



March 16, 2021

Senate Committee on Housing and Development
Oregon State Legislature
900 Court Street NE
Salem, OR 97301

Dear Chair Jama, Vice-Chair Linthicum, and Members of the Committee:

I write to you on behalf of Home Forward, a Public Housing Authority (PHA) and largest provider of affordable housing in the state. Home Forward serves more than 17,500 households earning low-incomes in Multnomah County by developing affordable housing, providing supportive services, and administering short and long term rent assistance.

As you know, there is a great need for more affordable housing in Oregon. A recent EcoNW analysis found that Oregon has a current shortage of 114,000 homes affordable to people earning less than 80 percent of Area Median Income. The Analysis projected that we will need an additional 160,000 affordable homes to meet the need over the next twenty years. Senate Bill 8 will remove barriers to meeting our affordable housing need in three ways.

First, it will allow affordable housing developers to access more land: land owned by religious organizations, publicly owned land, and land zoned to allow commercial uses.

Second, it will provide an affordable housing density bonus for projects that are 100% affordable. Land for residential development is difficult to find and an affordable housing density bonus will allow developers to create more affordable homes on land they have access to. The bonus allows for greater cost efficiency of public funds because certain development and operating costs are fixed - being able to spread those costs over more homes means less subsidy is required per affordable home.

Finally, the provisions about attorneys' fees will expand the number of affordable housing projects that are eligible for existing protections against frivolous appeals that add unnecessary cost and delay. For example, it is normal for an affordable project to have a funding commitment from a public funder before development starts and to have a finalized affordability contract when development is complete. However, projects like this are currently excluded from the attorney's fees protections in current law because the definition affordable housing in the statute is too narrow. Senate Bill 8 has a more inclusive definition of affordable housing which will ensure that more projects receive these protections.

The requirement to pay attorney's fees is a powerful deterrent for frivolous appeals. Home Forward's Director of Development worked on a project that would have benefitted from Senate Bill 8. The project was an affordable housing development for extremely low-income seniors in Lake Oswego. As many of the residents of the development would not have vehicles, our Director of Development requested a parking variance that was allowed in the City's code in the application. The City approved the application and the parking variance. A local neighborhood association that opposed the project appealed the project to LUBA citing the parking variance the City granted. The appeal delayed

development, costing time and money. In addition to disincentivizing frivolous appeals, this provision also ensures that if the affordable housing development prevails after an appeal, that the developer is compensated for the cost which can be spent on more affordable homes instead of legal fees.

Senate Bill 8 includes reasonable provisions to remove barriers to affordable housing development and we urge your support.

Thank you for the opportunity to provide testimony in support of Senate Bill 8 today. Please contact Taylor Smiley Wolfe, Director of Policy and Planning, Home Forward at 503-957-8760 or taylor.smileywolfe@homeforward.org regarding these comments.

Sincerely,

Taylor Smiley Wolfe
Director of Policy and Planning
Home Forward