

February 18, 2016

To: Senate Committee on Finance and Revenue

Senator Mark Hass, Chair

Senator Brian Boquist, Vice Chair

Re: SB 1533A – Inclusionary Zoning - **SUPPORT** As Amended by Senate Human Services

The League of Women Voters of Oregon is a grassroots nonpartisan political organization that encourages informed and active participation in government. As one of many that opposed the preemption against the use of inclusionary zoning in 1999, we are pleased to support SB 1533A that would lift the ban. Local governments should have a choice of tools available to them to implement their vision of their own future.

We are particularly pleased to see that this legislation will apply to rental projects, but disappointed it will not also assist with homeownership opportunities. Half of the renters in Oregon are unable to afford a two-bedroom apartment at fair market value. While inclusionary zoning is only a part of the solution to Oregon's affordable housing crisis, it does offer communities one more tool in meeting the overwhelming need.

The League was pleased that the amendments adopted in Senate Human Services provide local governments with a choice of developer incentives. We support considerations to developers in order to help with this housing crisis. Each jurisdiction has a unique relationship with its development community and may want to use different mechanisms to assure affordable housing inclusion. The League urges the Legislature to give localities the freedom to make their own decisions on whether and how they implement the policy. At the same time, local jurisdictions should be allowed to consider inclusionary zoning as part of a broader set of affordable housing policies.

Throughout Oregon, families are burdened by high housing costs, making it difficult for them to cover other expenses including food, transportation, and medical care. Homelessness is not just a big city problem anymore. Cities and counties throughout the state are looking for solutions. By lifting the ban on inclusionary zoning, Oregon's cities and small towns would have the ability to add this to their affordable housing toolbox. It is not the solution to our housing crisis, but just one more option available for creating healthy diverse communities. We believe the mechanisms listed in Table 5 of OAR 660, Division 38, recently adopted by the Land Conservation and Development Commission (attached) can be used NOW by local cities and we encourage that conversation begin today.

There is increasing recognition that living in high opportunity areas close to excellent schools, transportation options, and good jobs contributes to a family's success. This planning tool increases housing options for lower income families in high opportunity areas. Successful parents and children contribute to a community's overall wellbeing, reduce the burden on social services, and increase public safety. Furthermore, when affordable housing options are available close to jobs, traffic congestion, pollution, and commute times are reduced.

Making this basic planning tool available to local jurisdictions will enable those who choose to use it the ability to ensure affordable housing in their implementation of Statewide Planning Goal 10: Housing. The League believes we can live in a state where everyone has access to opportunity and a decent, stable, affordable place to call home. By giving local communities the tools they need, including the choice to use inclusionary zoning, we can create an Oregon with a better future for all of us.

We ask for your SUPPORT for SB 1533A <u>without further amendments</u> to allow local jurisdictions the opportunity to have this conversation at the local level.

Sincerely,

Norman Turrill LWV of Oregon President

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Attached: Table 5 of OAR 660, Division 38

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<b>Table 5</b> : OAR 660-038-0190(5) Table of measures to accommodate housing needs within the UGB:			
Item	Current Zoning Code Provision	Adopted change (note: none of these changes may require approval of a conditional use permit)	High or Low Impact
1	Does not allow accessory dwelling units	Allows accessory dwelling units: No off-street parking requirement Any type of structure Owner may live in either dwelling Allowed in any zoning district that allows detached single-family No Systems Development Charges for Water, Sewer, or Transportation	High
2	No minimum density standards	Minimum density standard at least 70 percent of maximum density for all residential zoning districts. Exemptions for constrained lands as defined in OAR 660-38-0070 and for minor partitions.	High

