

HB 3138 STAFF MEASURE SUMMARY

House Committee On Housing and Homelessness

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Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 2/9

WHAT THE MEASURE DOES:

Appropriates, for biennium beginning July 1, 2023, \$30 million in General Fund moneys to Department of Administrative Services for a grant to the Regional Rural Revitalization Strategies Consortium. Establishes Regional Rural Revitalization Strategies Consortium as intergovernmental agreement providing: housing planning, infrastructure, capital equipment and predevelopment costs, and grant and loan awards to housing capacity builders and developers for public private partnerships. Allows funding to be used to support housing development in all areas of the state except for within the urban growth boundary of a city with population greater than 50,000.

FISCAL: May have fiscal impact, but no statement yet issued

REVENUE: May have revenue impact, but no statement yet issued

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

According to the Department of Land Conservation and Development (DLCD), Oregon needs to develop more than 550,000 new housing units across income levels to accommodate 20 years of population growth and to account for current underproduction and the lack of units for people experiencing homelessness. DLCD estimates that approximately 49 percent of this housing will require public subsidy. The department reported in its February 2021 Regional Housing Needs Analysis report that underproduction can be attributed to high land and construction costs, inadequate infrastructure, and limited local government capacity, among other factors. The Oregon Office of Economic Analysis has reported on the longer-term impacts of housing production, including slowing economic growth and potential increased displacement of Oregonians who cannot afford to rent or buy a home.

House Bill 3138 establishes the Regional Rural Revitalization Strategies Consortium to provide technical support and housing development grants and loans to capacity builders and developers for public private partnerships. Funding is directed at rural communities across the state with a population of 50,000 or less.