

HB 2225 – DLCD/OHCS AFFORDABLE HOUSING LEGISLATIVE CONCEPT

PURPOSE:

This concept would establish a Pilot Program to encourage up to five cities to provide “sites dedicated to affordable housing” within urban growth boundaries (UGBs). The concept would direct the Land Conservation and Development Commission (LCDC) – in coordination with the Oregon Department of Housing and Community Services – to adopt rules for conducting the pilot project and selecting a limited number of local governments (up to five) to provide sites dedicated to affordable housing under some special provisions in the legislation and LCDC rules. The legislation would authorize pilot cities to designate sites dedicated to affordable housing through an expedited process for UGB expansion, or through other methods as may be specified in agency rules. LCDC and OHCS would evaluate the results of this pilot program and report to the 2011 legislature regarding the results.

BRIEF DESCRIPTION OF THIS CONCEPT:

The concept is intended to test one of several ideas being developed by a special work group appointed by LCDC to investigate ways to lower housing costs, including barriers to affordable housing, and to encourage the provision of more “affordable housing” statewide. LCDC is interested in pursuing new strategies to reduce the cost of housing in Oregon. The concept also responds to recent (2007) legislation requiring LCDC to explore ways to encourage local governments to plan and zone “land dedicated to affordable housing, including manufactured dwelling parks or mobile home parks.”

LCDC and OHCS (rather than the bill) would define “affordable housing” and “sites dedicated to” affordable housing – these definitions would probably vary by region and would need to be adjusted over time. The legislation would authorize expedited UGB amendments as one method to provide sites dedicated to affordable housing – but only for up to five “pilot cities” selected by LCDC. This program is not intended for the Metro UGB or any UGBs over 25,000 subject to ORS 197.296 (since the bill would not amend that statute).

Sites dedicated to affordable housing could be developed in conjunction with some amount of “market rate housing,” as determined by LCDC rulemaking. However, sites designated under this legislation must be planned and zoned primarily for “affordable housing,” and cannot be rezoned for other uses. The concept anticipates that local governments and land owners work together to ensure a site provided under the pilot program is situated and priced so as to support development of “affordable housing.”

Under this concept, LCDC would be required to:

- Adopt rules to establish and implement the Affordable Housing Pilot Program, working with the Oregon Housing and Community Services Department and local governments.
- Define “affordable housing” for purposes of this program.
- Establish a process to select five pilot projects from nominations made by local governments
- Ensure that nominated pilot projects include concept plans and any proposed amendments to comprehensive plans and land use regulations needed to carry out the pilot project
- Ensure pilot projects are likely to provide sites for affordable housing that would not or could not otherwise be provided, that would serve identified populations who require such housing, be near transportation and other public facilities and services, and avoid or minimize adverse effects on natural resources, farm land, or forest land uses.