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3	Single-family detached homes	No more than 25 percent of residences in	High
	allowed in medium density	development application in medium density zoning	
	zoning district (as defined by	district may be single-family detached homes, unless	
	residential need path	the detached home is on a lot less than or equal to	
	standards)	3,000 square feet. Minor partitions exempted.	
4	Off-street parking	Change parking requirements to maximum of no	High
	requirements of one space per	more than one space per multi-family dwelling and	
	multi-family dwelling or greater	no more than .75 spaces per multi-family dwelling	
		within ¼ mile of high frequency transit service	
		(defined as transit service with weekday peak hour	
		service headway of 20 minutes or less). Allow	
		provision of on-street parking spaces to meet	
		offstreet parking requirements. Allow reductions	
		below one space per multi-family dwelling for	
		developments that provide spaces for car-share	
		vehicles or free transit passes to residents.	
Tabla	5: OAP 660-038-0190(5) Table of m	neasures to accommodate housing needs within the UGI	D •
Item	Current Zoning Code Provision	Adopted change (note: none of these changes may	High or
iteiii	Current Zonnig Code Provision	require approval of a conditional use permit)	Low
		require approvar of a conditional use permit,	Impact
5	No doneity bonus for affordable	Establish density benus for affordable bousing of at	
5	No density bonus for affordable		High
	housing	least 20 percent with no additional development	
		review standards vs. development applications that	
		do not include a density bonus. The affordable	
		housing units shall constitute at least 20 percent of	
		the overall dwelling units in the development	
		application granted the density benus. The	
		application granted the density bonus. The	
		affordable housing units must be reserved as	
		affordable housing units must be reserved as affordable housing for a minimum of 50 years.	
		affordable housing units must be reserved as affordable housing for a minimum of 50 years. Affordable housing is defined at housing that is	
		affordable housing units must be reserved as affordable housing for a minimum of 50 years. Affordable housing is defined at housing that is reserved for households with a maximum household	
		affordable housing units must be reserved as affordable housing for a minimum of 50 years. Affordable housing is defined at housing that is reserved for households with a maximum household income of 80 percent of a city's mean household	
		affordable housing units must be reserved as affordable housing for a minimum of 50 years.  Affordable housing is defined at housing that is reserved for households with a maximum household income of 80 percent of a city's mean household income. The percentage threshold for the household	
		affordable housing units must be reserved as affordable housing for a minimum of 50 years. Affordable housing is defined at housing that is reserved for households with a maximum household income of 80 percent of a city's mean household income. The percentage threshold for the household affordable housing reservation may also be less than	
	Compathantus	affordable housing units must be reserved as affordable housing for a minimum of 50 years. Affordable housing is defined at housing that is reserved for households with a maximum household income of 80 percent of a city's mean household income. The percentage threshold for the household affordable housing reservation may also be less than 80 percent of a city's mean household income.	110-1-
6	Current land use/zoning	affordable housing units must be reserved as affordable housing for a minimum of 50 years. Affordable housing is defined at housing that is reserved for households with a maximum household income of 80 percent of a city's mean household income. The percentage threshold for the household affordable housing reservation may also be less than 80 percent of a city's mean household income.  Rezone from low density to medium or high density:	High
6	Current land use/zoning designations	affordable housing units must be reserved as affordable housing for a minimum of 50 years. Affordable housing is defined at housing that is reserved for households with a maximum household income of 80 percent of a city's mean household income. The percentage threshold for the household affordable housing reservation may also be less than 80 percent of a city's mean household income.  Rezone from low density to medium or high density: City UGB 10,000 to 25,000: at least 10 acres	High
6		affordable housing units must be reserved as affordable housing for a minimum of 50 years. Affordable housing is defined at housing that is reserved for households with a maximum household income of 80 percent of a city's mean household income. The percentage threshold for the household affordable housing reservation may also be less than 80 percent of a city's mean household income.  Rezone from low density to medium or high density: City UGB 10,000 to 25,000: at least 10 acres City UGB 25,000 to 50,000: at least 25 acres	High
	designations	affordable housing units must be reserved as affordable housing for a minimum of 50 years. Affordable housing is defined at housing that is reserved for households with a maximum household income of 80 percent of a city's mean household income. The percentage threshold for the household affordable housing reservation may also be less than 80 percent of a city's mean household income.  Rezone from low density to medium or high density: City UGB 10,000 to 25,000: at least 10 acres City UGB 25,000 to 50,000: at least 25 acres City UGB > 50,000: at least 50 acres	J
6	designations  Does not allow duplexes in	affordable housing units must be reserved as affordable housing for a minimum of 50 years. Affordable housing is defined at housing that is reserved for households with a maximum household income of 80 percent of a city's mean household income. The percentage threshold for the household affordable housing reservation may also be less than 80 percent of a city's mean household income.  Rezone from low density to medium or high density: City UGB 10,000 to 25,000: at least 10 acres City UGB 25,000 to 50,000: at least 25 acres City UGB > 50,000: at least 50 acres  Permit duplexes on any lot in single-family	High
	Does not allow duplexes in single-family residential zoning	affordable housing units must be reserved as affordable housing for a minimum of 50 years. Affordable housing is defined at housing that is reserved for households with a maximum household income of 80 percent of a city's mean household income. The percentage threshold for the household affordable housing reservation may also be less than 80 percent of a city's mean household income.  Rezone from low density to medium or high density: City UGB 10,000 to 25,000: at least 10 acres City UGB 25,000 to 50,000: at least 25 acres City UGB > 50,000: at least 50 acres  Permit duplexes on any lot in single-family residential zoning districts with no additional	J
	designations  Does not allow duplexes in	affordable housing units must be reserved as affordable housing for a minimum of 50 years. Affordable housing is defined at housing that is reserved for households with a maximum household income of 80 percent of a city's mean household income. The percentage threshold for the household affordable housing reservation may also be less than 80 percent of a city's mean household income.  Rezone from low density to medium or high density: City UGB 10,000 to 25,000: at least 10 acres City UGB 25,000 to 50,000: at least 25 acres City UGB > 50,000: at least 50 acres  Permit duplexes on any lot in single-family	J

