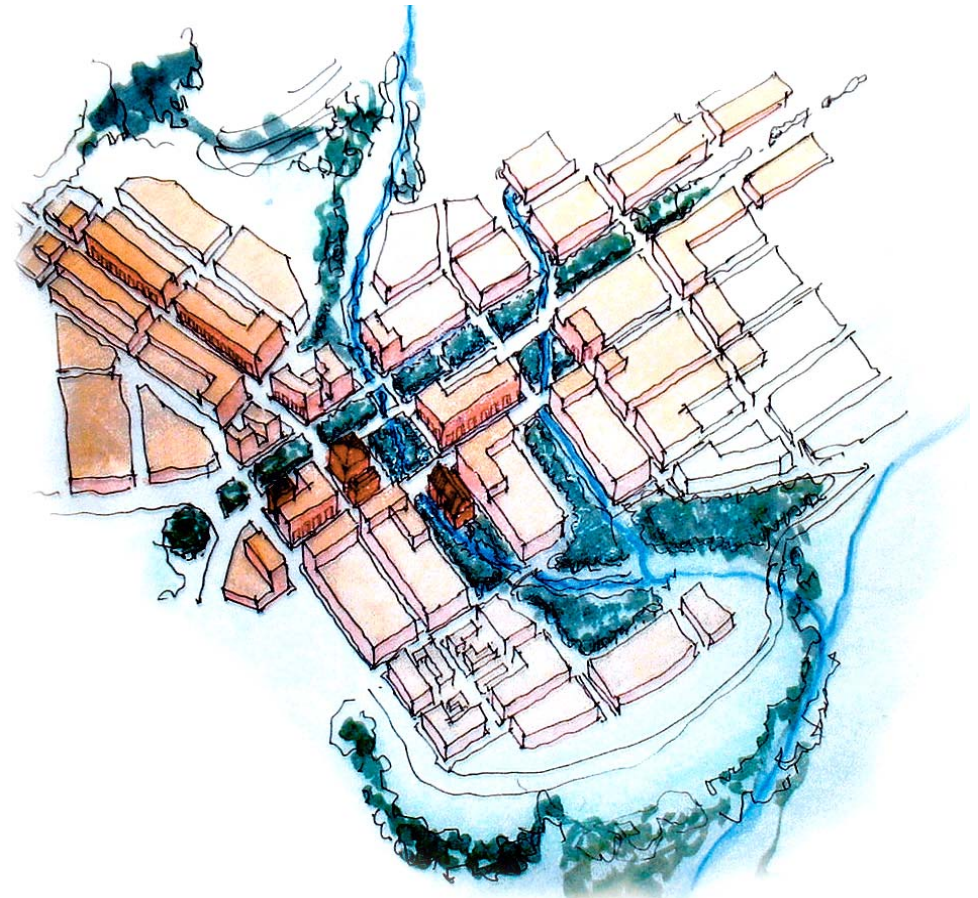
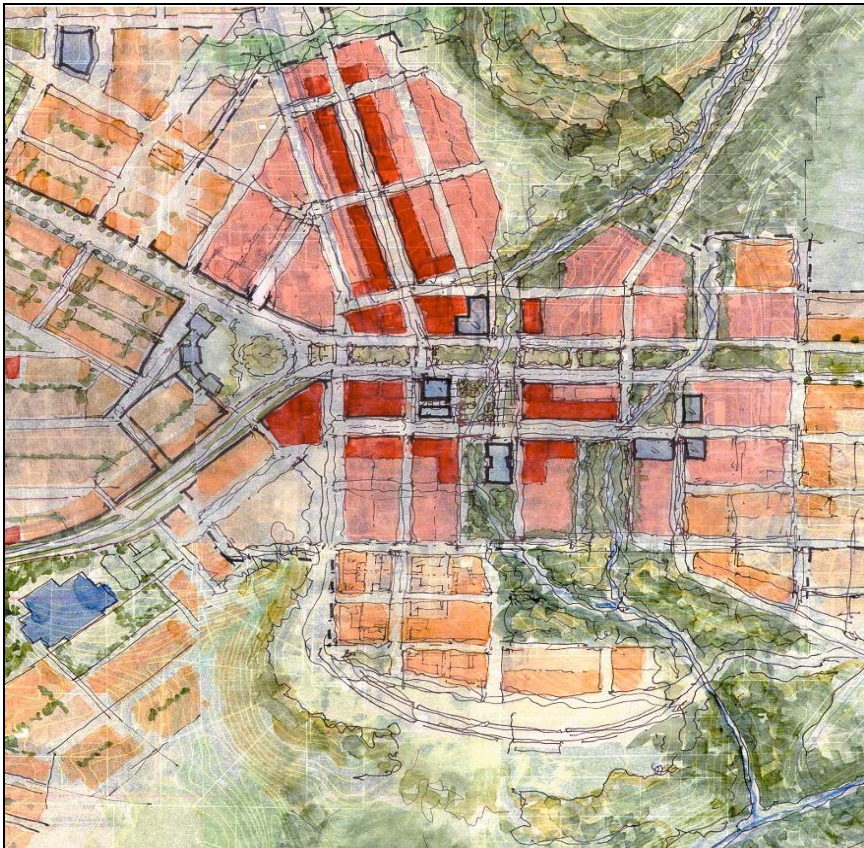
Community-Scale Job Centers

An additional two hundred acres of business/industrial lands are designated in the plan. One hundred acres of this amount is incorporated into the block and parcel structure proposed for the new community bordering Rock Creek Road in Pleasant Valley. The other 100 acres are in an unencumbered area at the extreme northeast corner of the site at the north end of Sunshine Valley (within sight of Highway 26).

Make Jobs a Part of the Community

A dominant principle informing economic development proposals emerging from the workshop was that jobs must be integrated into all parts of the community. It was therefore inadvisable to concentrate too heavily on discrete areas zoned for business and industry. Surely, some

separation is needed in many instances, and is attractive to corporations in others. Yet policy discussions on this topic have all too often operated from the assumption that business activities must be confined to separate districts, cut off from connection with their community. Casting a keen eye toward the interrelationship between regional economic development policy and related policies promoting a rational transportation system and equitable access to jobs for all, the Home Team took a different tack. Rather than separate jobs from people, the team strove to connect them. Thus, many of the job sites are not visible in the plan. They are the second and third floors of downtown commercial buildings. They are corporate headquarters or branch offices that are a block away from the town hall. They are the incubator industrial spaces that occupy the second block back from the transit corridor. There is no accurate means to estimate the numbers of jobs that would emerge in this integrated way. Certainly numbers in the range of an additional 25, 000 are readily imaginable. The principle is not, however, to count up acres and calculate the jobs confined behind those fences. Rather, it is to allow jobs to flourish throughout the community, where people live, and as part of *how* they live.



The Damascus Centre is envisioned as a concentrated and high-activity urban core. Housing and employment density is highest along the Main Street corridor, where mixed-use buildings would create a strong street frontage. Medium-density housing forms, such as townhomes and apartments, would surround the center and be linked to shopping, jobs, and parks via the interconnected street and pathway system.