

May 12, 2021

Portland City Council  
DOZA Testimony

Dear Mayor Wheeler and City Council Members:

Caritas Housing, the housing arm of Catholic Charities of Oregon, began working in 1998 to acquire, develop, rehabilitate, and preserve permanent affordable housing across the state for low-income households. We now have over 800 units in our portfolio, providing homes for nearly 2000 people, with the majority of these located within the City of Portland. We also have several projects in our pipeline in Portland from a mid-scale 30 unit development up to a larger multifamily building that will provide over 100 affordable homes. With each project, we seek to find the appropriate balance between aesthetics, budget, and providing an affordable place to call home. We support many of the points outlined in the DOZA Recommended Draft and would like to sincerely thank staff and members of the Design and Planning & Sustainability Commissions for their thoughtful work on this plan over the last several years. With this in mind, we have noted a few considerations around how DOZA relates to the development of Affordable Housing in Portland.

**Options such as the proposed points system provide a streamlined and straightforward processes that still allows for flexibility in Design Review.** This includes greater clarity around which projects can pursue Design Standards as well as clearer, more concise Standards and Guidelines themselves. For all projects, predictability helps the bottom line, and this is especially important for affordable housing projects that may have a harder time absorbing unexpected project costs due to unexpected changes in design or a prolonged and unclear review process. Additionally, affordable housing often faces stringent financing deadlines from common sources such as LIHTC. Predictability throughout the process and the option to choose a truly clear and objective path is key in these instances. We appreciate how central this goal has been to much of the discussion both by staff as well as Commissioners.

**Ensure there is alignment between the height bonuses provided for Affordable Housing developments in zoning code with the height limits that would allow these same projects to choose the Design Standards pathway. In other words, don't add additional burden to affordable housing developers that utilize these thoughtfully crafted bonuses.**

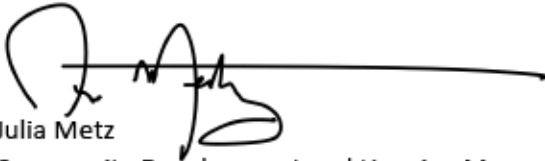
**We appreciate the ongoing, nuanced conversations that have occurred regarding avoiding stigma around affordable housing and exemptions from the Type III processes – we hope this dialogue will thoughtfully continue.** We wholeheartedly agree that affordable housing shouldn't be held to lesser standards than its market-rate counterparts and we are strong supporters of public engagement throughout the development process. We also want to reiterate comments that were made by Commissioners Magnera and Spevak regarding this topic during the 2019 PSC hearings on DOZA. While requiring that all residential projects, affordable or not, have the same requirements for a Type III Review may provide a more equal process, we do not believe this inherently provides a more equitable process, nor does it ensure that projects are more representative of a community's wants or needs. We also share

Commissioner Spevak's anxiety around the ability for discretionary review processes to "be used to prolong, make more expensive, or thwart affordable housing in neighborhoods." We'd like there to be consideration about how these required engagement processes, hearings, and forums can better support and raise up the voices that have historically been left out of these decisions. As Commissioner Magnera eloquently noted - "...Is there an opportunity for design review where residents of affordable housing can have more input in terms of what they want a space to look like and it's not just up to the neighbors to say what that space is and how it should look and how it should fit into the neighborhood?" We want to underscore her additional comment, "[I] encourage us to continue to ask the questions who is effected by design and who gets to have a voice?"

**Review voluntary and required pre-application and design review process meeting fees and the implications this has on Affordable Housing and allow a fee waiver for Affordable Housing developments that go through these processes..** Building on the comments above, we do feel that a Type II or Type IIX process can still result in beautiful buildings that are reflective of both community input and especially is responsive to the needs of those that for who the homes are being developed. However, we have concerns about any requirements for Design Advice Requests (DAR) or other pre-application meetings and the associated financial burden this places on Affordable Housing developers. While we wholeheartedly agree that these meetings provide valuable insights that can streamline process, the upfront cost of these meetings is often coming at a point in the pre-development process where affordable housing developers are spending money completely at risk, well ahead of a funding award. Not only is this a financial risk at that point in time for the project, but if a project is unsuccessful in obtaining competitive funding sources in that round of funding, it may result in the project being delayed a year or more until the next funding cycle, and likely will result in design concept changes to be reflective of the current needs, cost of materials, and funder priorities – which would, in turn, mitigate most if not all of the feedback received in the prior pre-application meetings. Thus, causing a developer to restart the process and pay the fees for these meetings twice over. A fee waiver would not only provide a significant upfront financial support for Affordable Housing developments, but it could also result in more streamlined, efficient, and cost-effective projects in the long-term by opening the gates to these valuable meetings with the City.

In addition to the points above, we encourage you to reference the attached letter that was co-signed by several Affordable Housing developers, designers, and community partners. Again, we thank all Commissioners and staff for their time on this project.

Respectfully,

A handwritten signature in black ink, appearing to read 'Julia Metz', followed by a long horizontal line extending to the right.

Julia Metz  
Community Development and Housing Manager