



August 1, 2020

Ted Wheeler, Mayor
Portland City Council
1221 SW 4th Ave
Portland, OR 97204

Re: Concerns Regarding the DRAFT Proposal: Amendments to Title 11, Trees: Trees in Development Situations

Dear Mayor Wheeler,

We are writing on behalf of the tens of thousands of women and men who work in and around the commercial, industrial, and residential development communities. Building Owners and Managers Association of Oregon, Columbia Corridor Association, Home Builders Association of Metropolitan Portland, and Portland Business Alliance represent a broad diversity of businesses in our city, region, and throughout the State of Oregon.

The COVID-19 pandemic is causing severe economic disruption throughout the Portland region. Home building, like many industries, is facing an uncertain future. Across the greater Portland region, new home starts were down over 50 percent year-over-year in the months of April, May, and June. This downturn in construction is attributed to many factors including, but not limited to, supply chain interruptions for materials coming from East Asia, reductions in available capital, and an uncertain economic outlook.

Portland is approaching a Great Recession level decline in new home construction at a time when we remain gripped in a severe housing crisis. Indeed, despite the economic downturn, Oregonians continue to desperately need new housing. A recent report showed the state underproduced 155,000 units of housing since the Great Recession. This failure forces Oregon families to compete for ever scarce housing, which in turn drives up costs, delays family formations, and inhibits growth.

Given the trying combination of the current economic outlook and the pressing need for new housing to meet Oregonians needs, the City of Portland should refrain from increasing the regulatory costs associated with construction. As an ever greater number of our neighbors find it difficult to

secure their housing needs, the timing is truly ill-suited to add thousands of dollars to each new home and potentially hundreds of thousands of dollars to new commercial and industrial buildings.

Unfortunately, that is exactly what the Title 11 Draft Proposal would accomplish. It was clear at the outset that a hyper focus on two issues, rather than advancing a holistic review of Title 11, would produce distorted analysis completely divorced from broader considerations. Sadly, this is exactly what the City of Portland chose to do. It hosted two open comment periods where the City essentially asked Portlanders whether they thought trees were valuable and deserved enhanced protection, and whether they supported charging developers more money. Certainly, this sort of limited questioning will produce anticipated results.

Over the past year the development community has expressed its sincere support for our wonderful urban tree canopy. At the same time, we continue to ask the City to expand its analysis and broaden the conversation from its narrow focus of increasing fees and removing exemptions. The current tree removal fees already bear a tenuous relationship to true mitigation costs and the exemptions were put in place in order to balance the needs of new housing and development and tree preservation. The City needs both, and the current analysis completely fails to properly balance the two. Additionally, due to the lack of holistic examination, Title 11 remains rife with unintended consequences, that hampers the City's ability see new housing come to fruition.

One such anomaly is the fact that, due to lack of coordination in code development, the City oftentimes requires the removal of trees in development situations and then fines applicants for removing these very same trees. ***Between 2016 and 2020 in the 246 instances where lower density residential projects required permits to remove public trees, a whopping 54 of those (or 22 percent) were the result of conflicts between existing City requirements.*** (See Attachment A). Sadly, those conflicts led to the removal of 72 public trees, likely representing over 800 inches in tree trunk diameter. Additionally, ***during that same time period, the City required the removal of 17 private trees in development situations, representing over 250 inches in tree trunk diameter.*** (See Attachment B).

Given Portland's commitment to tree preservation, the City should commit to revise its existing requirements to remove these conflicts. Indeed, the City should ensure that in no situation does it require a project applicant to both remove trees and fine that applicant for doing so.

Due to these, and other, flaws with Title 11, the City should refrain from hurriedly moving forward with a narrow plan that will merely increase the cost of new homes and construction without a needed holistic examination of current tree preservation requirements. Failing to do so would truly constitute an exercise in not seeing the forest for the trees.

Thank you.

Cc: Chloe Eudaly, Commissioner
Amanda Fritz, Commissioner
Jo Ann Hardesty, Commissioner