

HB 2003 STAFF MEASURE SUMMARY

House Committee On Agriculture and Land Use

Prepared By: Laura Kentnesse, LPRO Analyst

Meeting Dates: 3/5

WHAT THE MEASURE DOES:

Directs the Oregon Department of Administrative Services (DAS) to develop and periodically refine a methodology for calculating: a regional housing needs analysis that identifies the total number of housing units needed to accommodate anticipated regional populations over the next 20 years based on specified factors; an inventory of existing housing stock in the Metro and each city with a population of more than 5,000; and a housing shortage analysis for Metro and each city with a population of more than 5,000. Specifies that methodologies must classify housing by housing type and affordability. Requires DAS conduct regional housing needs analyses, existing housing stock inventories, and housing shortage analyses every four years beginning on or before January 1, 2021. Requires DAS report its findings to the Legislative Assembly by January 1, 2021. Requires DAS consider the most recent consolidated population forecast produced by the Portland State University Population Research Center in making certain calculations or forecasts, and allows DAS to consult or contract with entities that have created or conducted regional housing needs analyses.

Requires that metropolitan service districts, cities within metropolitan service districts, and cities with a population of more than 10,000 develop a 20-year housing needs estimate every eight years based on specified factors; requires that local jurisdictions classify housing by housing type, affordability, and varying densities. Requires that local jurisdictions adopt a housing strategy within 12 months of completing their housing needs estimates; requires the strategy consist of actions, measures, and policies to be undertaken that are calculated to demonstrably lead to greater residential development of needed housing at rates necessary to meet estimated housing need. Requires local jurisdictions ensure that land zoned for needed housing is in appropriate locations and zoned at density ranges that are likely to be achieved by the housing market. Suggests possible actions, measures, or policies for local housing strategies and requires the Land Conservation and Development Commission (Commission) to maintain a list of potential policies. Requires local jurisdictions, if housing capacity is less than the most recent estimate of housing need, amend their urban growth boundaries, amend their comprehensive plans and other planning tools, or a combination of the above. Specifies additional requirements for cities located outside of a metropolitan service district. Requires cities with a population of less than 10,000 determine their 20-year housing needs estimate and buildable lands inventory at the time of periodic or other legislative review, and adopt measures to accommodate estimated housing need.

Directs the Commission to annually identify a maximum of 10 priority housing cities that experience difficulties implementing their housing strategy; requires city selection be based on Commission-established criteria and other specified considerations. Allows the Department of Land Conservation and Development (DLCD) to assist selected priority housing cities to increase needed housing development through technical or financial assistance, enhanced strategy review and oversight, or through petitioning the Commission to require the city to amend its comprehensive plan or land use regulations. Requires DLCD provide an annual report to the Legislative Assembly on priority housing city activities. Appropriates money from the General Fund to DLCD to assist priority housing cities.

Allows affordable housing development on public property within urban growth boundaries, and allows rezoning for that purpose, provided that the use is compatible with surrounding zoning. Authorizes the Secretary of State to audit local government calculation methodology and revenue usage of system development charges, and to

HB 2003 STAFF MEASURE SUMMARY

bring enforcement action to correct violations. Requires the Department of Consumer and Business Services (DCBS) Building Codes Division (BCD) to maintain a list of local governments' system development charges and proposed modifications. Requires local governments to deliver copies of records to BCD. Appropriates moneys from the General Fund to DCBS for maintaining records, making records publicly available, and reimbursing local governments for costs of compliance. Awards attorney fees to the prevailing intervening developers of affordable housing in Land Use Board of Appeals decisions. Assigns local governments the burden of proving on appeal the necessity of density or height reductions in housing development applications. Allows nonresidential places of worship to develop multiple affordable dwellings on land where the nonresidential place of worship is allowed use. Becomes operative on January 1, 2020. Takes effect on 91st day following adjournment sine die.

REVENUE: May have revenue impact, but no statement yet issued

FISCAL: May have fiscal impact, but no statement yet issued

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Oregon's comprehensive land use planning system is based on a set of 19 Statewide Land Use Goals that express the state's land use policies. Goal 10, "Housing," specifies that each city must plan for and accommodate needed housing types, such as multifamily and manufactured housing. It requires each city to inventory its buildable residential lands, project future needs for such lands, and plan and zone enough buildable land to meet those needs. Goal 10 also prohibits local plans from discriminating against needed housing types.

House Bill 2003 would: require the Department of Administrative Services to develop a methodology and conduct regional housing needs analyses, existing housing stock inventories, and housing shortage analyses every four years; require local jurisdictions to develop a 20-year housing needs estimate every eight years, and a housing strategy based on the estimate that demonstrably leads to residential development that meets housing need; direct the Land Conservation and Development Commission to identify 10 priority housing cities for technical or financial assistance, or enhanced review and oversight; allow certain affordable housing development and rezoning on public property within urban growth boundaries; authorize the Secretary of State to audit system development charges and bring enforcement action to correct violations; require the Department of Consumer and Business Services to collect and maintain records of local governments' system development charges and proposed modifications; award attorney fees to the prevailing intervening developers of affordable housing in Land Use Board of Appeals decisions; assign local governments the burden of proving on appeal the necessity of density or height reductions in housing development applications; and allow nonresidential places of worship to develop multiple affordable dwellings on land where the nonresidential place of worship is allowed use.