

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 406 - 1

82nd Oregon Legislative Assembly – 2023 Regular Session

Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

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Measure Description:

Requires certain cities in Tillamook County to allow middle housing on residentially zoned lands, to adopt housing production strategies and to accommodate estimated housing needs upon lands inventoried as buildable lands.

Government Unit(s) Affected:

Counties, Department of Consumer and Business Services, Housing and Community Services Department, Department of Land Conservation and Development, Cities

Summary of Fiscal Impact:

Costs related to the measure are anticipated to be minimal - See explanatory analysis.

Analysis: This measure requires Bay City, Garibaldi, Manzanita, Nehalem, Rockaway Beach, Tillamook, and Wheeler to meet the middle housing requirements of HB 2001 (2023). This will require the cities to conduct a Housing Capacity Analysis (HCA), a Housing Production Strategy (HPS), and a comprehensive plan update to incorporate a middle housing code during the 2023-25 biennium.

Each city will request grant funding from the Department of Land Conservation and Development (DLCD) to hire consultants to support this work. This work will be conducted by consultants and conducting all three studies will cost between \$150,000 and \$200,000 per city. HB 2001 (2023) appropriated \$2.5 million in General Fund to DLCD in technical assistance funds that can be used to fund this work. DLCD anticipates that this can be accomplished with existing resources. The total cost for all seven cities is estimated to be between \$1 million and \$1.2 million. Tillamook County may provide some level of procurement and grant management work to solicit and manage the consultants and lead and plan project management and community engagement.

The Department of Consumer and Business Service and Housing and Community Services Department anticipate a minimal fiscal impact.