133 SW 2nd Ave, Suite 201 • Portland, OR 97204 • (503) 497-1000 • fax (503) 223-0073 • www.friends.org



Southern Oregon Office • PO Box 2442 • Grants Pass, OR 97528 • (541) 474-1155 • fax (541) 474-9389

Willamette Valley Office • PO Box 51252 • Eugene, OR 97405 • (541) 520-3763 • fax (503) 223-0073

February 1, 2016

Senator Sara Gelser, Chair Committee on Human Services & Early Childhood State Capitol Salem, OR

Re: SB 1575

Dear Senator Gelser and Committee Members:

Thank you for the opportunity to testify on SB 1575, a bill we oppose. Since its inception in 1973, Oregon's land use program has recognized the importance of ensuring that every city provide housing to meet the needs of all residents, including future ones. And since the beginning, 1000 Friends of Oregon has been involved in shaping strong land use policies to see that intent implemented, through policy advocacy, participation in rulemaking, education, and litigation. The land use program works on both sides of the UGB when we have livable communities for all, including affordable housing with access to opportunity, and we protect the working landscapes and natural areas around those communities for food and fiber production and habitat protection. In this time of climate change, this is even more critical.

This bill does not work for either side of the UGB. SB 1575 allows cities to expand their urban growth boundaries (UGB) without showing there is a need for more development, and it allows cities to expand onto Oregon's best farm and forest lands first. SB 1575 is not an affordable housing bill. Rather, it is a bill that increases land development opportunities for a few at the expense of taking meaningful actions that will result in affordable housing production where people want to live. We oppose SB 1575 because:

- It allows cities to avoid taking the harder steps they are required to take under current law
 to provide land zoned for the housing needs of all Oregonians such as apartments,
 duplexes, single family attached housing, accessory dwelling units. And it allows cities to
 avoid locating that housing where people need to live near transit and in walkable
 neighborhoods, near the things they do to meet daily needs. Instead, this bill would allow
 cities to push housing for those of moderate and low income to the edge. (Section 2)
- It ignores the expense of providing infrastructure to more land at the edge an expense that drives up all housing costs and renders unlikely achieving much, if any, affordable housing. We have real life examples of the tremendous expense required to provide the full set of infrastructure to raw land. These costs are usually borne partly by the developer/eventual home buyer or renter, and partly by taxpayers/ ratepayers. The result is twofold: the infrastructure costs make it unlikely that any of the new housing will be affordable, and the costs that are spread across the existing residents increase *their* living costs. If the public is going to spend that kind of money, it can achieve far more affordable units inside the existing UGB, where infrastructure and services already exist.

- It is contrary to our collective efforts to combat climate change. Those living on the edge of
 our urban areas usually do not have access to transit, nor are they within a safe walking
 distance of stores, schools, and other needs. Therefore, they will have no choice but to
 drive, increasing greenhouse gas emissions and increasing that household's transportation
 costs. Studies have shown that one of the most effective ways to reduce GHG from
 transportation is to ensure that affordable housing is located near transit and in walkable
 neighborhoods not at the edge.
- It puts a cap on even voluntary inclusionary zoning practices inside urban growth boundaries, a cap that if in place at the time, would have prevented Portland from ensuring that emerging, renovated neighborhoods into which the city invested in infrastructure and other amenities – like the Pearl- would include a commensurate amount of affordable housing units. (Section 4)
- It allows farm and forest land the land base of Oregon's #2 and #3 industries to be developed without showing there is any need, rather than taking meaningful and effective additions on affordable housing inside UGBs. (Section 3)
- It places an onerous burden on cities and counties to produce a "housing cost impact statement" whenever that government proposes to change or add a law regarding anything having to do with real estate, infrastructure (such as roads and pipes), housing, environmental protection, or land use. This is a paperwork exercise that will certainly ensure no affordable housing laws are adopted – and not much of anything else, either. (Section 8)
- It would allow Metro to designate five "subregions" for UGB analysis; something Metro is not asking for; something the region considered years ago and dropped because, among other things, it bears no resemblance to the fact that the Metro area operates as a regional housing and job market and commute shed; and it is simply another way to expand the UGB for private development. (Section 9)

We have other concerns about the bill, some of which others will testify to. However, this is not an affordable housing bill. To meaningful address affordable housing, we recommend that the Committee pass SB 1533, to lift the current prohibition on inclusionary zoning.

Thank you for consideration of our testimony.

Sincerely,

Mary Kyle McCurdy

Mary Kyle McCurdy Policy Director and Staff Attorney