

HB 2003 A STAFF MEASURE SUMMARY**House Committee On Agriculture and Land Use**

Action Date: 04/04/19**Action:** Do pass with amendments and be referred to Ways and Means. (Printed A-Eng.)**Vote:** 7-0-0-0**Yeas:** 7 - Boshart Davis, Clem, Helm, McLain, Post, Smith DB, Williams**Fiscal:** Fiscal impact issued**Revenue:** No revenue impact**Prepared By:** Laura Kentnesse, LPRO Analyst**Meeting Dates:** 3/5, 4/2, 4/4

WHAT THE MEASURE DOES:

Directs the Department of Administrative Services (DAS), in coordination with the Department of Land Conservation and Development (DLCDC) and the Housing and Community Services Department (HCSD), to develop 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 of each city and Metro; and a housing shortage analysis for each city and Metro. Specifies that methodologies must classify housing by housing type and affordability. Requires DAS, in coordination with DLCDC and HCSD, conduct **regional housing needs analyses**, existing housing stock inventories, and housing shortage analyses every four years beginning on or before January 1, 2021. Allows DAS, in developing methodologies and analyses, to: consult or contract with subject matter experts, cities and Metro, regional solutions centers, and other jurisdictions that have created regional housing needs analyses; consider the most recent consolidated population forecast produced by the Portland State University Population Research Center; and consider any other relevant existing analyses, data, and other information collected or produced by state agencies or public entities. Requires DAS and DLCDC **report** their findings to the Legislative Assembly by July 1, 2020. Requires DLCDC, in consultation with DAS and HCSD, to submit a report to the Legislative Assembly by January 31, 2021; requires the report to evaluate: whether the regional housing needs and housing shortage analyses could appropriately allocate the housing shortage among a region's cities or local governments; how the analyses compare to existing assessments of housing need and capacity conducted by local governments; how the analyses relate to statewide planning goals related to housing, and rules and policies; whether different boundaries would be more appropriate for defining regions within the regional housing needs analysis; other ways in which the analyses could be improved; and whether the regional housing needs analysis, or an improved version, could serve as an acceptable methodology statewide for land use planning related to housing. Allows DLCDC to consult or contract with other state agencies, subject matter experts, private firms, local governments, regional solutions centers, and other jurisdictions that have created regional housing needs analyses, for the purposes of preparing this report. Requires cities with a population of greater than 10,000 to develop and adopt a **housing production strategy** no later than one year after the city's deadline for completing a housing capacity analysis or the date that housing capacity was allocated to the city by a metropolitan service district. Requires that the housing production strategy include a list of specific actions, including the adoption of measures and policies, that the city will undertake to promote development within the city to address the housing shortage for the most recent 20-year period. Requires cities to review and consider: socioeconomic and demographic characteristics of households living in existing needed housing; market conditions affecting the provision of needed housing; measures already adopted by the city to promote needed housing development; existing and expected barriers to needed housing development; and specified factors for each city action. Specifies that the adoption of a housing production strategy is not a land use decision, and that the strategy may not contain proposed changes to a

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comprehensive plan or land use regulations. Requires cities to submit an adopted or amended housing production strategy to DLCD no later than 20 days following city adoption. Specifies information to be included in the submission to DLCD. Establishes notice requirements and timelines. Requires DLCD to approve or remand the housing production strategy based on Land Conservation and Development Commission (LCDC) criteria within 120 days following receipt of the submission. Specifies that a DLCD determination is not a land use decision, is final, and is not subject to appeal. Directs LCDC to adopt criteria for reviewing and identifying cities with a population greater than 10,000 that have not sufficiently achieved needed housing production or implemented a housing production strategy. Allows criteria to include the city's: total unmet housing need; unmet housing need in proportion to the city's population; percentage of households identified as severely rent burdened; recent housing development; recent adoption of a housing production strategy or adoption of actions pursuant to a housing production strategy; recent or frequent previous identification by DLCD, and other attributes LCDC considers relevant. Allows DLCD to periodically review cities under LCDC criteria for the purposes of prioritizing specified actions by the department. Requires that a local government demonstrate that its comprehensive plan or regional framework plan provided sufficient buildable lands within the urban growth boundary to accommodate estimated housing needs for 20 years when scheduled by LCDC at least once each eight years for local governments that are not within a metropolitan service district, or at least once each six years for a metropolitan service district, or on existing periodic review or legislative review timelines. Directs LCDC to adopt, on or before December 31, 2019, a schedule by which metropolitan service districts and local governments must demonstrate sufficient buildable lands. Allows licensed, registered Department of Consumer and Business Services employees who are acting within their scope of employment to provide typical **plans and specifications** without the plans and specifications being sealed or signed. **Appropriates \$_____** from the General Fund to LCDC for rulemaking and implementation. Appropriates \$1,500,000 from the General Fund to DLCD to provide technical assistance to local governments for implementation. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Statewide Land Use Goal 10 - "Housing"
- Existing and proposed housing needs analyses
- Agencies to develop methodology and conduct regional housing needs analyses
- Strategies and timeline to reach state housing goals
- Interim work group on system development charges

EFFECT OF AMENDMENT:

Replaces the measure.

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 A would: direct state agencies to develop, establish methodologies for, and conduct regional housing needs analyses; require agencies to submit an evaluative report to the legislature; require each city with a population greater than 10,000 to develop and adopt a housing production strategy; require the Department of Land Conservation and Development (DLCD) to review and either approve or remand each housing production strategy; require the Land Conservation and Development Commission (LCDC) to adopt criteria to identify and review cities with a population greater than 10,000 that have not sufficiently achieved needed housing production or implemented their housing production strategy; allow DLCD to provide enhanced support and regulatory oversight; require certain schedules for housing needs analyses updates; require LCDC to issue an order requiring local governments to bring their comprehensive plan and land use regulations into compliance with statewide

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housing goals; allow licensed, registered employees who are acting within their scope of employment to provide typical plans and specifications without the plans and specifications being sealed or signed; and appropriate \$____ from the General Fund to LCDC for rulemaking and implementation, and \$____ to DLCD to provide technical assistance to local governments for implementation.