

HOUSE AMENDMENTS TO A-ENGROSSED HOUSE BILL 2003

By JOINT COMMITTEE ON WAYS AND MEANS

June 20

1 On page 1 of the printed A-engrossed bill, line 3, delete “197.830,” and after “455.062” insert
2 “and section 1, chapter 47, Oregon Laws 2018”.

3 Delete pages 2 and 3 and insert:

4 **“SECTION 1. (1) As used in this section:**

5 **“(a) ‘Area median income’ means the median income for households established by the**
6 **United States Department of Housing and Urban Development.**

7 **“(b) ‘Existing housing stock’ means housing, by affordability level and type, actually**
8 **constructed in a city or Metro.**

9 **“(c) ‘High income’ means above 120 percent of the area median income.**

10 **“(d) ‘Housing shortage’ means the difference between the estimated housing units of**
11 **different affordability levels and housing types needed to accommodate the existing popu-**
12 **lation and the existing housing stock, measured in dwelling units.**

13 **“(e) ‘Low income’ means income above 50 percent and at or below 80 percent of the area**
14 **median income.**

15 **“(f) ‘Metro’ means a metropolitan service district organized under ORS chapter 268.**

16 **“(g) ‘Moderate income’ means income above 80 percent and at or below 120 percent of the**
17 **area median income.**

18 **“(h) ‘Region’ has the meaning given that term in ORS 284.752.**

19 **“(i) ‘Very low income’ means income at or below 50 percent of the area median income.**

20 **“(2) The Housing and Community Services Department, in coordination with the De-**
21 **partment of Land Conservation and Development and the Oregon Department of Adminis-**
22 **trative Services, shall develop a methodology for calculating:**

23 **“(a) A regional housing needs analysis that identifies the total number of housing units**
24 **necessary to accommodate anticipated populations in a region over the next 20 years based**
25 **on:**

26 **“(A) Trends in density and in the average mix of housing types of urban residential de-**
27 **velopment;**

28 **“(B) Demographic and population trends;**

29 **“(C) Economic trends and cycles; and**

30 **“(D) Equitable distribution of publicly supported housing within a region.**

31 **“(b) An estimate of existing housing stock of each city and Metro.**

32 **“(c) A housing shortage analysis for each city and Metro.**

33 **“(d) An estimate of the number of housing units necessary to accommodate anticipated**
34 **population growth over the next 20 years for each city and Metro.**

35 **“(3) The methodologies for calculating the regional housing needs analysis, the estimate**

1 of existing housing stock, the housing shortage analysis and the estimate of housing neces-
2 sary to accommodate growth that are developed under subsection (2) of this section must
3 classify housing by:

4 “(a) Housing type, including attached and detached single-family housing, multifamily
5 housing and manufactured dwellings or mobile homes; and

6 “(b) Affordability, by housing that is affordable to households with:

7 “(A) Very low income;

8 “(B) Low income;

9 “(C) Moderate income; or

10 “(D) High income.

11 “(4) No later than September 1, 2020, the Housing and Community Services Department,
12 in coordination with the Department of Land Conservation and Development and the Oregon
13 Department of Administrative Services, shall conduct for each region a regional housing
14 needs analysis and, for each city and Metro, shall estimate existing housing stock, conduct
15 a housing shortage analysis and estimate the housing necessary to accommodate growth.

16 “(5) In developing the methodologies and conducting the analyses under this section, the
17 Housing and Community Services Department may:

18 “(a) Consult or contract with subject matter experts, cities and Metro, regional solutions
19 centers described in ORS 284.754 (2) and other jurisdictions that have created or conducted
20 regional housing needs analyses.

21 “(b) Consider the most recent consolidated population forecast produced by the Portland
22 State University Population Research Center in making any relevant calculation or forecast.

23 “(c) Consider any other relevant existing analyses, data and other information collected
24 or produced by state agencies or public entities.

25 “(d) Make changes to the regional boundaries in order to make regions more accurately
26 align with shared employment, transportation or housing market dynamics.

