HB 3569 -1 STAFF MEASURE SUMMARY

House Committee On Housing and Homelessness

Prepared By: Claire Adamsick, LPRO Analyst **Meeting Dates:** 3/23, 3/28

WHAT THE MEASURE DOES:

Directs local governments to evaluate and approve an application for housing development, including a land division, provided the housing: can be readily serviced by necessary urban services prior to building permit issuance; will comply with applicable building codes; and will not pose any unreasonable risk to public health or safety. Requires housing subject to provisions is located within an urban growth boundary and on lands zoned for residential or mixed residential and commercial use, and is not located within an area designated under statewide planning goal related to natural disasters and hazards, unless the development complies with regulations directly related to hazard. Requires local government to notify applicants for a development of incomplete application within 21 days of receipt; and, within 21 days of receiving complete application, notify state agencies responsible for providing urban services to the development. Restricts local government from holding a hearing on the application within 120 days of receipt of complete application. Clarifies final decision by local government is not a land use decision and may be appealed only by applicant. Repeals provisions of measure January 2, 2033. Declares emergency, effective on passage.

FISCAL: May have fiscal impact, but no statement yet issued REVENUE: May have revenue impact, but no statement yet issued

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-1 Clarifies housing eligible for local government approval is or can be serviced by necessary urban services by the time of building permit issuance, and will not pose unreasonable risk to public health or safety due to a lack of urban services, improvements necessary for emergency services, or noncompliance with engineering, street or utility requirements. Specifies criteria for application to be considered complete. Allows local government to regulate siting and design of housing permitted by this Act only through clear and objective conditions that do not discourage development of housing through unreasonable cost and delay.

BACKGROUND:

According to the Department of Land Conservation and Development (DLCD), Oregon needs to develop more than 550,000 new housing units across income levels to accommodate 20 years of population growth and to account for current underproduction and the lack of units for people experiencing homelessness. DLCD estimates that approximately 49 percent of this housing will require public subsidy. The department reported in its February 2021 Regional Housing Needs Analysis report that underproduction may be attributed to high land and construction costs, inadequate infrastructure, and limited local government capacity, among other factors. The Oregon Office of Economic Analysis has reported on the longer-term impacts of housing production, including slowing economic growth and potential increased displacement of Oregonians who cannot afford to rent or buy a home.

House Bill 3569 directs local governments to evaluate and approve an application for housing development within specified timelines, subject to certain conditions regarding availability of urban services and compliance with

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building codes, and provided the housing is located within the local government's urban growth boundary, on land zoned for residential or mixed residential and commercial use, and is not located within a natural disaster or hazard areas, unless the development complies with regulations related to hazard areas.