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Oregon Legislature Moving on Urgent Homelessness and Housing Priorities as Housing Leaders Announce Package Proposal

The **estimated \$200 million** package fully funds the Governor's Homelessness State of Emergency, prevents more people from becoming unhoused, makes affordable housing a top priority for the state, and more

SALEM, Ore. - Today, legislative housing chairs, Representative Maxine Dexter (D-NW & Downtown Portland) and Senator Kayse Jama (D-Portland), and Representative David Gomberg (D-Lincoln & Western Benton/Lane Counties) gave a preview of the estimated \$200 million Affordable Housing and Emergency Homelessness Response Package (House Bill 2001/House Bill 5019). The result of a bipartisan and bicameral process, Democratic lawmakers aim to pass the final package by mid-March to urgently respond to the current housing and homelessness crisis facing Oregon.

The proposed package:

- Fully funds the Governor's Homelessness State of Emergency (\$130 million);
- Provides \$27 million in additional funding to address homelessness in 25 rural counties;
- Prevents more Oregonians, including unhoused youth, from becoming homeless and helps shelter unhoused communities;
- Invests in modular home production to rapidly deploy high-quality, Oregon-made affordable housing;
- Incentivizes housing development with predevelopment loans to house more working Oregonians;

- Grants farmers funds to improve the health and safety conditions of on-site housing for agricultural workers;
- Makes building affordable housing the top priority for the state through structural changes to Oregon's land use system and partnerships with local governments.

"Every Oregonian deserves to have access to safe and affordable housing in the community of their choice," **said Representative Dexter, who chairs the House Committee on Housing and Homelessness.** "Each of my colleagues, no matter their party affiliation or elected office, understands our communities need to see change and that we must work together to make it happen. We have answered this moment of intense need with a swift and collaborative response. I am proud to put forth this package that will deliver bold and effective relief to every corner of the state."

"Oregonians need relief now, and they need stability in the long term. This bill accomplishes both," **said Senator Jama**, **chair of the Senate Committee on Housing and Development.** "This bipartisan legislation is a great start to this session's work on the homelessness and affordable housing crises."

"As a legislator representing parts of rural and coastal Oregon, it was important to me that our response to homelessness reach the entire state," **said Representative Gomberg, co-chair of the Joint Committee On Ways and Means Transportation and Economic Development Subcommittee.** "I'm proud to say we were able to secure funding that ensures our rural and coastal regions will be taken care of."

The current proposal includes Republican and Democratic initiatives and is supported by a broad coalition of local governments and community leaders.

PACKAGE OVERVIEW

Affordable Housing

Recent estimates show Oregon is more than 140,000 housing units short of what is needed. This shortage is driving up housing costs, pricing families out of their homes, and exacerbating the homelessness crisis.

The Affordable Housing and Emergency Homeless Response Package helps us meet the Governor's goal of building 36,000 affordable housing units annually by speeding up production, breaking through barriers, financing the development of affordable homes using Oregon materials, and creating jobs right here in Oregon.

The Affordable Housing and Emergency Homelessness Response Package will:

Make building affordable housing Oregon's #1 priority. (HB 2001)

After more than 50 years of deprioritizing housing production, the proposed housing package makes structural changes to Oregon's land use system that place affordable housing as the number one priority for local governments, special districts, and state agencies. Responding to the Oregon Housing Needs Analysis (OHNA), the state will partner with and empower local governments through a foundational framework to:

- Create and implement housing production strategies;
- Streamline urbanization processes; and
- Clarify responsibilities for metro areas across the state.

Because each jurisdiction has a unique set of needs, each local government will create their own Housing Production Strategy with the support of the Department of Land Conservation and Development (DLCD) to increase affordable housing production. If production goals aren't met, DLCD will have increased tools to keep local governments accountable.

Ramp up the production of affordable modular housing made in Oregon. (HB 2001) The proposal invests \$20 million in the production of affordable modular homes using Oregon mass timber and other conventional materials to support Oregon's homegrown industries and create good paying family wage jobs. Because modular housing is built in factories, facilities can avoid barriers typically found in traditional construction, allowing the state to dramatically increase housing supply and have consistent production in key areas, including rural regions. Off-site construction can help reduce construction time by 20-30% and help reduce total development costs by 5-20%.

Facilities receiving state investments will be required to prioritize state or local need for housing following a wildfire or other disaster to ensure the state has an immediate and steady supply of temporary or permanent units to house survivors and rebuild communities.

Create innovative finance models to build housing for middle-income families. (HB 2001)

The Revolving Loan Fund (**\$3 million**) supports local governments and developers in building affordable housing for working families, like teachers, construction and health care workers, and workers in other family wage jobs.

The loan fund will help with predevelopment costs to empower developers to get projects started and improve the timelines between projects by providing resources like permitting, System Development Charges (SDC), and other related costs up front.

Improve on-site workforce housing for farmworkers. (HB 2001)

Responding to the needs of Oregon's agricultural producers, the proposed package provides **\$5 million** in grants for farmers to improve the health and safety conditions of existing on-site housing for farmworkers. To qualify, housing must be registered as a farm worker camp with the Department of Consumer and Business Services (DCBS). Housing must be for agricultural workers, including workers who are retired or disabled, and their immediate families. The housing also must be in compliance with Oregon Occupational Safety and Health (Oregon OSHA) and DCBS guidelines.

Homelessness Emergency Response

Every county in the state is grappling with a rise in homelessness due to out-of-control housing costs, lack of housing, and limited shelter options. The Governor took bold and urgent action when she took office, declaring a Homelessness State of Emergency to respond to this crisis. The legislature is matching her urgency and bringing the perspective of the people the Legislature represents to the solution.

The Affordable Housing and Emergency Homelessness Response Package will:

Fund the Governor's Homelessness State of Emergency. (HB 5019)

The proposal fully funds the Governor's requested amount (**\$130 million**) for her emergency declaration. These investments allow the executive branch to work closely with local governments and service providers to get Oregonians into housing or shelter, connect them to critical support services, and quickly put people on the path out of homelessness.

Respond to Oregon's rural and coastal needs. (HB 5019)

The homelessness crisis is impacting every corner of the state. Through a **\$27 million** investment, the proposed package funds the Rural Oregon Continuum of Care, also known as the "Balance of State," ensuring the state's response to homelessness reaches 25 rural counties.

Prevent evictions that can lead to homelessness. (HB 2001)

Being evicted can have devastating effects, driving families and youth into a cycle of homelessness. This package provides renters faced with eviction for non-payment with more time to access Rental Assistance and other services that will help them stay in their homes. A compromise between tenant advocates and landlords, the proposal lengthens the eviction notice timeline from 72 hours to 10 days and includes a right of redemption.

Provide critical support for homeless youth. (HB 2001 & HB 5019)

Youth homelessness is the number one predictor of adult homelessness. The proposed package invests **\$25 million** in critical support for Oregon's most vulnerable youth and families, connecting them with rental assistance, shelter facilities, outreach, culturally-specific services, mental health or substance abuse services, other transitional options, and more.

Continuing the successful work of previous sessions, this funds the Oregon Housing and Community Services (OHCS) and the Oregon Department of Human Services (ODHS) to provide wrap-around support services for homeless youth and families through emergency rental assistance and the expansion of the Host Homes program. The state's current programs are making a difference, with Oregon having the nation's second-largest decrease in youth homelessness between 2020 and 2021 according to the United States Department of Housing and Urban Development.