27 “SECTION 2. (1) No later than March 1, 2021, the Housing and Community Services De-
28 partment, in consultation with the Department of Land Conservation and Development and
29 the Oregon Department of Administrative Services, shall submit a report, in the manner
30 provided in ORS 192.245 to an appropriate committee of the Legislative Assembly, that sum-
31 marizes the findings of the regional housing needs analysis, estimate of housing stock,
32 housing shortage analysis and estimate of housing necessary to accommodate growth con-
33 ducted under section 1 (4) of this 2019 Act.

34 “(2) No later than March 1, 2021, the Department of Land Conservation and Development,
35 in consultation with the Oregon Department of Administrative Services and the Housing and
36 Community Services Department, shall submit a report, in the manner provided in ORS
37 192.245, to an appropriate committee of the Legislative Assembly that evaluates:

38 “(a) Whether a regional housing needs analysis and housing shortage analysis described
39 in section 1 of this 2019 Act could appropriately allocate among the cities or local govern-
40 ments in a region the housing shortage described;

41 “(b) How a regional housing needs analysis and housing shortage analysis may compare
42 to existing assessments of housing need and capacity conducted by local governments under
43 ORS 197.296 (3) and (10) in terms of:

44 “(A) Cost and cost effectiveness;

45 “(B) Reliability and accuracy;

1 **“(C) Repeatability; and**
2 **“(D) Predictability;**
3 **“(c) How a regional housing needs analysis and housing shortage analysis may relate to**
4 **statewide planning goals related to housing and any rules and policies adopted pursuant to**
5 **these goals and ORS 197.295 to 197.314;**
6 **“(d) Whether different boundaries would be more appropriate for defining regions within**
7 **the regional housing needs analysis based on:**
8 **“(A) Relevance of data in appropriately defining a commuting, employment or housing**
9 **market; or**
10 **“(B) Ease or cost of collecting or analyzing data;**
11 **“(e) Other ways in which the regional housing needs analysis or housing shortage anal-**
12 **ysis could be improved; and**
13 **“(f) Whether the regional housing needs analysis, or an improved version, could serve**
14 **as an acceptable methodology statewide for land use planning relating to housing.**
15 **“(3) In preparing the report required under subsection (2) of this section, the Department**
16 **of Land Conservation and Development may consult or contract with other state agencies,**
17 **subject matter experts, private firms, local governments, regional solutions centers de-**
18 **scribed in ORS 284.754 (2) and other jurisdictions that have created or conducted regional**
19 **housing needs analyses.”.**
20 On page 4, line 1, delete “2” and insert “3” and delete “3 to 5” and insert “4 to 6”.
21 In line 3, delete “3” and insert “4”.
22 Delete lines 9 and 10 and insert:
23 “(c) A date scheduled by the Land Conservation and Development Commission following the al-
24 location of housing capacity to the city by a metropolitan service district under ORS 197.299
25 (2)(d).”.
26 In line 13, delete “shortage” and insert “need”.
27 In line 18, delete “and”.
28 In line 20, delete the period and insert “; and
29 “(c) The development of a plan to access resources available at local, regional, state and na-
30 tional levels to increase the availability and affordability of needed housing.”.
31 Delete lines 32 through 35 and insert:
32 “(4) The housing production strategy must include within its index a copy of the city’s most
33 recently completed survey under section 1 (2), chapter 47, Oregon Laws 2018.
34 “(5) The adoption of a housing production strategy is not a land use decision and is not subject
35 to appeal or review except as provided in section 5 of this 2019 Act.”.
36 In line 36, delete “4” and insert “5”.
37 In line 37, delete “3” and insert “4”.
38 In line 44, delete “5” and insert “6”.
39 On page 5, line 3, delete “five” and insert “10”.
40 In line 8, delete “90” and insert “45”.
41 In line 12, delete “5” and insert “6”.
42 In line 16, delete “5” and insert “6”.
43 In line 21, delete “5” and insert “6” and after “Commission” insert “, in consultation with the
44 Housing and Community Services Department,”.
45 In line 25, delete “3” and insert “4”.

1 In line 28, delete “Total”.

2 In line 33, delete “3” and insert “4”.

3 In line 38, after “department” insert “of Land Conservation and Development” and delete “pe-

4 riodically”.

5 After line 42, insert:

6 “(c) Requiring a report and explanation if a city does not implement an action within the ap-

7 proximate time frame scheduled within a housing production strategy;”.

