

HB 4037 -3 STAFF MEASURE SUMMARY

House Committee On Housing

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Meeting Dates: 2/9, 2/14

WHAT THE MEASURE DOES:

Requires Oregon Department of Administrative Services (DAS) to use reasonable efforts to lease to the City of Salem certain surplus, unused, or underutilized state real property for the city's use as transitional housing accommodations, subject to certain terms. Identifies specific state properties and parking lots which must be considered available for lease, and requires state agencies to assist DAS in making such properties available. Prohibits the Oregon Department of Transportation from disposing of or entering into a lease agreement of any term for real property without receiving confirmation from DAS that property is not needed for transitional housing. Repeals provisions of this Act January 2, 2026. Declares emergency, effective upon passage.

ISSUES DISCUSSED:

- Growing need for temporary housing for homeless individuals in Salem
- Microshelters' ability to provide safe housing, hygiene, community building, and access to social services
- Removal of language specifying certain properties be made available for lease; focus on underutilized properties owned by DAS
- Opportunity for public input when a property has been identified for use as transitional housing
- Use of feasibility data to assess properties in Salem available for use

EFFECT OF AMENDMENT:

-3 Clarifies state real property considered for lease must be owned by the Department of Administrative Services (DAS). Removes specification of state properties and parking lots which must be considered available for lease, and directs DAS to consider underutilized portions of property owned by the department within the City of Salem. Removes language prohibiting the Oregon Department of Transportation from disposing of or entering into a lease agreement of any term for real property without receiving confirmation from DAS that property is not needed for transitional housing.

BACKGROUND:

Oregon's rate of unsheltered homeless individuals is one of the highest in the United States. A 2019 Urban Institute report found that 24 percent (10,142 individuals) of homeless individuals in Oregon were unsheltered. According to Oregon Housing and Community Services, the number of unsheltered homeless individuals has increased by 37 percent since 2015, and the department's 2019 Statewide Shelter Study calculated a shortfall of 5,800 emergency shelter beds for individuals and families. The 2019 Point-in-Time Count for Mid-Willamette Valley estimated at least 1,151 homeless individuals in Marion and Polk Counties, with at least 352 unsheltered.

Oregon law allows local governments to establish and regulate transitional housing accommodations within their urban growth boundary for individuals and families who lack permanent or safe shelter. Intended for use on a limited, seasonal, or emergency basis, transitional housing includes yurts, huts, cabins, fabric structures and tents, in addition to areas in parking lots or facilities which allow overnight vehicle stays. Transitional housing accommodations may provide access to water, cooking, and other basic hygiene services.

House Bill 4037 requires the Oregon Department of Administrative Services (DAS) to lease certain surplus, unused or underutilized state real property to the City of Salem for the city's use as transitional housing accommodations.

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The measure directs other state agencies to assist in making such properties available, and prohibits the Department of Transportation from disposing of or leasing any properties without confirming with DAS that it does not need the property for transitional housing purposes.

PRELIMINARY