

April 3, 2023

Representative Ken Helm Chair, House Committee on Agriculture, Land Use, Natural Resources, and Water 900 Court St NE Salem, OR 97301

Re: Opposition for HB 2659

Dear Chair Helm and Members of the Committee:

I write on behalf of Home Forward in strong opposition to House Bill 2659. If adopted, this bill would create significant roadblocks in the development of much needed affordable housing and ignore years of robust engagement from key stakeholders in the development of the Climate Friendly and Equitable Communities rules.

Home Forward is a Public Housing Authority (PHA) and the largest provider of affordable housing in the state of Oregon. We serve more than 15,500 Multnomah County low-income households by providing affordable housing, administering rent assistance, and providing supportive services. Our mission is to assure that the people of our community are housed. We own over 6,500 homes throughout Multnomah County. We also provide households with services which range from youth support to health and wellness. Meanwhile, we fund rent assistance for thousands of households residing in private unregulated housing that we do not directly oversee. We administer emergency rent assistance programs that benefit landlords and tenants alike, including Short Term Rent Assistance, the Landlord Compensation Fund, and the Landlord Guarantee Fund.

Home Forward knows firsthand the development setbacks that can be caused by compliance with local land use regulations that are often outdated when it comes to climate targets and equity. Since 2019, Home Forward has been working with the city of Troutdale to create 85 units of affordable housing funded by the Metro Bond on a 3.5 acre site donated by Multnomah County. In early 2022, through a land use application, Home Forward requested the following variances for this project from local land use regulations:

- 1. Minor design variances including increasing the size of windows beyond code to allow more light into residents' homes and decreasing amount of windows in a small portion of the project to create privacy for a neighbor at the neighbor's request;
- 2. A parking reduction from the local regulation that requires two parking spaces regardless of unit size. This request was based on the fact that 50% of the units will be studio or one bedrooms and the findings a third-party parking study which showed that, based on comparable nearby affordable housing projects, the actual demand for parking at this project is 1.09 spaces per unit; and
- 3. Right of way vacation of an unimproved, adjacent dead-end street to create space for additional parking and green space.

All requests were denied. Throughout this process Home Forward participated in seven public meetings to discuss the project and find potential areas of agreement. We have now resubmitted a revised land use application and are waiting to hear back from the city of Troutdale.

Despite the fact that nearly 60% of Troutdale's renter households are rent burdened according to the Housing Needs Analysis completed by EcoNorthwest, this project's preconstruction phase has taken twice as long as our typical projects. The delay caused by Home Forward's efforts to comply with local land use regulations while making reasonable design variance requests and subsequent processes have added a year and half to our expected project timeline. This delay has both a human cost and a financial cost.

- Human Costs: Delay means that rent-burdened renters and renters at risk of homelessness have been denied access to stable housing for over a year and a half. This also means that Home Forward has been kept from starting the development of another much-needed affordable housing project for over a year and a half.
- Financial Costs: Delay puts affordable housing projects in financial jeopardy. In this case, we expect total projects costs to increase by nearly \$2 million based on the 1 ½ years delay caused by the city of Troutdale's land use processes. Setbacks caused by efforts to comply with often subjective land use regulations cause significant financial costs that many affordable housing developers simply cannot absorb.

Home Forward's experience in Troutdale would have been dramatically different if the Climate Friendly and Equitable Communities rules had been in effect. These rules would have allowed for the realistic number of parking spaces Home Forward requested through a denied variance request. These rules would have allowed Home Forward to build a development that had more homes for people rather than more parking spaces, many of which will likely sit empty. Further, these rules have a level of clarity that local land use regulations often do not.

Passage of HB 2659 would be a significant step backyard in our efforts as a state to develop more housing and respond to the climate crisis in an intentional and thoughtful way. We also ask this Committee oppose HB 2659.

Thank you for the opportunity to testify. Please contact Amanda Saul, Assistant Director of GO Bond Development at (503) 740-7594 or amanda.saul@homeforward.org regarding these comments.

Sincerely,

Amanda Saul Assistant Director GO Bond Development Home Forward