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HOUSING POLITICS

Oregon House passes Gov. Tina Kotek's housing bill, approves \$369 million

Another \$7 million for housing-related infrastructure is in a separate bill the House expects to take up Tuesday

BY: **JULIA SHUMWAY - MARCH 4, 2024** 3:11 PM





Gov. Tina Kotek has set a goal of building 36,000 new homes a year – nearly double the average number of homes built in Oregon in recent years. (Dan Reynolds Photography/Getty Images)

Gov. Tina Kotek's signature housing bill and \$369 million in funding meant to help the state backfill a decades-long housing shortage are headed to her desk after bipartisan votes in the House.

Kotek's Senate Bill 1537 and Senate Bill 1530 easily passed the House on Monday after winning approval in the Senate last week. Along with House Bill 4134, which is expected to come up for a vote in the House on Tuesday, the measures constitute a \$376 million investment in infrastructure funding, homebuilding,

homeless shelters and rent assistance, along with changes to state land use laws to make it easier for cities to build homes.

The governor thanked lawmakers for passing the bills, which she and other supporters hope will boost housing production as the state tries to meet her goal of building 36,000 homes per year – nearly doubling the current rate.

"I believe this package will make meaningful progress in fixing our housing shortage while also preserving our land use system and ensuring strong environmental protections," she said. "But this is not the finish line. We have more work ahead to solve our housing and homelessness crises – and I will keep pushing for more because the need is so great. Oregonians are counting on us to deliver."

The package includes more than \$100 million for cities to use for infrastructure needs, \$75 million for a revolving loan fund cities could use to spur developers to build less expensive homes, \$65 million to keep homeless shelters operating, \$34 million for eviction prevention and \$18 million for safe housing for people recovering from drug and alcohol addiction, along with several smaller sums for specific projects.

It also would allow cities outside the Portland area to add up to 50 or 100 acres to their urban growth boundaries – the invisible state-approved line that dictates where and how cities can grow – without going through the expensive, years-long application process cities normally have to follow to expand. Portland and its suburbs could add a combined 300 acres.

Rep. Maxine Dexter, D-Portland and chair of the House Committee on Housing and Homelessness, said the proposal is a "holistic, strategic package" that will help Oregon meet its housing needs.

"The people of Oregon deserve a place to call home that is safe and affordable, and this bill will help us move further toward making that goal a reality," Dexter said.

But Rep. Anna Scharf, R-Amity, said the bill falls short of what Oregon really needs to do to fix housing costs: She wants to see the state loosen its building codes and train more construction workers.

Scharf, a farmer, said she fears more housing on the edge of cities will lead to more regulation of farms and forests if new residents complain about noise or smells coming from farms that were there first..

"I struggle with justifying circumventing our 50-year-old land use laws, a process that is arduous for a reason," Scharf said.

Rep. David Gomberg, D-Otis, said the nearly \$90 million the Legislature intends to spend on water and sewer projects through Senate Bill 1530 would support more than 15,000 new homes. One of those communities, the 1,100-person town of Siletz in his coastal district, is looking at a \$12 million cost to upgrade its wastewater treatment plant and would receive \$3 million for the project through SB 1530.

"If you build houses and you don't have clean water coming out of the tap and dirty water going down the drain, you don't have the kind of houses that Oregonians need and want," Gomberg said.

Correction: This article was updated to remove a reference to the \$200 million workforce program Future Ready Oregon, which included funding to train workers in manufacturing, technology and health care, not construction.



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