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8	Current public street standards	Reduction in public street right of way width	High
		standard by at least two feet.	
9	Does not allow residences in	Allow residences above the first floor and behind	High
	some commercial zoning	commercial uses on additional commercially-zoned	
	districts	lands, with no off-street parking requirement	
		greater than one space per residence, with	
		provisions for additional parking reductions for	
		shared commercial and residential uses and in	
		areas with approved parking management districts.	
		UGB population 10,000 to 25,000: at least 20 acres	
		UGB population 25,000 to 50,000: at least 50 acres	
		UGB population > 50,000: at least 100 acres	
Table	1	easures to accommodate housing needs within the UGE	
Item	<b>Current Zoning Code Provision</b>	Adopted change (note: none of these changes may	High or
		require approval of a conditional use permit)	Low
			Impact
10	Systems Development Charges	Adopt provisions that eliminate systems	High
	reductions or waivers	development charges for affordable housing units,	
		or reduce systems development charges for such	
		units by a minimum of 75 percent of the total	
		systems development charges assessed to similar	
		units that are not reserved for affordable housing.	
		The affordable housing units must be reserved as	
		affordable housing for a minimum of 50 years.	
		Affordable housing is defined at housing that is	
		reserved for households with a maximum household	
		income of 80 percent of a city's mean household	
		income. The percentage threshold for the household	
		affordable housing reservation may also be less than	
		80 percent of a city's mean household income.	
11	Does not authorize property tax	Authorizes property tax exemptions for low income	High
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	exemptions for low income housing development pursuant	housing development pursuant to ORS 307.515 to 307.537 under both the criteria set forth in ORS	
	to ORS 307.515 to 307.537	307.517 and the criteria set forth in ORS 307.518,	
		for all zoning districts within the city that permit	
		multiple-family dwellings, with no additional	
		development review standards vs. equivalent	
		residential development that does not receive the	
		exemption.	
12	Does not authorize property tax	Authorizes property tax exemptions for non-profit	High
	exemptions for non-profit	corporation low-income housing development	
	corporation low-income	pursuant to ORS 307.540 to 307.548, with no	
	housing development pursuant	additional development review standards vs.	
	to ORS 307.540 to 307.548.	equivalent residential development that does not	
		receive the exemption.	

13	Does not authorize property tax	Authorizes property tax exemptions for multiple unit	High
	exemptions for multipleunit	housing pursuant to ORS 307.600 to 307.637, with	
	housing pursuant to ORS	no additional restrictions on location of such	
	307.600 to 307.637	exemptions above those set in the statutes, and	
		with required benefits pursuant to ORS 307.618 that	
		are clear and objective and do not have the effect of	
		discouraging the use of the property tax exemption	
		by otherwise qualifying developments through the	
		imposition of unreasonable cost or delay.	
14	Allows accessory dwelling	Allows accessory dwelling units:	Low
	units, but missing one or more	No off-street parking requirement	
	of desired attributes	Any type of structure	
		Owner may live in either dwelling	
		Any zoning district that allows detached units	
		No Systems Dev. Charges for Water or Sewer	
Table :	5: OAR 660-038-0190(5) Table of m	easures to accommodate housing needs within the UGE	3:
Item	<b>Current Zoning Code Provision</b>	Adopted change (note: none of these changes may	High or
		require approval of a conditional use permit)	Low
			Impact
15	Does not allow accessory	Allows accessory dwelling units, but with at least	Low
	dwelling units	one of the attributes from measure #14 above not	
		adopted.	
16	Off-street parking	Change parking requirements to maximum of one	Low
	requirements greater than one	space per multi-family dwelling.	
	space per multi-family		
	dwelling		
17	No minimum density standards	Minimum density standards at least 50 percent of	Low
		maximum density for all residential zoning districts.	
		Exemptions for constrained lands as defined in OAR	
		660-38-0070 and for minor partitions.	
18	Minimum density standard less	Raise minimum density standards to at least 70	Low
	than 70percent of maximum	percent of maximum density for all residential	
	density	zoning districts. Exemptions for constrained lands as	
		defined in OAR 660-038-0070 and for minor	
		partitions.	
19	Current land use/zoning	Rezone from low density to medium or high density:	Low
	designations	City UGB 10,000 to 25,000: 5 to 10 acres	
		City UGB 25,000 to 50,000: 10 to 25 acres	
		City UGB > 50,000: 20 to 50 acres.	
20	Density bonus for affordable	Increase density bonus for affordable housing to at	Low
	housing less than 25 percent or	least 25 percent with no additional development	
	with additional development	review standards vs. standard housing	
	review restrictions vs. standard		
	housing		

