

SB 1051 A STAFF MEASURE SUMMARY**Carrier:** Rep. Stark**House Committee On Rules****Action Date:** 07/03/17**Action:** Do pass with amendments. (Printed A-Eng.)**Vote:** 7-0-2-0**Yeas:** 7 - Barreto, Holvey, McLane, Nosse, Rayfield, Smith Warner, Williamson**Exc:** 2 - Hack, Kennemer**Fiscal:** Fiscal impact issued**Revenue:** No revenue impact**Prepared By:** Erin Seiler, LPRO Analyst**WHAT THE MEASURE DOES:**

Requires local jurisdictions to review and make decisions on qualifying affordable housing permit applications within 100 days within urban growth boundary (UGB). Defines "qualifying application." Defines "affordable housing." Exempts cities with population of less than 5,000 and counties with population less than 25,000. Operative July 1, 2018, requires cities and counties approve application if clear and objective development standards for "needed housing" are met. Expands definition of "needed housing" to include affordable housing and housing on land zoned for residential use. Cities and counties may not require developers build below density or height requirements authorized in local zoning code, if it has the effect of reducing density, unless it is necessary for health, safety, or habitability reasons or to comply with statewide planning goals. Operative July 1, 2018, cities and counties must allow at least one accessory dwelling unit (ADU) for each detached single-family home in areas zoned for single-family. Local jurisdictions may impose reasonable regulations including, but not limited to, siting and design on ADUs. Exempts cities with population below 2,500 and counties with population below 15,000 from ADU requirement. Permits development of affordable housing on land owned by religious organizations in areas zoned for residential housing inside UGB and in compliance with applicable land use regulations and zoning criteria. Expands information local jurisdictions with comprehensive plans must report to Department of Land Conservation and Development, in addition to existing reporting requirements. Declares emergency, effective upon passage.

ISSUES DISCUSSED:

- Tools to increase housing construction and production
- Expedited process for affordable housing permit application process
- Construction cost

EFFECT OF AMENDMENT:

Replaces original measure.

BACKGROUND:

State economists have estimated that 111,000 market rate units of housing would need to be built this year to make up the deficit of the past 10 years and keep up with demand from new Oregonians. In addition, Oregon Housing and Communities Services estimates the shortage of available affordable housing for low-income households at over 100,000 units. Senate Bill 1051-A takes steps to expedite the process to bring market rate and affordable housing online.

Landowners in Oregon are required to apply in writing for a permit or zone change for a development project, when the county they reside in has enacted rules or regulations regarding permit and zone change applications (ORS 215.416). Every application submitted to the county is required to have at least one public hearing to determine approval or denial. This decision is made based on the standards and criteria determined by the county zoning ordinances and comprehensive plan for the area. Applications for development projects are not approved if the

SB 1051 A STAFF MEASURE SUMMARY

proposed use of land is found to be in conflict with the comprehensive plan or other land use regulations. Cities and counties are required to take final action on an application for a permit, limited land use decision, or zone change within 120 days after the application is determined to be complete.

Senate Bill 1051-A requires a city or county to review and take final action on application to develop multifamily residential building with five or more units; at least 50 percent of units affordable to households making 60 percent of median family income or below; and available as affordable for at least 60 years, within 100 days after the application is complete. Currently, cities and counties are required to have a set of clear and objective development standards for “needed housing.” The measure strengthens existing statute by clarifying that jurisdictions must approve an application if it meets the clear and objective standards outlined within the city or county comprehensive plan or zoning ordinances. The measure updates the definition of “needed housing” to include affordable housing and housing built on land zoned for residential use so local jurisdictions can assess whether they are providing sufficient affordable housing when completing their housing needs assessments. In addition, the measure maintains existing exemptions from clear and objective standards for Central City Portland, or regional centers as defined by Metro, and historic areas, and the ability for developers to use discretionary process.

In addition, Senate Bill 1051-A allows the development of affordable housing on land owned by religious organizations, that is inside an urban growth boundary (UGB), if the development complies with local land use regulations and allows at least one accessory dwelling unit (ADU) for each single-family home in areas zoned for single-family dwellings. Local jurisdictions may impose reasonable regulations related to approval of ADUs including, but not limited to, design and site-specific consideration like infrastructure.

Finally, the measure expands information that local governments must report to the Department of Land Conservation and Development. They are required to report the number of complete applications received that contain units that are sold or rented below market rate as part of public subsidy program.