



Testimony in Support of House Bill 2003  
(-4 and -5 Amendments)  
House Committee on Agriculture and Land Use

Speaker of the House Tina Kotek  
April 2, 2019

Chair Clem, members of the committee, thank you for the opportunity to testify in support of House Bill 2003 with the -4 and -5 amendments.

When I was here a few weeks ago, I let you know that I was working on a significant re-write of the housing production strategies portion of this bill. The -4 amendment replaces sections 1 through 11 of the bill, making those sections much easier to interpret than the original bill.

As a brief reminder, this bill is designed to improve our implementation of Goal 10, our statewide housing goal, so that we live up to its intent. Implementation of this goal requires that we “provide for the housing needs of citizens of the state,” and “...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.”

The bill is also designed to address barriers to development.

House Bill 2003 would help our state reach its housing supply needs as envisioned by our land use system, while providing local jurisdictions the resources they need to accommodate future growth.

House Bill 2003, with the -4 amendment, would:

**Enhance Local Accountability to Achieve Goal 10 Obligations**

- Direct the Office of Economic Analysis [in the bill as referenced to the Department of Administrative Services] to develop a Regional Housing Needs Analysis (RHNA) methodology to identify the total number of housing units (by housing type and level of affordability) needed to meet each city’s and region’s demand. The Department of Land Conservation and Development (DLCDD) would explore whether we could move toward a statewide assessment of our housing need in the future and report to the Legislature.

- Require each city to estimate their 20-year local housing need every eight years and Metro to estimate their 20-year local housing need every six years on a schedule set by the Land Conservation and Development Commission (LCDC).
- Require cities to develop and adopt a housing strategy, i.e., a list of policy actions and measures that would demonstrably lead to greater residential development to meet local housing needs. LCDC would set the schedule to complete housing production strategies, 12 months after the scheduled completion of a housing needs analysis.
- Direct Oregon Housing and Community Services (OHCS) and DLCD to provide a list of potential policies to local governments that are shown to encourage housing development (e.g., density bonuses, system development charge waivers for affordable housing, etc.).
- Direct LCDC to develop criteria to identify cities that are experiencing difficulty implementing their housing strategy or achieving production of needed housing in their jurisdiction. DLCD may review cities under the criteria adopted by LCDC.
- Allow DLCD to prioritize technical assistance resources for those communities identified under the criteria adopted by LCDC or provide enhanced review and oversight of their housing strategy. DLCD may enter into agreements with local jurisdictions relating to their modification or implementation of their housing strategy.
- Expands LCDC's statutory authority to issue an order requiring a local jurisdiction to amend its comprehensive plan or land use regulations to comply with statewide land use planning goals, including Goal 10.
- Direct DLCD to report to the Legislature each year on their enhanced support and oversight actions.

### **Address Miscellaneous Local Barriers to Housing Production**

- Remove the provisions related to system development charges (SDCs) that were in the original bill. I plan to support a work group on the topic of SDCs during the interim.
- Provide attorney fees for representatives of affordable housing projects at the Land Use Board of Appeals, if the representative prevails.
- Require a local jurisdiction that makes reduction in density a condition of approval for a housing development prove that the reduction is necessary for a health, safety, or habitability reason.

In addition to addressing local barriers to housing production that are unchanged from the bill as introduced, the -5 amendment would also address a barrier that is deterring much needed housing development. For the purpose of reducing development costs and expediting housing

development, the Building Codes Division of the Department of Consumer and Business Services (DCBS) has drafted model plans for housing that meets the statewide building codes.

However, DCBS architects working on these plans are individually liable, as opposed to DCBS being liable for the plans created on their behalf. This creates a barrier to producing and distributing these plans.

**Model Housing Plans (-5 amendment)**

- The -5 amendment would shift legal liability from a DCBS employee to DCBS itself, in the very narrow instance that an employee is developing a model plan authorized under ORS 455.062.
- Model plans are one tool to lower the cost of development and expedite development, and we should encourage innovation at the agency level by ensuring that employers, not individual employees, assume legal liability.

I appreciate all the great work being done at the local level to address the housing crisis, and yet we all need to step up and do more. I support more planning resources to local governments to help get this done and have added a \$1.5 million appropriation to local governments to complete the housing production strategies required in this bill. House Bill 2003, with the -4 and -5 amendments, will facilitate this work as we continue finding creative ways to solve the supply side part of our housing crisis.

Thank you for your time. I hope you will join me in supporting House Bill 2003 with the -4 and -5 amendments.