



March 3, 2025

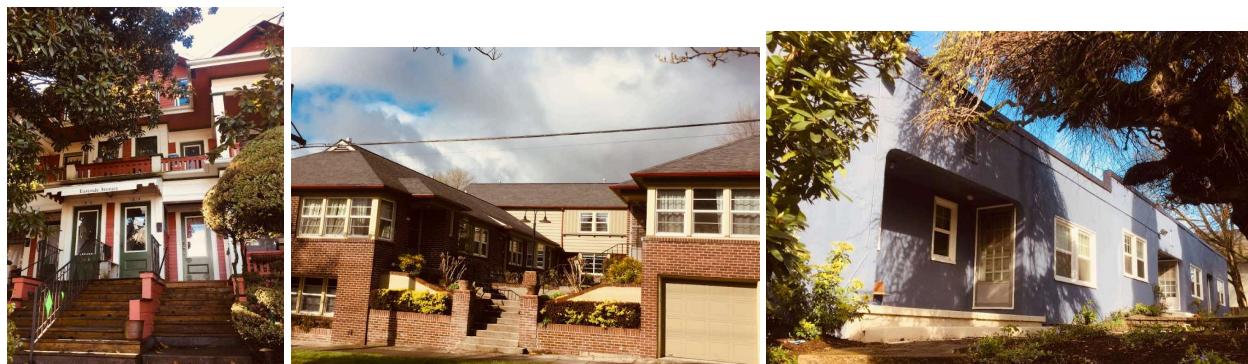
Rep. Pam Marsh, Chair  
Rep. Tom Andersen and Rep. Vikki Breeze-Iverson  
House Committee on Housing and Homelessness  
Oregon Legislature

**RE: HB 2138 and HB 2138-1 – Oppose Section 22(1)(f)**

Dear Chair Marsh, Vice Chairs Andersen and Breese-Iverson, and Committee Members,

As Oregon's only statewide non-profit historic preservation organization, Restore Oregon works with thousands of people across the state each year to reimagine and transform their communities through the preservation and reuse of historic and cultural places. Our mission is to provide a vibrant and equitable Oregon where historic preservation and reuse are crucial to solving problems like our current housing crisis in the most climate-friendly manner. By helping our fellow citizens preserve our state's unique built, natural and cultural environments, we help celebrate and promote much of what makes Oregon unique and so special.

Restore Oregon supports the intent of HB 2138 and many of the bill's components to advance sensible middle housing in communities across Oregon. Historically, many communities intermixed duplexes, four-plexes, cottage clusters with single-family homes when neighborhoods were originally constructed. Housing was built above our commercial storefronts in downtowns. All those types of housing can once again play a role in solving this housing crisis.



Our existing built environment plays a critical role in being part of the solution. Restore Oregon has a track record in advocating for housing. We fight for the adaptive reuse of our existing properties for housing. Whether that is converting an older commercial hotel into housing (Merwyn Hotel in Astoria or any project done by Project Turnkey) or converting an existing

single-family home into multiple housing units or preserving a modest 900-sq-ft Bungalow home in Salem (or insert your community here) that provides “naturally occurring affordable housing.”

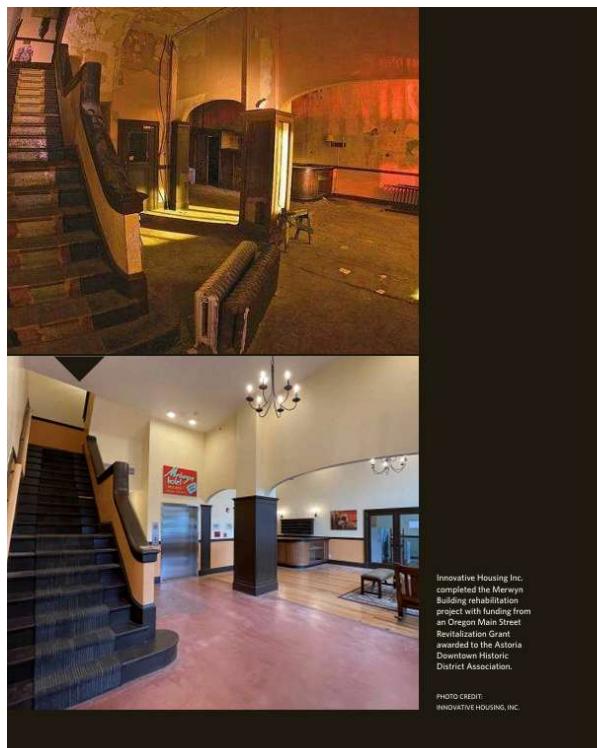
We believe that this bill can assist in compatible ways to once again add middle-housing into our older neighborhoods, whether historically designated or not. We can have neighborhood character and increased housing density.

