

The League of Women Voters of Oregon is a 102-year-old grassroots nonpartisan political organization that encourages informed and active participation in government. We envision informed Oregonians participating in a fully accessible, responsive, and transparent government to achieve the common good. LWVOR Legislative Action is based on advocacy positions formed through studies and member consensus. The League never supports or opposes any candidate or political party.

February 7, 2022

To: <u>Senate Committee on Housing and Development</u> Sen. Kayse Jama, Chair Sen. Dick Anderson, Vice Chair Members of the Committee

## Re: <u>SB 1537</u> – Increases Requirements for Fiscal Impact Statements – OPPOSE

The League of Women Voters of Oregon participates in multiple agencies' rulemakings after the legislature passes laws in which we had engaged during passage. We have positions in support of our land use planning program and positions addressing housing needs. LWVOR believes that persons who are unable to work or whose earnings are inadequate or for whom jobs are not available have the right to an income and/or services to meet their basic needs for food, shelter, and access to health care.

We recognize that Oregonians need housing of all price ranges—with 45% of units needing significant public subsidy. We supported HB 2003 (2019) that now requires larger cities to do a new Housing Needs Analysis on a regular <u>schedule</u> and that those jurisdictions consider a range of <u>Housing Production</u> <u>Strategies</u> to assure all price ranges and population demographics are allowed to be built. So when the Homebuilders submitted this bill for consideration, we read with extreme interest. They are the builders of market rate housing. Unfortunately, much of the "market rate" housing we see today is really out of reach for many people living in our communities and well above 150% Area Median Income (AMI).

Since the federal government significantly reduced their assistance to finance infrastructure in the 1980s and Oregonians passed Property Tax Limitation Measure 5 in 1990, local governments have asked the development community to help pay for increases in infrastructure needs related to new development. Those costs have been one reason for the increase in the end cost of housing. Infrastructure costs have also slowed the development of new lands added to city limits or Urban Growth Boundaries.

What we see in SB 1537 is an attempt to circumvent the will of the legislature as they/you pass laws regulating housing. We and the state agencies assume that the various costs are considered when the bills are passed. Recently SB 762 (2021) passed that asks state agencies to adopt rules to help keep people safe from wildfire. With the loss of life and significant loss of housing during the 2020 wildfires, the legislature rightly balanced the costs of protecting peoples' lives and property with costs of building new more firesafe homes. Bills are being considered this session that would require more energy efficient housing so that those living in the homes will pay less for utilities or will have homes cool enough to survive a "heat dome" event or a significant winter freeze. There are rules around preserving wetlands and managing stormwater—both of which can protect from flooding and help keep our waters clean.

The calculations required under Section 2 seem overly burdensome and costly to perform. Conversations around costs are a part of the legislation passed, which requires the rulemaking. We note that the bill addresses not only new rules but amendments to existing rules. Often amendments are needed as implementation moves forward. We all learn, particularly with new legislation.

Section 2 (2), instead of supporting workforce training to meet the needs of housing for the future, discourages the homebuilding community from upgrading those skills for their workers.

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Section 2 (4) requires a hugely burdensome set of recordkeeping and record maintenance for the increased set of state agencies that would be required to do fiscal impact statements. It would seem that every home built after the passage of this legislation would need to have comprehensive records focused on each set of requirement changes as the home is being built. Although (5) recognizes the need for changes related to health and safety, it does NOT remove the requirements under (4).

We support opportunities for the Homebuilders to creatively use a variety of lots for duplexes and cottage units. We supported the opportunity for these new units to be able to be sold as individual units so that young people can begin to build equity or older people can afford to downsize into a home that fits their needs. Local governments are required to allow conversion of older homes into duplexes, triplexes or fourplexes so that we don't lose older homes to a "tear down" mentality. We recognize that older homes ARE often a community's "affordable" homes.

We look forward to working with the bill's sponsors during the interim to find real answers to providing what is known as "workforce housing"—that 80-150% of AMI that they claim they cannot build without this unreasonable set of requirements.

Thank you for the opportunity to discuss this legislation. We ask that you not pass SB 1537.

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Rebecca Gladstone LWVOR President

Leggy Lynch

Peggy Lynch LWVOR Natural Resources Coordinator