21	Current land use/zoning designations	Reduce minimum lot size for single-family residential zoning districts by at least one-quarter of the current minimum: City UGB 10,000-25,000: at least 25 acres City UGB 25,000-50,000: at least 50 acres City UGB >50,000: at least 100 acres	Low
22	Does not allow residences in some commercial zoning districts	Allow residences above the first floor and behind commercial uses on additional commercially-zoned lands, with no off-street parking requirement greater than one space per residence.  UGB population 10,000 to 25,000: 10 to 20 acres  UGB population 25,000 to 50,000: 20 to 50 acres  UGB population > 50,000: at least 40 to 100 acres	Low
23	Does not have a cottage housing code provision	Adopt a cottage housing code provision authorizing at least 12 du/ac.	Low
24	Does not allow duplexes in single-family residential zoning districts	Permit duplexes on corner lots in single-family residential zoning districts with no additional development review restrictions vs. single-family	Low
Table 5	5: OAR 660-038-0190(5) Table of m	i easures to accommodate housing needs within the UGB	<b>3:</b>
Item	Current Zoning Code Provision	Adopted change (note: none of these changes may require approval of a conditional use permit)	High or Low Impact
		detached residence.	
25	Off-street parking requirements for detached single-family units, attached single-family units, duplexes, or triplexes greater than one space per unit.	Reduce parking requirements for detached singlefamily units, attached single-family units, duplexes, and triplexes to no greater than one space per unit.	Low

26	No systems development	Adopt provisions that defer payment of systems	Low
-	charge deferrals	development charges for affordable housing units to	-
		the date of occupancy of the unit. The affordable	
		housing units must be reserved as affordable	
		housing for a minimum of 50 years. Affordable	
		housing is defined at housing that is reserved for	
		households with a maximum household income of	
		80 percent of a city's mean household income. The	
		percentage threshold for the household affordable	
		housing reservation may also be less than 80 percent	
		of a city's mean household income.	
27	Does not authorize property tax	Authorizes property tax exemptions for single-unit	Low
	exemptions for single-unit	housing pursuant to ORS 307.651 to 307.687, with	
	housing in distressed areas	design standards pursuant to ORS 307.657(3) that	
	pursuant to ORS 307.651 to	are clear and objective and do not have the effect of	
	307.687	discouraging the use of the property tax exemption	
		by otherwise qualifying developments through the	
		imposition of unreasonable cost or delay.	
28	Does not authorize freeze in property tax assessment	Authorizes freeze in property tax assessment valuation for rehabilitated residential property pursuant to ORS 308.450 to 308.481. The	Low
	valuation for rehabilitated residential property pursuant	boundaries of the area that qualifies for the	
	to ORS 308.450 to 308.481	assessment freeze shall be between 10 percent and 20 percent of the city's total land area. The city shall	
		promulgate standards and guidelines for review of	
		applications under the program pursuant to ORS	
		308.456(3) that are clear and objective and do not	
		have the effect of discouraging use of the program	
		by otherwise qualifying rehabilitations through the	
		imposition of unreasonable cost and delay.	
29	Single-family homes allowed in	New single-family homes not allowed in high density	Low
	high density zoning district (as	zoning district	
	defined by residential need		
	path standards)		
30	Does not allow attached-single	Permit attached single-family residences in a	Low
	family residences in a single-	singlefamily residential district with a minimum lot	
		size of	
	· ·	easures to accommodate housing needs within the UGE	
Item	Current Zoning Code Provision	Adopted change (note: none of these changes may	High or
		require approval of a conditional use permit)	Low
			Impact
	family residential district with a	5,000 square feet or less.	
	minimum lot size 5,000 square		
	feet or less		

31	No maximum lot size for	Maximum lot size for single-family detached	Low
	singlefamily detached dwellings	dwellings in zoning districts that permit attached and	
	in zoning districts that permit	multi-family housing of 5,000 square feet.	
	attached and multi-family	Minor partitions exempted.	
	housing		