**We only oppose Section 22(1)(f) – both in the base bill and the -1 amendment – and we request that this section be removed in the next amendment.**

There is no evidence prescribing the need for this section. And as written, adding more middle or affordable housing is not required as a condition for removing a demolition review process.

Demolition review is a process that affords communities a voice. It allows local agencies to weigh the variety of issues and benefits to decide if there's a larger community benefit afforded by demolishing a historic resource than preserving it. It is not an impediment to creating middle housing. There is helpful evidence that a demolition review process has resulted in the creation of *more housing*. Preservation and the adaptive reuse of the former Merwyn Hotel in historic Astoria created 40 units of workforce and affordable housing by avoiding demolition.

This housing and preservation success was recently featured in Oregon Heritage's [Preservation Plan 2024-2033](#):



## INTRODUCTION

The Merwyn Building in Astoria reopened in Spring 2021 with forty affordable workforce housing apartments, addressing the area's critical need for affordable housing. But the project is more than housing—it's a testament to the power of historic preservation and community-driven initiatives.

Built in 1926 as the Waldorf Hotel, the building was converted into affordable housing in 1980. Unfortunately, safety concerns forced its closure in 1989. The building remained vacant for decades and fell into severe disrepair. A local advocacy group, "Save the Merwyn," successfully halted demolition in 2015, but the challenge of what to do with the building remained.

The Astoria Downtown Historic District Association (ADHDA) saw the Merwyn as an opportunity to revitalize downtown. Partnering with a Portland-based low-income housing developer who had extensive experience in similar projects, ADHDA secured funding from many sources, including a Main Street Revitalization Grant and the Federal Historic Tax Credit through Oregon Heritage.

ADHDA engaged the community by hosting design charrettes with potential residents to ensure the building met their needs. The organization also worked with the local advocacy organization Consejo Hispano to expand the pool of applicants to include the Spanish-speaking community. Notably, ADHDA collaborated

closely with Clatsop Community College's preservation program to save the building's remarkable historic features.

Today, the Merwyn is restored, proudly preserving its historic lobby, grand staircase, corridors, hardwood floors, and other unique features, and provides forty much-needed housing units. It's a remarkable achievement that succeeded because of local leaders' collaborative approach to address historic preservation and pressing community needs.

This is what we do. We believe our state's special traditions, collections, and places connect us to our past and speak to who we are and what we value. The act of preserving our cultural resources and sharing the stories around them builds a shared community identity. We support this work by providing leadership, technical assistance, funding, and networking and collaboration opportunities to the heritage community.

If you are one of our many partners and involved community members, we invite you to be part of this work by carrying forward the statewide goals that fit your organization's mission and community. Working together, we will create concrete solutions to preserve the state's cultural heritage and meet our present opportunities and challenges.

Or, in Portland, the historic [Buck-Prager](#) Building was considered for demolition before a project adaptively reused the original property and expanded with new development to provide 148 units of affordable housing.

We can move the needle for increased housing by creating an inclusive “both-and” strategy that would add more units within designated historic areas through a variety of tools. Adding new middle-housing property types on the 25-50% of the non-contributing properties located in our historic districts, adding ADU's, converting larger single-family homes into multiple units, converting other properties (hotels, commercial buildings) into housing. These are proven strategies that add housing, reduce our climate impact and preserve our communities' heritage. Oregon needs all the tools in our toolbox for housing including financial incentives like grants or a state rehabilitation tax credit that 39 other states effectively use.

Thank you for the opportunity to comment on HB 2138 and for taking Restore Oregon's comments into consideration.

Sincerely,



Nicole Possert  
Executive Director