

PRELIMINARY STAFF MEASURE SUMMARY**Senate Committee On Human Services and Early Childhood****Fiscal:** May have fiscal impact, but no statement yet issued

Sub. Referrals: Joint Committee On Ways

Revenue: May have revenue impact, but no statement yet issued

and Means

Action Date:**Action:****Meeting Dates:** 02/08**Prepared By:** Cheyenne Ross, Committee Administrator**WHAT THE MEASURE DOES:**

Requires the Land Conservation Development Commission (the Commission) to take action that encourages increased availability and protection of land used for affordable housing. Permits the Commission to create a process to expedite the inclusion of land within an urban growth boundary that is dedicated to affordable housing, to protect such land from being converted to other uses, to prioritize adjacent lands for inclusion that have infrastructure capacity, and to exempt such lands from the buildable land supply requirement and from the statewide planning goal pertaining to urbanization.

Permits a local government to exempt certain land from its buildable lands inventory. Requires a local government that amends its urban growth boundary to include lands dedicated to affordable housing, to protect such use. Permits limited inclusionary zoning: local governments may require that up to 10 percent of housing units in new multiunit developments of 30 or more, to be sold at not more than 30 percent of the local median family income for a family of four. Provides for expedited land division for developments that require up to 10 percent of housing units in new multiunit developments of 30 or more, to be set aside for affordable housing. Prohibits imposition of a system development charge based on the value of improvements, facilities or land for which a local government did not expend public funds. Requires housing cost impact statements to be prepared by local governments. Authorizes tax credit equal to 100 percent of the system development charge for construction of new multiunit housing projects of 30 units or more, if 10 percent are sold as affordable housing.

Permits Metro to designate up to five subregions for consideration for urban growth boundary expansion.

Permits local political subdivisions to impose a construction tax, capped at \$.50 per square foot, as specified. Requires quarterly transfer of revenues to Oregon Housing and Community Services (OHCS). Directs OHCS to distribute 50 percent to the collecting authority, 25 percent to specified OHCS programs, and 25 percent to other programs, after recuperating capped administrative costs.

Relaxes requirement for landlords to provide secondary, emergency exit routes from bedrooms.

Takes effect 91st day after *sine die*.

ISSUES DISCUSSED:

- Critical need for affordable housing statewide
- Land use policy area's crossover with human services policy area: balancing need for affordable housing with other land use priorities and making development process responsive to both
- Protecting farmland and other uses outside urban growth boundaries (UGB)
- Length and expense of current UGB expansion process
- Locating affordable housing within desirable areas

- Locating affordable housing where there is existing infrastructure
- How best to accommodate existing growth and growth projected into the future
- Complexity of issue

EFFECT OF COMMITTEE AMENDMENT:

[-1 amendment]: Changes sales price of affordable units that local governments may require as part of new multiunit developments of 30 or more, from no more than 30 percent, to no more than 80 percent of the local median family income for a family of four. Removes provisions: that require housing impact statements, that authorize a tax credit, and that allow Metro to designate subregions. Refines provisions directing OHCS' distribution of construction tax revenues.

[pending amendment]: Same as the -1 amendment, but with provisions restored that authorize subregional analysis for Metro.

BACKGROUND: