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June 11, 2019

Co-Chairs Sen. Manning and Rep. Gomberg and Members
Transportation & Economic Development Subcommittee, Joint Ways & Means Committee
State Capitol
900 Court Street NE
Salem, OR 97301

Re: HB 2003A

Dear Co-Chairs Sen. Manning and Rep. Gomberg and Committee Members:

Thank you for the opportunity to provide testimony in support of HB 2003A. 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.

HB 2003A helps the state and cities to carry out and implement analyses to implement Oregon's land use planning Goal 10, which includes specific planning implementation guidelines, 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."

Although this Goal 10 direction to cities has been on the books for 40 years, 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 2003A helps address this critical need, by improving the ability of all Oregon cities to provide adequate housing capacity. It also has been amended to respond to concerns raised about the original bill. HB 2003A, among other things:

- Directs three state agencies the Oregon Department of Administrative Services, the Department of Land Conservation and Development, and the Housing and Community Services Department to coordinate in developing a methodology to conduct regional housing needs analysis (RHNA).
- Directs the OEA to use that methodology to conduct a RHNA for each of the state's 11 regions.
- Requires an inventory of existing housing stock and establish a housing shortage analysis.
- Requires reports to the Legislature regarding the regional housing needs analyses and housing shortage analyses.
- Cities over 10,000 in population must adopt a "housing production strategy," by a date certain, to address any housing shortage identified.
- The strategy must be reviewed and approved by the Land Conservation & Development Commission.
- Directs cities to implement their housing strategy within the periodic review structure.
- Authorizes DLCD to award available funds for technical review and oversight to achieve this bill's purpose.

These activities will provide the 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.

Thank you for consideration of our comments.

Mary Kyle McCurdy

Sincerely,

Mary Kyle McCurdy Deputy Director