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March 5, 2019

Chair Clem
Members of the Senate Agriculture & Land Use Committee
State Capitol
900 Court Street NE
Salem, OR 97301

Re: HB 2003

Dear Chair Clem and Committee Members:

Thank you for the opportunity to provide testimony in support of HB 2003. We expect the bill language will be revised, and therefore we have focused on the major concepts of the bill that we support. 1000 Friends of Oregon is a nonprofit, membership organization that has worked with Oregonians for more than 40 years to support livable urban and rural communities; protect family farms, forests and natural areas; and provide transportation and housing choice.

Our work includes ensuring that the promise of Oregon's Goal 10, Housing, is implemented inside our cities and towns with policies that both encourage and require needed, diverse, and affordable housing choices *for all*. Specifically, Goal 10 requires that the local land use plans of every town and city:

“encourage the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing location, type and density.”

Goal 10 includes specific planning implementation guidelines for cities to achieve this, including:

“In addition to inventories of buildable lands, housing elements of a comprehensive plan should, at a minimum, include: (1) a comparison of the distribution of the existing population by income with the distribution of available housing units by cost; (2) a determination of vacancy rates, both overall and at varying rent ranges and cost levels; (3) a determination of expected housing demand at varying rent ranges and cost levels; (4) allowance for a variety of densities and types of residences in each community; and (5) an inventory of sound housing in urban areas including units capable of being rehabilitated.

“Plans should provide for a continuing review of housing need projections and should establish a process for accommodating needed revisions.”

This Goal 10 direction to cities has been on the books for 40 years. Yet we know that, for a variety of reasons, most Oregon cities have not undertaken the necessary analysis to update their residential zoning to meet the diversity of needed housing types in the right locations, and most cities have elements in their local zoning codes that can place unnecessary and costly hurdles to developing housing on lands zoned for residential use. The reasons for this include lack of funding, lack of local staff capacity, and local political opposition to the changes necessary to meet the housing needs of all Oregonians.

HB 2003 helps address some of these reasons, by directing the Oregon Office of Economic Analysis to develop a **Regional Housing Needs Analysis** methodology, and then to use that to identify the total number of housing units, by housing type and affordability levels, needed in each region and city. This activity alone will provide objective, technical information that is absolutely necessary for cities and all of us to understand not just the housing needs in our own communities, but also how those fit into the overall needs of the region and state.

Having the state provide this information to cities allows cities to focus local resources on developing and implementing a local **housing strategy** to address any identified housing shortages. DLCD and OHCS are both charged to provide model policies and practices to assist cities in developing these strategies.

HB 2003 also provides funding for DLCD to prioritize **technical support and oversight** and other assistance to up to 10 cities that are having difficulty in implementing their housing strategies. DLCD must report to the legislature annually and can also ask the Land Conservation and Development Commission to take certain enforcement actions.

Finally, we support allowing **affordable housing on the narrow categories of public property** as described in the bill. As is clear in the bill, this does not include preserved as open space or parks.

We look forward to continuing to work on HB 2003. Thank you for consideration of our comments.

Sincerely,

A handwritten signature in black ink that reads "Mary Kyle McCurdy". The signature is written in a cursive, flowing style.

Mary Kyle McCurdy
Deputy Director