



Testimony in Support of House Bill 2007
House Committee on Human Services and Housing

Speaker of the House Tina Kotek
April 13, 2017

Thank you for the opportunity to testify this morning on House Bill 2007.

As I have said many times this session, Oregon's housing crisis is complex and has many root causes. To make necessary progress, I believe the state must pursue policy solutions that address three key goals: provide protection for tenants, preserve the affordable housing that we have, and increase the supply of both market rate and affordable housing.

This committee has worked and passed House Bill 2004, which strengthens tenant protections, and House Bill 2002, which helps preserve subsidized housing that is at risk of conversion to market rate. I applaud the great work that you have done on housing policy this session. Today, we bring you a bill that addresses the third prong of our response to this crisis. House Bill 2007 is designed to increase housing supply by removing barriers to development at the local level.

While the -1 amendment before you is not the final amendment, I would like to walk you through the elements that will be in the forthcoming -2 amendments.

House Bill 2007 (pending amendments) will do eight things:

1. It requires cities and counties to fast track affordable housing projects in their permitting processes. "Affordable housing" is defined as 50 percent of units affordable at 60 percent of Median Family Income (MFI) with an affordability covenant of at least 60 years. State law currently requires local jurisdictions to review and make a determination on an application within 120 days of receipt. House Bill 2007 changes this 120-day requirement to 100 days for affordable housing projects.
2. It directs the Department of Land Conservation and Development (DLCD) to study the average timeline between submission of a complete application and certificate of occupancy and identify barriers to shortening that timeline.

3. It will require cities and counties to approve applications that meet clear and objective standards as outlined in local zoning or planning codes within urban growth boundaries. I understand that some cities have concerns about having to state clear and objective standards, but I have also heard from cities that have no issue with this requirement because it is their status quo. It is possible to have a permitting process that allows for local control regarding design and clear and objective standards related to those design preferences.
4. It updates the definition of “needed housing” to include “housing that is affordable to low- and moderate-income people.” This is important because cities need a better handle on their inventory of affordable housing compared to the need and identifying affordable housing as “needed” in state statute moves us forward.
5. It requires local jurisdictions to let developers build housing with density that is permitted in the local zoning code unless doing so poses a risk to health, safety, or habitability.
6. It clarifies that the historic designation process may not reduce “needed housing” which now includes affordable housing.
7. It prohibits outright bans on the development of accessory dwelling units (ADUs) and duplexes on land zoned for single-family housing.
8. Lastly, it allows religious organizations with land located within urban growth boundaries to build affordable housing within the conditions of local zoning and planning requirements.

You may note that the -1 amendment includes a directive for the state to create model housing designs. Those provisions will not be included in the -2 amendments.

House Bill 2007 is the product of extensive, productive conversations with developers, realtors, property owners, land use advocates, and housing policy experts about barriers to development. If passed, this bill will increase the supply of both affordable and market rate housing in Oregon.

Thank you.