SB 310 A STAFF MEASURE SUMMARY

House Committee On Human Services and Housing

Action Date: 05/18/17

Action: Do pass with amendments. (Printed A-Eng.)

Vote: 9-0-0-0

Yeas: 9 - Gorsek, Keny-Guyer, Meek, Nearman, Noble, Olson, Piluso, Sanchez, Stark

Fiscal: Has minimal fiscal impact **Revenue:** Revenue impact issued

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WHAT THE MEASURE DOES:

Authorizes city or county to designate vertical housing development zone within jurisdictions. Removes Oregon Housing and Community Services Department from designation process. Establishes requirements for city or county to certify vertical housing development projects within zone.

Becomes operative January 1, 2018. Takes effect 91st day after sine die.

ISSUES DISCUSSED:

- Oversight of vertical housing program from state to local jurisdictions
- Potential displacement with development of zone
- Cost of vertical housing development
- Incentives to develop single-family lot to vertical housing development

EFFECT OF AMENDMENT:

Defines displacement as a household forced to moved from current residence due to certain conditions. Requires city and county to consider the potential displacement of households within proposed vertical housing development zone before designating the zone.

BACKGROUND:

The vertical housing development program has existed at the Oregon Housing and Community Services Department (OHCS) since 2005, and its primary purposes are rehabilitation of properties, community revitalization, and augmenting available housing in certain areas. The program encourages mixed-use developments by offering partial property tax exemptions for creating housing in areas that were once zoned non-residential and are now designated for vertical housing development. Oregon law provides that vertical housing development zones must be applied for and approved through OHCS, and OHCS also approves individual vertical housing projects. OHCS is also authorized to develop rules to implement relevant statutes.

Senate Bill 310 A grants local city and county governments the authority to designate vertical housing development zones within their respective jurisdictions and removes OHCS from the designation and project certification process. The measure also establishes requirements for local governments to certify vertical housing development projects within designated vertical housing development zones.

Carrier: Rep. Buehler