

STAFF MEASURE SUMMARY**House Committee On Rules****Fiscal:** Fiscal impact issued**Revenue:** No Revenue Impact**Action Date:** 02/17/16**Action:** Do Pass With Amendments And Bill Be Referred To Ways And Means.
(Printed B-Eng.)**Meeting Dates:** 02/16, 02/17**Vote:**

Yeas: 5 - Gilliam, Rayfield, Smith Warner, Williamson, Wilson

Nays: 3 - Barnhart, Hoyle, Kennemer

Exc: 1 - Huffman

Prepared By: Erin Seiler, 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 establish site selection process to select two pilot projects nominated by local governments, one from city with less than 25,000 and one from a city of more than 25,000 by July 1, 2017. Excludes Clackamas, Multnomah and Washington counties and cities within from nomination or selection under pilot program. Establishes selection criteria. Limits total acreage of all lots and parcels included in each pilot site to not greater than 50 acres. 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:

- Timeline for Land Conservation and Development Commission rulemaking process
- Communities that would be able to participate in pilot program
- Demonstration by community of specific efforts to provide affordable housing
- Exemption for veterans from ad valorem property taxation

EFFECT OF COMMITTEE AMENDMENT:

Requires Land Conservation and Development Commission (LCDC) to establish site selection process to select two pilot projects nominated by local governments, one from a city with less than 25,000 and one from a city of more than 25,000 by July 1, 2017. Removes provision excluding 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. Excludes Clackamas, Multnomah and Washington counties and cities within from nomination or selection under pilot program. Limits total acreage of all lots and parcels included in each pilot site to not greater than 50 acres.

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 percent. 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 4079-B would require the Land Conservation and Development Commission to establish and implement an affordable housing pilot program.