

Making Great Communities Happen

February 8, 2019

Representative Alissa Keny-Guyer, Chair House Committee on Human Services and Housing 900 Court Street NE Salem, OR 97301 hhs.exhibits@oregonlegislature.gov

RE: Testimony from the Oregon Chapter of the American Planning Association on HB 2001

Dear Chair Keny-Guyer and Members of the Committee:

This letter provides testimony from the Oregon Chapter of the American Planning Association (OAPA) on HB 2001. OAPA is an independent not-for-profit membership organization of over 950 planners from cities, counties, community-based organizations, and metropolitan areas across the state. OAPA provides leadership in the development of thriving communities by advocating excellence in community planning, promoting education and resident empowerment, and providing the tools and support necessary to meet the challenges of growth and change.

Our Legislative and Policy Affairs Committee (LPAC) has reviewed HB 2001 as introduced, and does not support the bill as drafted. While we support the intention of the bill, we have a few suggestions that we believe will improve the ability for local planners to successfully implement such intentions. OAPA does support the Legislature taking action to address the housing crisis in Oregon, particularly for low-income Oregonians, and offers this testimony to further the discussion and to recommend several potential changes to HB 2001 as drafted. We also offer our help to this committee and the Speaker's office to consider amendments to create a bill that can be passed and will support the development of needed housing across the state.

A Planning Approach to HB 2001

HB 2001 proposes a statewide mandate on all cities over 10,000 and counties over 15,000 to allow missing middle housing types. OAPA believes it is necessary to heavily weight locally assessed needs as the primary driver of any statewide policy to increase housing types and options. After all, the homes that we live in are the building blocks of local communities, and as Oregon's planners we are obligated through Goal 1, (Citizen) Community Involvement to ensure that those who live in the jurisdictions we serve are actively participating in decisions that impact their lives. Before we review our proposed changes to HB 2001, we offer an approach that is more consistent with Statewide Planning Goal 10, Housing, while also satisfying our commitment to the communities we serve:

- 1. Require all jurisdictions to look at their housing inventory, needs, and regulations.
- 2. Remove local barriers so that middle housing types can be implemented where they make the most sense, sensitive to jobs/housing balance, infrastructure, support services, and development opportunity, and in sufficient quantities to meet housing needs.

- 3. Substantially fund technical assistance to communities that need help in doing these things. This investment should adequately support small and larger communities, to ensure that such tasks are completed by 2021.
- 4. Fund Department of Land Conservation and Development (DLCD) coordination and review to certify that jurisdictions have achieved their obligations.

Recommended Amendments to HB 2001

We recommend several changes to the bill before the Committee considers taking a vote. We offer these from the perspective of city and county planners who will implement a final version of this bill if passed.

- 1. Purpose. We understand that the bill is intended to allow more types of housing to be built in single family neighborhoods, with a focus on middle housing types such as duplexes, triplexes and cottage clusters. OAPA supports legislation that encourages communities around Oregon to provide for all types of housing, including middle housing types, in their communities. This is consistent with Statewide Planning Goal 10, Housing. We question the mandate proposed in this section as the means of achieving this result. We value the diversity in local communities and believe that increasing housing types will also greater housing choices for Oregonians with modest means.
- 2. Definitions. Section 2 includes a number of terms that fall under "middle housing." Please consider whether these are defined consistently between statute and other related building codes.
- 3. Population sizes. We have heard from a number of members who work for a smaller jurisdiction that would be subject to this change. Addressing the implementation and impacts of this policy change may present a substantial challenge to smaller jurisdictions with limited resources, particularly those that have small (sometimes single-person) planning staffs, or those that are facing existing infrastructure constraints. As an alternative, we ask you to consider focusing this change on those communities that are in particular need of more housing due to their population growth, low vacancy rates, and/or high number of households that are rent burdened, with associated funding to support such work be completed (See 2018 HB 3006).
- 4. Section (2), (2). This section requires a local government to allow at least one type in each single family zone. We would recommend an amendment to this section to allow the creation of a new zone that would allow more of these types of housing, and offer an option to amend local codes so at least one zone that allows single family dwellings allows middle types of housing.
- 5. Compliance. Regarding Section (3), the proposed time of 18 months to amend codes to comply with this change may not be enough time for many jurisdictions, especially smaller ones where the planning staff is limited to a single planning director or staff planner. Please provide more time for jurisdictions to comply with such a change; one option we would ask you to consider is giving smaller jurisdictions (e.g. less than 25,000) more time to comply.
- 6. Model Code. We support the direction to the Land Conservation and Development Commission, with the assistance of the Building Codes Division, to develop a model code. Regarding this topic, we recommend this work include reaching out to jurisdictions that have made this change to their codes to get their experience. With respect to Section (3), (3), we oppose requiring local governments to use the

model code if they have not adopted one by December 31, 2020. The purpose of model code is to provide examples that will inform local decision making.

- 7. Application of the Residential Building Codes to new construction. OAPA understands the desire to reduce barriers to the construction of middle housing but not when it comes at a cost of demolishing existing, habitable housing that most often can be remodeled or repurposed to provide additional middle housing options at a lower cost than new construction and with fewer environmental impacts. Converted basement and attic apartments in existing structures of the conversion of larger single family homes into triplexes or fourplex units will always be less expensive then new construction. Therefore, if the goal is to provide middle housing that is as affordable as possible, we must incentivize internal conversions to make them a desirable as demolition and new construction. A local government has only a limited means of providing this incentive such as reducing barriers to internal conversion imposed by building codes (that would not otherwise apply if a single family house contained a single family of 8 persons but would preclude housing the same 8 people in 4 units inside the same outside structure), waiver or reductions in system development charges and additional density bonuses. The proposed draft offers the same incentives to new construction as internal conversion thereby failing to prioritize middle housing when provided within existing housing stock.
- 8. System Development Charge collection. We have reviewed Section (6) and believe this section needs to be clarified. As written, we have different views among our committee members as to when a local government could lawfully collect the SDCs for a middle housing development.
- 9. Appropriation of Funds. Regarding Section (10), OAPA recommends that adequate funding be appropriated to develop a sound model code. We recommend that adequate funds for technical assistance, model code development, and enforcement, be appropriated for DLCD. Before proceeding to make enforcement a priority, we strongly suggest DLCD be given adequate funding to support the development of local code changes that will encourage the development of middle types housing.

Thank you for your time and attention to our testimony.

Sincerely,

Kirsten Tilleman, AICP, President

Board of Directors

Damian Syrnyk, Chair

Legislative and Policy Affairs Committee