

SB 8 B STAFF MEASURE SUMMARY

Carrier: Rep. Zika

House Committee On Housing**Action Date:** 05/25/21**Action:** Do pass with amendments to the A-Eng bill. (Printed B-Eng.)**Vote:** 8-0-0-0**Yeas:** 8 - Campos, Fahey, Marsh, Meek, Morgan, Neron, Weber, Zika**Fiscal:** Has minimal fiscal impact**Revenue:** No revenue impact**Prepared By:** Claire Adamsick, LPRO Analyst**Meeting Dates:** 5/13, 5/18, 5/25**WHAT THE MEASURE DOES:**

Requires local governments to allow, without requiring a zone change or conditional use permit, the development of affordable housing projects on lands inside an urban growth boundary not zoned for residential use, subject to certain zoning, property ownership, and land use requirements. Restricts development on land zoned for industrial use to properties that are publicly owned and adjacent to lands zoned for residential use or school use, and prohibits development on lands designated for heavy industrial use. Clarifies that affordable housing units remain affordable for no less than 30 years, and are made available for ownership or rental to families earning 80 percent or less of the area median income, or that the average of all units on a property serve families earning 60 percent or less of the area median income. Establishes increased density maximums for projects in areas zoned for residential use. Allows applicants to obtain attorney fees in prevailing appeals before the Land Use Board of Appeals (LUBA).

ISSUES DISCUSSED:

- Alleviating barriers to siting and developing affordable homeownership and rental properties
- Addressing cost burden when a development project is appealed to the Land Use Board of Appeals
- Locating affordable housing in centralized locations with access to services
- Clarifying narrow conditions in which a local government may allow development on publicly owned industrial lands
- Setting affordability period to allow eligibility for most affordable housing funding sources

EFFECT OF AMENDMENT:

Amends period in which housing units must remain affordable from 40 years to 30 years. Restricts development on land zoned for industrial use to properties that are publicly owned and adjacent to lands zoned for residential use or school use. Prohibits development on lands designated for heavy industrial use.

BACKGROUND:

Local governments may deny or condition the approval of affordable housing applications based on a variety of factors, including whether the application proposes to develop on land zoned for residential uses and the nature of the property ownership. A local government's denial of an affordable housing application may be challenged through the Land Use Board of Appeals (LUBA), a three-member board of lawyers who belong to the Oregon State Bar, appointed by the Governor and confirmed by the Oregon Senate to serve four-year terms.

Senate Bill 8 B restricts local governments from denying or limiting the approval of affordable housing applications, subject to certain zoning and property ownership conditions. The measure establishes density standards and conditions under which local governments must approve affordable housing applications. In addition, the measure allows affordable housing developer applicants to obtain attorney fees in prevailing appeals before LUBA.