8 In line 43, delete “(c)” and insert “(d)”.

9 In line 45, delete “(d)” and insert “(e)”.

10 On page 6, after line 2, insert:

11 **“SECTION 7. No later than December 31, 2019, the Land Conservation and Development**

12 **Commission shall adopt a schedule by which metropolitan service districts and cities de-**

13 **scribed in ORS 197.296 (2)(a)(B) and (10)(c)(B) shall demonstrate sufficient buildable lands.**

14 **Dates in the schedule may not be earlier than two years following the commission’s creation**

15 **of rules implementing sections 4 to 6 of this 2019 Act and the amendments to ORS 197.296**

16 **and 197.299 by sections 8 and 9 of this 2019 Act.”.**

17 In line 3, delete “6” and insert “8”.

18 On page 8, lines 28 through 36, restore the bracketed material and delete the boldfaced material.

19 On page 9, delete lines 12 through 15.

20 In line 16, delete “8” and insert “9”.

21 Delete lines 35 through 37 and insert:

22 “(e) Cities to which housing capacity is allocated under paragraph (d) of this subsection shall

23 take steps, at least once every six years as scheduled by the Land Conservation and Development

24 Commission, to demonstrably increase the likelihood that residential development will occur at

25 densities sufficient to accommodate housing needs for the next 20 years as required by ORS 197.296

26 (6)(b).”.

27 In line 38, delete “Land Conservation and Development”.

28 On page 10, line 39, delete “9” and insert “10”.

29 On page 11, line 15, delete “10” and insert “11”.

30 In line 37, delete “11” and insert “12”.

31 On page 12, line 29, delete “3” and insert “4”.

32 After line 29, insert:

33 **“SECTION 13.** Section 1, chapter 47, Oregon Laws 2018, is amended to read:

34 **“Sec. 1.** (1) For purposes of this section:

35 “(a) A household is severely rent burdened if the household spends more than 50 percent of the

36 income of the household on gross rent for housing.

37 “(b) A regulated affordable unit is a residential unit subject to a regulatory agreement that runs

38 with the land and that requires affordability for an established income level for a defined period of

39 time.

40 “(c) A single-family unit may be rented or owned by a household and includes single-family

41 homes, duplexes, townhomes, row homes and mobile homes.

42 “(2)(a) The Housing and Community Services Department shall annually provide to the govern-

43 ing body of each city in this state with a population greater than 10,000 the most current data

44 available from the United States Census Bureau, or any other source the department considers at

45 least as reliable, showing the percentage of renter households in the city that are severely rent

1 burdened.

2 “(b) [*The Housing and Community Services Department, in collaboration with*] The Department
3 of Land Conservation and Development, **in consultation with the Housing and Community Ser-**
4 **vices Department**, shall develop a survey form on which the governing body of a city may provide
5 specific information related to the affordability of housing within the city, including[, *but not limited*
6 *to:*]

7 “[*(A)*] the actions relating to land use and other related matters that the [*governing body*] **city**
8 has taken to **encourage the development of needed housing**, increase the affordability of housing
9 and reduce rent burdens for severely rent burdened households[; *and*].

10 “[*(B)* *The additional actions the governing body intends to take to reduce rent burdens for severely*
11 *rent burdened households.*]

12 “(c) [*If the Housing and Community Services Department determines that at least 25 percent of the*
13 *renter households in a city are severely rent burdened,*] The Department **of Land Conservation and**
14 **Development** shall provide the governing body of the city with the survey form developed pursuant
15 to paragraph (b) of this subsection.

16 “(d) The governing body of the city shall return the completed survey form to the [*Housing and*
17 *Community Services Department and the*] Department of Land Conservation and Development [*within*
18 *60 days of receipt*] **at least 24 months prior to a deadline for completing a housing production**
19 **strategy under section 4 of this 2019 Act.**

20 “(3)(a) In any year in which the governing body of a city is informed under this section that at
21 least 25 percent of the renter households in the city are severely rent burdened, the governing body
22 shall hold at least one public meeting to discuss the causes and consequences of severe rent burdens
23 within the city, the barriers to reducing rent burdens and possible solutions.

24 “(b) The Housing and Community Services Department may adopt rules governing the conduct
25 of the public meeting required under this subsection.

