

**HB 3261 A STAFF MEASURE SUMMARY**  
**Senate Committee On Housing and Development**

**Carrier:** Sen. Golden

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**Action Date:** 04/15/21  
**Action:** Do pass the A-Eng bill.  
**Vote:** 4-0-1-0  
**Yeas:** 4 - Anderson, Golden, Jama, Patterson  
**Exc:** 1 - Linthicum  
**Fiscal:** Has minimal fiscal impact  
**Revenue:** Has minimal revenue impact  
**Prepared By:** Devin Edwards, LPRO Analyst  
**Meeting Dates:** 4/13, 4/15

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**WHAT THE MEASURE DOES:**

Requires local governments to allow conversion of hotels and motels into emergency shelters. Requires local governments to allow hotels and motels converted into emergency shelters to be converted into affordable housing. Applies requirements to properties within urban growth boundary, with adequate transportation access to commercial and medical services, and not within heavy industrial zone or natural disaster area unless converted use complies with associated regulations. Clarifies what local governments may require of converted properties. Declares emergency, effective on passage.

**ISSUES DISCUSSED:**

- Long-term affordable housing
- Project Turnkey
- Ongoing operational costs for housing projects
- Mandates on local governments
- Local processes for zoning and land use changes
- Average occupancy for temporary and permanent housing projects
- Housing navigation centers

**EFFECT OF AMENDMENT:**

No amendment.

**BACKGROUND:**

Oregon's rate of homeless individuals who are unsheltered is one of the highest in the United States. A 2019 Urban Institute report found that 24 percent (10,142 individuals) of homeless individuals were unsheltered in Oregon. The health and economic impacts of the COVID-19 crisis, as well as individuals and families displaced by the September 2020 wildfires, have underscored the need for safe shelter to meet the health and safety needs of a growing homeless population.

In October and November 2020, the Emergency Board allocated a total of \$65 million for Project Turnkey for the purpose of acquiring underutilized motels and hotels throughout the state to provide short-term, noncongregate shelter for people experiencing homelessness or at risk of homelessness. From these funds, the state allocated \$30 million in grants to be awarded to counties and tribal communities impacted by the 2020 wildfires, and \$35 million in grants for the remaining 28 counties in the state.

House Bill 3261 A requires local governments to allow the conversion of certain properties into emergency shelters or affordable housing, statewide land use planning goals and regulations notwithstanding. Hotels and motels may be converted into emergency shelters; converted hotels and motels may be converted into affordable housing. The measure only applies to properties within an urban growth boundary, with adequate transportation

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access to commercial and medical services, and not within a heavy industrial zone or natural disaster area unless the converted use complies with natural disaster regulations. Local governments may require the converted use to comply with building codes, occupancy limits, and reasonable siting and design standards. Emergency shelters are defined as buildings that provide shelter on a temporary basis for people without permanent housing; affordable housing is defined as a property where all units are affordable to households with incomes equal to or less than 60 percent of area median income and affordability is enforceable for no less than 30 years. House Bill 3261 A applies to conversions and conversion applications on or after January 1, 2021.