Senate Bill 1537

Senate Committee on Housing and Development

Matthew Tschabold Governor's Office

MORE HOUSING SUPPLY

means

LOWER HOUSING PRICES FOR OREGONIANS.



Office of Oregon Governor TINA KOTEK

SB 1537: Boosting Housing Production

Creates the Housing Accountability and Production Office

• Allows for more land supply \leftarrow

ONE TIME TOOL FOR CITIES TO ADD LAND TO THEIR URBAN GROWTH BOUNDARY FOR HOUSING.

Requires a portion of new development to be affordable

Climate friendly homes

GRANTS TO REDUCE THE ENERGY BURDEN FOR LOW-INCOME OREGONIANS ONE OF THE STRONGEST AFFORDABILITY REQUIREMENTS IN THE COUNTRY

Funding for housing production tools

SSOO MILLION INVESTMENT PACKAGE FROM EXISTING STATE RESOURCES





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Sections 1-7: Housing Accountability and Production Office

Supporting housing developers and cities in implementing state housing production laws

- Venue for ensuring local land use codes and decisions meet state law
- \$10 million in technical assistance funds for local governments
- Voluntary services such as mediation, model codes, and ready build plans
- Coordination of state agencies involved in housing production
- Avenue for resolving disputes prior to a more formal LCDC or LUBA process
- Voluntarily compliance mechanisms
- If needed, mandatory compliance mechanisms

Operative date of office: July 1, 2025

Sections 8-9: Opting in to Amended Housing Regulations

Allowing housing developers with development applications to opt into new housing laws

- Housing developers can stay with old standards or opt into <u>all</u> new standards
- Decision must occur prior to public notice and review process
- Housing developer does not need a new application submission
- Cities and counties can require additional information, if needed
- Housing developer does not have to pay duplicative fees
- Cities and counties can charge fees for additional work or cost

Sections 10-11: Attorney Fees for Approved Housing

Provides attorney fees when LUBA affirms approval of housing to discourage frivolous appeals

- Extends attorney fee eligibility for affordable housing and public housing
- Applies only to housing approved by local government
- Applies only when LUBA affirms local government approval

Sections 12-36: Financial support for housing development

Programs providing financial assistance at all stages of the housing development process

Local housing infrastructure planning capacity

• \$5 million

Site acquisition funding

• \$40 million

Site mitigation and readiness funding

• \$10 million

Infrastructure for housing funding

• \$200 million

Moderate income housing financing • \$200 million

Climate + housing incentives

• \$20 million

Sections 12-36:

Financial support for housing development

Programs providing financial assistance at all stages of the housing development process

Key aspects of most financial programs:

- Grants for very-low-, low-, and moderate-income housing
- Loans for all other housing
- Minimum density requirements, focusing on small and moderate size homes that are more affordable
- 25% set asides for small and mid-size cities and tribes
- Local coordination, with broad provider eligibility for funds

Sections 37-43: **Design and Development Adjustments**

Temporarily allows adjustments to specific housing land use standards to facilitate more housing

- Specific to new housing units in new construction projects
- Only applies to select land use requirements for housing development
- Projects must meet minimum density requirements, focusing on small and moderate size homes that are more affordable
- Does not apply to natural resource or environmental land use regulations
- No more than 10 adjustment requests allowed
- Two-track exemption process for local governments that provide flexibility

Operative date: January 1, 2025 Sunset: January 2, 2032

Sections 44-47: Limited Land Use Decisions

Temporarily ensures administrative decisions are via administrative processes

- Only applies to housing decisions within cities
- Ensures select land use decisions that are administrative in nature go through an administrative process
- Exemption process if cost prohibitive to local governments

Operative date: January 1, 2025 Sunset: January 2, 2032

Sections 48-60:

One-time Site Addition to UGBs

Temporarily allows, once, cities to add 150 or 75 acres of land for housing

- Cities must meet land <u>and</u> affordability need metric for eligibility
- Land added can only be urban reserve, non-resource land, or exception land – no high-value farm or forest land outside of urban reserves already designated for future urban development
- Cap of 150 or 75 acres, depending on city size
- Cumulative cap of 600 acres for cities within Metro UGB
- 30% of housing must be legally restricted as affordable

Sections 48-60:

One-time Site Addition to UGBs

Temporarily allows, once, cities to add 150 or 75 acres of land for housing

Requires binding complete communities concept plan that includes:

- Mandatory affordability
- Minimum density
- Integrated mixed-use residential areas for complete communities
- Transportation network planning
- Open space, scenic, historic, and natural resource goal protections
- Natural hazard protections
- Binding agreements for all necessary urban services

Sections 48-60:

One-time Site Addition to UGBs

Temporarily allows, once, cities to add 150 or 75 acres of land for housing

Alternative lower impact options instead of main option:

- Simplified land exchange for roughly the same acreage
- Small scale 15-acre option without complete communities requirements
 - Mandatory 30% affordability still applies

Questions?