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Chair Jennifer Williamson Members of the House Committee on Rules 900 Court Street, NE Salem, OR 97301

Chair Williamson and Committee Members:

The Mayor and Council of the City of Corvallis urge passage of SB 1533, lifting the state's ban on inclusionary zoning and enabling the use of a construction excise tax for an affordable housing fund. This bill provides us new tools by which a more affordable mix of housing opportunities can be provided within Corvallis.

## Background:

Housing affordability for workers and families has been a long standing concern in Corvallis. For the last three decades, Corvallis has offered programs that provide housing assistance directly and in partnership with community non-profit agencies such as Willamette Neighborhood Housing Services and Habitat for Humanity. However, there are serious resource constraints that limit the ability of Corvallis and other jurisdictions to meet these needs.

In the late 1990s, Corvallis was strongly considering the merits of inclusionary zoning as an option to augment existing programs. In 1999, ORS 197.309 effectively took away the opportunity for Corvallis to make a local decision about whether this type of program could fit with other land use planning and housing program tools.

## **Current Opportunities:**

There are more than 18,000 people who travel to Corvallis for work each day. The City of Corvallis initiated a 2014 study, conducted by ECONorthwest, to learn more about the folks who work in Corvallis, but do not live in our community. The project also identified strategies that could provide more housing opportunities for those commuters who wish to live in Corvallis.

Forty percent of survey respondents were interested in moving to Corvallis. Concerns about housing affordability were by far the greatest barrier identified by these commuters. The profile of respondents includes a wide range of household incomes. For example, the Corvallis School District reports that nearly 30 percent of its teachers live outside of Corvallis.

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Inclusionary zoning was identified by ECONorthwest as an important policy option to consider as a tool to increase the supply of mixed income housing in Corvallis for these commuters. It could complement other programs that the City and non-profit partners currently have available or might implement in the future to address low income and work force housing needs.

Corvallis has not yet decided if inclusionary zoning is an option that should be implemented – that decision would be made after careful review and public deliberations. However, SB 1533's removal of the preemption of inclusionary zoning and a construction excise tax would restore local control of planning and housing efforts and allow our community to select the tools that work for Corvallis.

We urge passage of SB 1533.

Sincerely,

Biff Traber Mayor