



Testimony in Support of House Bill 2008
House Committee on Housing

Speaker of the House Tina Kotek
March 11, 2021

Chair Fahey and members of the committee, thank you for the opportunity to testify this morning in support of House Bill 2008.

Solving Oregon's housing crisis requires multiple solutions, especially when it comes to increasing the supply of affordable housing in our communities. This bill builds on previous work the legislature has done to encourage construction of affordable housing, specifically Senate Bill 1051 (2017).

House Bill 2008 came about from my interactions with faith leaders who are dedicated to utilizing their properties to provide affordable housing. In my district in North Portland, the faith community of Portsmouth Union started their journey in 2016 to develop their property to address the community's need for affordable housing. They just broke ground in January 2021, more than five years after they committed to being part of the solution to our housing crisis. This bill is about making this process quicker for other similar organizations around the state.

Portsmouth Union faced many hurdles in the development process because of the confusing and lengthy process to convert their land to be used for housing. These challenges included conditional use permits that forced Portsmouth Union to divide its lot and sell that piece of land to their own LLC. Due to this required zoning change, Portsmouth Union was then required to pay property taxes on the portion of their land that was to be used for affordable housing. Many religious organizations that are also interested in developing affordable housing were disheartened to see how difficult the permitting process was for Portsmouth Union.

To address some of these issues, the City of Portland's Bureau of Planning and Sustainability began a process called Expanding Opportunities for Affordable Housing in April 2018. This process brought planners and community leaders together to make recommendations to address zoning and land use issues that hindered religious and community-based organizations from developing affordable housing on their land. The report was adopted by the Portland City Council in May 2020. Now, religious organizations from other parts of Oregon would like to develop affordable housing and need assistance with their zoning and land use struggles. This legislation will extend the work done in Portland and allow other communities to have a more streamlined process for building affordable housing.

House Bill 2008 is designed to do the following:

- Allows for a property tax exemption to a religious organization that uses their property to provide affordable housing at or below 60 percent of the area median income; and
- Restricts local governments from applying certain land use processes and standards to the development of affordable housing situated on land owned by a religious organization.

The goal of House Bill 2008 is to clear the path for religious organizations – many of whom own acres of land that can be converted to housing – to help provide more affordable housing in communities across the state. The language in the bill might need some revisions, and I am open to making some changes – just as long as the goal is not substantially watered down. The state's lack of affordable housing is a crisis, and we must push ourselves to do everything we can to increase our housing supply.

A crisis demands creativity and a little bit of risk taking. Faith communities across our state are willing to be creative and take risks. I was so glad when Portsmouth Union held their groundbreaking in January. But it's disappointing that it took them so long to break ground on more affordable housing in North Portland. We need to remove barriers for other religious organizations to follow their lead. The land is out there, and communities want to utilize this resource to help address our housing crisis throughout Oregon. With House Bill 2008, we can make things easier for organizations who are ready and waiting to be part of the solution.

Thank you for your time and consideration, and I welcome any questions.