

**STAFF MEASURE SUMMARY****House Committee On Rural Communities, Land Use and Water****Fiscal:** Fiscal impact issued**Revenue:** No Revenue Impact**Action Date:** 02/10/16**Action:** Do Pass With Amendments, Rescind Subsequent Referral To Ways And Means, And Be Referred To Rules. (Printed A-Eng.)**Meeting Dates:** 02/08, 02/10**Vote:**

Yeas: 6 - Clem, Gilliam, Gomberg, McLane, Post, Witt

Exc: 1 - Helm

**Prepared By:** Beth Reiley, Committee Administrator**WHAT THE MEASURE DOES:**

Requires Land Conservation and Development Commission (LCDC), working with other state agencies and local governments to establish and implement affordable housing pilot program. Requires LCDC to establish site selection process to select two pilot projects nominated by local governments, one from a city with less than 30,000 and one from a city of more than 30,000. Excludes Marion, Polk, and Yamhill counties and cities within and local governments within Jefferson County served by North Unit Irrigation District from nomination or selection under pilot program. Establishes selection criteria. Requires local government of selected pilot projects to ensure housing developed continues to be used to provide affordable housing for at least 50 years. Requires LCDC to adopt rules to implement pilot program notwithstanding any statewide land use planning goal provisions specifying requirements for amending urban growth boundaries. Authorizes LCDC to establish expedited process for amending urban growth boundary to include pilot project as long as land is not high-value farmland. Establishes reporting requirements for LCDC to report to committees related to housing and human services on progress of pilot program.

**ISSUES DISCUSSED:**

- Need for affordable housing
- Communities that would be excluded from Act
- Infrastructure needs

**EFFECT OF COMMITTEE AMENDMENT:**

Stipulates Land Conservation and Development Commission (LCDC) must select pilot projects that are near public facilities and services including an identified transit corridor to serve area, or are planned and reasonably likely to be provided at reasonable cost in future. Requires LCDC select pilot projects nominated by local government that demonstrate efforts to accommodate and encourage development of needed housing within its existing urban growth boundary (UGB), and to provide examples of local governments that successfully demonstrate that. Excludes Marion, Polk, and Yamhill counties and cities within and local governments within Jefferson County served by North Unit Irrigation District from nomination or selection under pilot program.

**BACKGROUND:**

In 2015 the Oregon Housing and Community Services Department released the 2015 Report on Poverty which stated that in 2013 there were approximately 615,000 Oregonians living below the poverty line. Rural counties, including Malheur, Benton, Sherman, Josephine, and Lake counties, are all facing poverty rates over 20%. Housing costs, particularly rents, have been increasing rapidly in many markets. For more than 30 years, Oregon has relied on housing built with federal rent subsidy contracts to provide housing for seniors, people with disabilities, and families just starting out. The Section 8 “project based” program currently provides housing and rent subsidies for

more than 30,000 Oregonians. Nearly 7,500 of these rental subsidies were initially placed in buildings with 30 year contracts, while the remaining subsidies are operated by Housing Authorities across the state. An estimated 2,000 units of affordable housing may expire in the 2015-2017 biennium, putting the Oregonians who live there at risk of losing their homes.

House Bill 4079A would require the Land Conservation and Development Commission to establish and implement an affordable housing pilot program.