26 “(4) No later than February 1 of each year, the governing body of each city in this state with
27 a population greater than 10,000 shall submit to the Department of Land Conservation and Devel-
28 opment a report for the immediately preceding calendar year setting forth separately for each of the
29 following categories the total number of units that were permitted and the total number that were
30 produced:

31 “(a) Residential units.

32 “(b) Regulated affordable residential units.

33 “(c) Multifamily residential units.

34 “(d) Regulated affordable multifamily residential units.

35 “(e) Single-family units.

36 “(f) Regulated affordable single-family units.”.

37 In line 30, delete “12” and insert “14” and delete “13” and insert “15”.

38 In line 31, delete “13” and insert “15”.

39 In line 37, delete “shall” and insert “may”.

40 Delete line 39 and insert:

41 “(a) The real property is not inventoried as a park or open space as a protective measure pur-
42 suant to a statewide land use planning goal;”.

43 In line 41, delete “surrounded by” and insert “adjacent to”.

44 In line 44, delete “sur-”.

45 In line 45, delete “rounding” and insert “adjacent”.

1 On page 13, delete lines 11 through 45 and delete pages 14 and 15.

2 On page 16, delete lines 1 through 21 and insert:

3 **“SECTION 16. Notwithstanding ORS 197.646, a local government required to comply with**
4 **the amendments to ORS 197.312 by section 6, chapter 745, Oregon Laws 2017, shall adopt land**
5 **use regulations, or adopt amendments to its comprehensive plan, to comply with the**
6 **amendments to ORS 197.312 by section 6, chapter 745, Oregon Laws 2017, no later than the**
7 **effective date of this 2019 Act.”.**

8 In line 22, delete “19” and insert “17”.

9 On page 17, line 18, delete “has the burden of proving” and insert “must adopt findings sup-
10 ported by substantial evidence demonstrating”.

11 On page 19, line 32, delete “20” and insert “18”.

12 On page 20, line 28, delete “has the burden of proving” and insert “must adopt findings sup-
13 ported by substantial evidence demonstrating”.

14 On page 22, line 33, delete “21” and insert “19”.

15 On page 23, line 26, delete “22” and insert “20”.

16 On page 24, line 19, delete “23” and insert “21”.

17 Delete lines 41 through 45.

18 On page 25, delete lines 1 through 19 and insert:

19 **“SECTION 22. In addition to and not in lieu of any other appropriation, there is appro-**
20 **riated to the Department of Land Conservation and Development, for the biennium begin-**
21 **ning July 1, 2019, out of the General Fund, the amount of \$1,000,000, to provide technical**
22 **assistance to local governments to implement sections 4 to 6 and 15 of this 2019 Act and the**
23 **amendments to ORS 197.296, 197.299, 197.303, 197.319, 197.320, 215.416, 215.441, 227.175 and**
24 **227.500 and section 1, chapter 47, Oregon Laws 2018, by sections 8 to 13 and 17 to 20 of this**
25 **2019 Act.**

26 **“SECTION 23. In addition to and not in lieu of any other appropriation, there is appro-**
27 **riated to the Housing and Community Services Department, for the biennium beginning July**
28 **1, 2019, out of the General Fund, the amount of \$655,274, for research, administration and**
29 **reporting that relate to a regional housing needs analysis described in section 1 of this 2019**
30 **Act.**

31 **“SECTION 24. (1) Sections 4 to 6 of this 2019 Act and the amendments to ORS 197.296,**
32 **197.299, 197.303, 197.319 and 197.320 and section 1, chapter 47, Oregon Laws 2018, by sections**
33 **8 to 13 of this 2019 Act become operative on January 1, 2020.**

34 **“(2) The Land Conservation and Development Commission, the Department of Land**
35 **Conservation and Development and the Housing and Community Services Department may**
36 **take any action before the operative date specified in subsection (1) of this section that is**
37 **necessary for the departments and the commission to exercise, on or after the operative date**
38 **specified in subsection (1) of this section, all of the duties, functions and powers conferred**
39 **on the departments and the commission by sections 4 to 6 of this 2019 Act and the amend-**
40 **ments to ORS 197.296, 197.299, 197.303, 197.319, 197.320 and section 1, chapter 47, Oregon Laws**
41 **2018, by sections 8 to 13 of this 2019 Act.”.**

42 In line 20, delete “27” and insert “25”.

43