



Housing Land Advocates
c/o Jennifer Bragar
121 SW Morrison Street, 11th Floor
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February 1, 2016

Via E-Mail: Cheyenne.Ross@state.or.us

Chair Sara Gelser
Senate Committee on Human Services and Early Childhood
c/o Administrator Cheyenne Ross
900 Court Street NE, S-405
Salem, Oregon 97301

RE: SB 1533 and SB 1575 Regarding the Provision of Affordable Housing

Dear Chair Gelser and Members of the Senate Committee on
Human Services and Early Childhood:

Housing Land Advocates (HLA) submits this testimony with respect to Senate Bill 1533 and SB 1575. Since 2004, HLA's mission is to encourage land use policies and practices that will support the development of affordable housing in sustainable communities. We are comprised of land use planners, attorneys, lenders, researchers, students, and housing advocates and practitioners with a demonstrated commitment to affordable housing.

Two bills before the Senate Committee on Human Services and Early Childhood today will have an impact on Oregon's Statewide Planning Goal 10 – Housing, **SB 1533** and **SB 1575**.

SB 1533 supports Statewide Planning Goal 10 and will allow cities to better meet the housing needs of their population by lifting the ban on mandatory inclusive zoning, clarifying that cities may use inclusive zoning for both owned and rental properties, and is a compromise solution that requires builder benefits like density adjustments along with a cap on the percentage of below market rate units at 30% per development.

As the population of Oregon, especially the Portland Metropolitan Area, continues its rapid growth and housing supply becomes increasingly limited, local governments need a new tool to fulfill their Goal 10 obligation to provide, "adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households." **SB 1533** provides governments this tool and includes benefits to the development community.

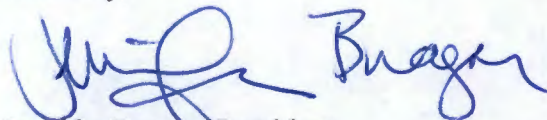
In contrast, **SB 1575** does not support cities in meeting their Goal 10 obligations and does not support affordable housing. Rather, this bill stands to benefit the development community more than low and middle income families. The problem is not a lack of buildable land, the problem is a mismatch between the amount of land provided and the amount of affordable housing built on it. Essentially, cities with this mismatch have not prioritized fulfilling their Goal 10 obligation to ensure the availability of housing to meet the needs of all of its residents.

While **SB 1575**, appears to offer a solution, the expense and impracticality of what this bill would require to expand the housing supply means that expanded affordable housing is not among the likely effects of the bill. The bill fails to take into account the reality of the tremendous expense required to provide the full set of infrastructure to raw land, the length of time it takes to build-out pipes and roads, and the impact paying for those costs has on housing affordability. The result is twofold: the infrastructure costs make it unlikely that any of the new housing will be affordable, and the costs of development are shifted to existing residents, increasing their current cost of living. 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.

As a group that has been dedicated to promoting affordable housing in Oregon for more than a decade, we are looking for practical solutions to the very real problem of a lack of affordable housing. We strongly support **SB 1533** because it gives cities the tool they need to create affordable housing while compensating developers for offering below market rate housing. Because **SB 1575** does not have that same promise of increasing the supply of affordable housing and does not balance of interests communities with those of developers, we cannot support it.

Thank you for considering our comments on SB 1533 and SB 1575.

Sincerely,

A handwritten signature in blue ink that reads "Jennifer Bragar". The signature is fluid and cursive, with the first name being more prominent.

Jennifer Bragar, President
Housing Land Advocates

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