

June 11, 2019

Good afternoon Chair Manning, Chair Gomberg, and members of the Committee,

My name is Madeline Kovacs, and I am proud to testify before you today in support of HB 2001, on behalf of Sightline Institute. Sightline is a Pacific Northwest regional think tank, focused on issues of sustainability and environmental stewardship. We have become increasingly focused on housing over the past few years, as it becomes ever more clear the impact that our housing and land use decisions are having on our quality of life, our natural resources, and the planet.

Sightline supports HB 2001 because the bill will help relieve housing pressure across the state, will provide less-expensive housing options to middle-income and workforce families, and will also support and strengthen our landmark land use planning system.

After much back-and-forth and careful consideration, **HB 2001 strikes an appropriate balance between local control and the need for statewide action:** The bill ensures that all major jurisdictions participate in housing Oregonians affordably. Statewide, we have a shortfall of over 150,000 homes - and we're currently only adding one home per three new households. The bill also gives cities flexibility to design their own specific rules, and gives technical assistance resources to help them implement the bill successfully. But it acknowledges that we have a statewide housing shortage, and a statewide affordable housing crisis, and we need to address both together.

HB 2001 is supported by affordable housing providers: For affordable housing builders like Habitat for Humanity, the cost savings of being able to build more homes on the same amount of land is becoming critical to their success: Because land costs continue to climb, nonprofits are ALSO being priced out of many single-detached areas: already building townhomes and small plexes as part of their affordable housing strategy. As Steve Messinetti put it on OPB last week, "Missing Middle is the perfect affordable family home." Over and over again, Habitat is finding that there isn't enough land zoned in ways that allow the modest, comfortable homes Habitat and other nonprofits build. When cities jump from single-detached-only to apartment buildings, all these middle options for first-time homebuyers are left out.

HB 2001 also helps with housing affordability in another key way: Housing markets, and therefore housing solutions, operate along a continuum. So, while the bill might primarily directly assist those looking for middle-income and workforce housing, or a cheaper option for a potential first-time homebuyer, each two or more homes that cost a fraction of their huge single-detached counterpart have ripple effects throughout the housing market. For example:

- One or more less households is competing for an apartment: *Where would this person have gone if not for this housing option? They're now not out-competing someone else.*
- With less of a housing affordability crunch overall, we get to spend housing subsidy dollars where we most need to: on our very low-income residents. And,

- Dollars for affordable housing can also go further, statewide, when the gap that needs to be subsidized is reduced.

HB 2001 makes our cities age-friendly: Many thousands of Oregonians are struggling to figure out how they'll survive in retirement. For people who are land-rich but cash-poor, internally dividing or remodeling their home into a duplex or triplex is a way to create a long-term income stream without becoming a roommate. It can help extended families live together gracefully. Because federal law requires the fourth unit in a structure to be wheelchair-accessible, it could sharply boost housing for people with disabilities just as our first Boomers turn 75.

HB 2001 directly implements Oregon's Land Use system: Building more homes in walkable communities with better access to transit and services is exactly what we should continue to do to protect Oregon's farms and forests. Indeed, since 1973, Oregon's statewide land use law has required cities to provide housing for Oregonians of every income: We are supposed to plan for housing options at densities and price-points that work for ALL our residents, and we are falling behind.

Goal 10 - Housing - Explicitly states: "Plans shall encourage the availability of adequate numbers of 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."

HB 2001 repeals exclusionary zoning: Single-detached-only zoning has roots in classist and racist history. While that's certainly not the intent of cities today, we still have a legacy of income and racial segregation in our cities. Having a wider variety of homes in every neighborhood at a wider variety of prices is one of many things we can do to reverse these trends.

Smaller cities across Oregon are already changing their codes because of the benefits to housing affordability, and allowing more people to live closer to job centers:

- Tigard recently legalized duplexes on every lot, corner quads, 2-story garden apts and cottage clusters on larger lots in low density zones
- Talent, a smaller city between Medford and Ashland, *wouldn't be affected by HB2001 but is legalizing middle housing anyway*. 15% of homes in Talent are actually "middle" housing types already. Talent leaders know they're affected by policies in Ashland and Medford, indeed, by policies across the state.

Housing policy is climate policy: As recently reported by Sightline, building smaller and attached homes can yield enormous energy savings. Simply letting three lots be developed as a duplex, a triplex, and a fourplex instead of three large single-detached homes cuts one block's per-home carbon emissions by about 20%, based on Oregon DEQ's own calculations, without any changes at all to the other 15 homes on the block. A typical new 2,300 square foot home is responsible for nearly 60 percent more emissions than a home approximately half its size over its lifespan, from construction to demolition. Neither of these statistics even begins to take into account the additional potential for emissions reductions in allowing people to have shorter commutes, creating neighborhoods that can support walkable retail, or enable better public transportation. As the green

building advocate Payton Chung recently wrote, "Millions of Americans want to spend billions of their own dollars to cut their carbon emissions in half, if only local zoning would let them."

The bill before you today is also not a stand-alone option: It is part of a suite of housing bills this session, which, together will help address our affordable housing crisis.

HB 2001 has been carefully crafted, substantially amended and improved, and I urge you to pass this important legislation on for consideration by both full chambers.

Sincerely,

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