



April 17, 2017

Chair Sen. Sara Gelser and Members of the Senate Committee on Human Services
State Capitol
900 Court Street NE
Salem, OR 97301

RE: *SB 1024 Requires county to allow siting of accessory dwelling unit in area zoned rural residential.*

Dear Chair Gelser and Members of the Senate Committee on Human Services:

The Hood River Valley Residents Committee is one of Oregon's oldest local land use advocacy groups. Since 1977 our mission has been to protect farms, forests, special wild places and the livability of urban and rural communities in Hood River County.

We appreciate the opportunity to comment on SB 1024 which requires counties allow siting of accessory dwelling units ("ADU") in areas zoned rural residential. The measure also preempts counties from adopting or enforcing local laws that restrict accessory dwelling units in rural residential zones. We are **opposed to this bill as written** for the following reasons:

- **ADU = STR.** Short term rentals or STRs (also called "vacation rentals") have exploded in Hood River with the advent of Air BnB and other online services. As SB 1024 prevents local governments from adding their own restrictions on Accessory Dwellings (apart from enforcing building code), most ADUs created under this bill in Hood River County will be used to tap into the lucrative new STR market rather than providing full-time permanent residences to locals. In Hood River, a rental property owner makes more in one week renting out an STR than they do in one month with a long-term rental. Last year the City of Hood River began strictly regulating STRs when they found that the proliferation of STRs was making housing less affordable and available for those wishing to live in Hood River year round (12% of their total housing stock was being used for vacation rentals rather than real residences). If this bill is passed as written, those STRs will get transferred to Hood River County's rural residentially zoned land.
- **These are not "Accessory" dwelling units.** There is no limitation in SB 1024 on where on the lot the ADU is located, its size, or its ownership. While called "accessory," this legislation does not require the new dwelling unit to be subordinate to the existing house. Under SB 1024, the "accessory dwelling" could be twice as large as the existing dwelling and it could even be owned (through condominium ownership) by a different entity than the underlying land.

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- **It blurs the lines between urban and rural development.** A basic tenet of Oregon’s statewide land use system is that urban uses and densities go in urban areas not out in the country. This bill would instantly double the amount of development allowed on Rural Residential land. This level of development would transform much of Hood River’s Rural Residential zone which includes not just larger lot RR zoning (2.5, 5 and 10-acre zoning) but also small lot Rural Residential—Hood River has numerous Rural Residential properties that are 1-acre, ½ acre or less. In Hood River, much Rural Residential land really is “rural,” interspersed with agricultural and forest land. Increasing density adjacent to these working lands can cause conflicts with farm and forestry practices.
- **Increasing rural residential dwellings makes urbanization less efficient.** While some Rural Residential is surrounded by working lands, much of the land zoned Rural Residential lies near Urban Growth Areas or in unincorporated communities. In the future, most of these properties will be annexed and brought into urban areas. When they are annexed, the most efficient, dense development occurs when the RR properties are as large as possible and they contain as little existing development as possible. This bill would exchange short-term gain (one additional dwelling unit) for long-term inefficiency of development in the very areas we are counting on for urban densities.
- **This is not a fix for affordable housing.** Oregon has a very real affordable housing crisis, but SB 1024 will not solve it. For lower income households, our aim should be “affordable living” not just affordable housing. For many, any savings in housing costs associated with ADUs in Rural Residential zones will be offset by increases in transportation costs as these rural homes require car ownership and are often far from jobs, schools and shopping. When addressing affordable housing, Oregon’s land use laws are frequently invoked as a source of high housing costs and low production. This card is overplayed. Across the nation virtually every community with a growing economy — whether they have strict land use laws or not—faces similar housing shortages. A recent report from Oregon Office of Economic Analysis puts not land use but “financing and availability of credit” –hangovers from the Great Recession—as the prime driver of Oregon’s housing shortage.¹

For all of these reasons, we recommend your **committee reject this bill**. We thank you for the opportunity to comment on SB 1024.

Best regards,



Heather Staten, Executive Director

¹ *Causes of the Great Housing Shortage*, Oregon Office of Economic Analysis, <https://oregoneconomicanalysis.com/2017/04/12/causes-of-the-great-housing-shortage/>