

Housing Innovation Partnership

HB 3174

CAPACITY BUILDING

Oregon's Housing Problem

Solving the current housing crisis will require a strong collaboration between the State of Oregon and its local government partners. Increasing the capacity and ability of local governments to carry out community development and housing construction activities is essential to increasing the state's overall production of needed housing. In order to deal with Oregon's dramatic deficit in needed housing, the following legislative solutions are proposed to build sustainable funding capacity and accountability for Local Governments to process permits and make modifications to plans and ordinances that will result in housing production.

Technical Experts

Most Local Comprehensive Plans were adopted over 45 years ago and need to be updated in many cases. To achieve an increase in Oregon's production of needed housing by at least 50%, Oregon's cities and counties need staff that is not currently present. The Office of Economic Analysis estimates that approximately 450 on-the-ground technical experts in the areas of land use planning, community development, construction inspections, and infrastructure will be needed. This legislation would add that capacity over time. Budget; \$45,000,000.

Housing Coordinators

Provide each of Oregon's 12 regions with sustainable funding to recruit and hire a housing coordinator. These regional housing coordinators will, at a systems level, partner and consult with local governments, developers, financiers, and other interested partners to bridge any information gaps, identify and secure needed resources, and enable local governments to develop needed housing. Grants under this program will be administered by the Oregon Department of Administrative Services in consultation with DLCD and OHCS. Budget; \$3,600,000.

Education Programs

Create a statewide education program designed to explain Oregon's unique land use system, as well as the causes of Oregon's housing crisis and the potential solutions to overcoming it. Understanding Oregon's land use system, as well as the housing crisis, requires specialized education, the provision of which is not readily available to local government officials across the state of Oregon. The program would be administered by AOC and LOC in consultation with DLCD. Budget; \$500,000.

State Liaisons

Provide The Association of Oregon Counties and League of Oregon Cities each with sustainable funding to recruit and hire their own State Housing Liaison. The two state liaisons will serve as a conduit between their respective local government members, housing coordinators, the housing production team, state agencies, the governor's office, and the legislature. Budget; \$600,000.

Accountability & Outcomes

To ensure that process costs are tracked for the purpose of identifying opportunities and informing efforts for cost reduction and production time acceleration, a report from the Office of Economic Analysis shall be prepared in consultation with DLCD and OHCS on an annual basis. The report should detail staff time required to complete housing permits; conditional use permits; building inspections; needed comprehensive plan revisions; needed zoning ordinance changes; and time taken to process appeals of local decisions. Budget; \$100,000.

The purpose of the capacity increases in this bill are to dramatically increase housing production. While initial investments can be made in local government capacity, they should only be continued at the level that produces results in reducing Oregon's housing deficit. These investments should also result in the acceleration of permitting and the streamlining of local process which can reduce processing time for local developers and homebuilders.