

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: HB 3174 - 2**

82nd Oregon Legislative Assembly – 2023 Regular Session

Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

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Measure Description:

Requires Oregon Department of Administrative Services to provide grants to local governments for regional housing coordinators.

Government Unit(s) Affected:

Counties, Department of Land Conservation and Development, Cities, Department of Administrative Services, Housing and Community Services Department

Summary of Fiscal Impact:

Costs related to the measure may require budgetary action - See analysis.

Summary of Expenditure Impact:

	2023-25 Biennium	2025-27 Biennium
Department of Administrative Services		
General Fund		
Personal Services	\$155,144	\$215,217
Services and Supplies	\$511,864	\$16,232
Special Payments	\$51,100,000	\$500,000
Total General Fund	\$51,767,008	\$731,449
Total Fiscal Impact	\$51,767,008	\$731,449
<i>Total Positions</i>	1	1
<i>Total FTE</i>	0.75	1.00

Analysis: The measure directs the Department of Administrative Services (DAS) to consult with the Department of Land Conservation and Development (DLCD) and the Housing and Community Service Department (HCSD) to provide grants to councils of government and economic development districts to support housing and community development capacity for cities, counties, and tribes. The measure appropriates \$51,450,000 General Fund to DAS. The measure takes effect on the 91st day after the Legislature adjourns sine die.

The measure directs DAS to distribute grants as follows:

- \$5 million to councils of government and economic development districts to support housing and community development capacity within cities and counties and the nine federally recognized tribes in this state.
- \$45 million to cities or counties, or with support of cities and counties within a region, to a council of governments or a partnership among local governments to support costs associated with the city review and approval of needed housing developments.
- \$500,000 to the Association of Oregon Counties (AOC) and the League of Oregon Cities (LOC) equally to develop a statewide education program to explain Oregon’s land use system.
- \$600,000 to AOC and LOC equally to recruit and hire a state housing liaison for each entity.

The measure also appropriates \$100,000 to DAS for the Office of Economic Analysis, in consultation with DLCDC and HCSD, to conduct a survey of local governments' use of staff time required to produce housing on or before September 15th of each year. However, DAS reports that it does not have the resources within the Office of Economic Analysis to conduct the survey and would hire consultants to conduct the survey. DAS estimates this will cost \$250,000 per year, for a total of \$500,000 a biennium.

The measure appropriates \$250,000 to DAS for administration of grants and reports required by the measure. DAS states the agency will need one Operation and Policy Analyst 2 position (0.75 FTE) to manage the grants and reports required by the measure at a cost of \$167,008.

AOC, LOC, and HCSD anticipate no fiscal impact due to this measure. DLCDC anticipates a minimal fiscal impact due to this measure.