



January 28, 2016

Dear Chair Gelser and members of the Human Services and Early Childhood Committee:

I write on behalf of Oregon Opportunity Network (Oregon ON), the statewide association of affordable housing and community development nonprofits, in support of SB 1533, which would lift the statewide ban on Inclusionary Zoning (IZ).

Oregon ON is part of a diverse statewide coalition in support of SB 1533, including SEIU Local 49, Oregon AFSCME, Oregon AFL-CIO, the Oregon Conservation Network, the cities of Corvallis, Eugene, Hood River, Milwaukie, Portland, and Wilsonville, Lincoln County, 1000 Friends of Oregon, the Urban League, the Oregon Food Bank, Elders in Action, and many others.

Lifting the ban on IZ does not mandate anything. It would simply allow communities to adopt through local public process, an inclusionary zoning policy as one tool for the development of affordable rental and/or single-family housing. To protect home builders, the bill includes language to ensure that any local government choosing to use IZ must include incentives and benefits that will mitigate any reduction of profit.

Developers all over the country are subject to mandatory IZ and are still making money. If local governments choose to adopt IZ, as with other requirements (like ADA standards or system development charges), developers will know the local requirements up front and will factor that into how much they are willing to pay for the land. This is a basic market dynamic that works just fine for developers in over 500 jurisdictions across the country.

The public has created value in land by investing public dollars in infrastructure - roads, sewers, transit, sidewalks, parks, and schools. That value increases the desirability and revenue from developing that land. IZ is one tool to ensure all residents benefit from that public investment.

Expansion of UGBs is often cited as a potential solution. However, adding new development on the edge of UGBs does little to address the demand for low and moderate income housing that is needed where infrastructure like transit already exists, and where low and moderate income residents can reach jobs, schools, and services.

SB 1533 is about the state getting out of the way and enabling flexible, local solutions. The sideboards already in the bill are a reasonable compromise; let's not further hamper the ability of local communities to craft an IZ program that works for their community.

No one claims that IZ is the one and only tool to address the housing crisis. However, it is an important and essential tool that local communities should have access to as one part of a multi-faceted approach. **Please lift the ban on IZ this session.**

Thank you very much for your consideration of SB 1533, and for all your work on behalf of the people of Oregon.

Sincerely,



Ruth Adkins
Policy Director

Oregon ON member organizations:

Statewide

CASA of Oregon
Cascadia Behavioral Healthcare
Catholic Charities
Enterprise Community Partners
Habitat for Humanity of Oregon
Housing Development Center
NOAH (Network for Oregon Affordable Housing)
Northwest Housing Alternatives
Rural Community Assistance Corporation

Central & Eastern Oregon

Columbia Cascade Housing
Community Connection of NE Oregon
Housing Works
NeighborImpact
UGMW Nonprofit Development Corporation

Coastal

Northwest Coastal Housing
Community Action Team, Inc.

...Plus over 100 businesses, government agencies, community organizations and individuals across Oregon who support our mission.

Southern Oregon

ACCESS
Housing Authority of Jackson County
NeighborWorks Umpqua
United Community Action Network

Willamette Valley

Community Home Builders
Cornerstone Community Housing
Farmworker Housing Development Corporation
Housing and Community Services of Lane County (HACSA)

Mainstream Housing, Inc.

NEDCO

Oregon Housing and Associated Services

Polk CDC

St Vincent de Paul of Lane County

Willamette Neighborhood Housing Services

Portland Metro

Bienestar

BRIDGE Housing
Central City Concern
Community Housing Fund
CPAH
Habitat for Humanity Portland/Metro East
Hacienda CDC
Home Forward
Housing Authority of Clackamas County
Housing Authority of Washington County
Human Solutions, Inc.
Innovative Housing, Inc.
NAYA Family Center
PCRI
Portland Housing Center
Proud Ground
REACH Community Development
ROSE Community Development
Sabin CDC