

MEMORANDUM

From: Al Johnson

To: House Committee on Human Services and Housing
House Committee on Agriculture and Land Use

Date: March 18, 2019

Re: 2019 HB 2001 and HB 2003

History of Statewide Housing Goal (Goal 10)

It is important for your deliberations on these bills to understand that the drafters of Oregon's statewide housing goals recognized from the beginning that Oregon's land use program involves trade-offs, including constraints on housing supplies, housing affordability, and equitable access to housing. The following short history of Goal 10 is taken from a 2010 Phd dissertation by Andrée Tremoulet. I hope you will agree that HB 2001 and HB 2003 do no more than provide essential reinforcement in light of current conditions for long-standing state land use policy.

Goal 10 History:

“By the end of the 1960s, sprawl in the Willamette Valley, which contained the majority of the most fertile farmland in the state, had become a major concern. Governor Tom McCall cast sprawl as the antagonist in an environmental battle that, if not waged, would result in further loss of scenic landscapes and resource land. In particular, the preservation of resource land---highly productive farmland and forestland—for use by agricultural and timber industries was an impetus behind the creation of the current land use system (Abbott, Howe and Adler, 1994). Ultimately, legislators chose to manage growth by concentrating development in urban centers of varying scales and densities. A system of urban growth boundaries around cities and ‘exception areas’ of small-scale settlements in the countryside were the principal tools used to geographically contain growth.”

“* * * *

“The first successful step toward creating the current land use system occurred in 1969, when the Oregon legislature adopted Senate Bill 10, which mandated the adoption of local plans and established ten land use goals for the state. The goals were intended to serve as a guide to the Governor should he exercise his option to preempt local land use planning authority in the event that a local jurisdiction failed to do so within the required timeframe. Senate Bill 100, adopted in 1973, mandated that local plans be consistent with state goals, provided policy guidance on state goal formation, and created the Land Conservation and Development Commission (LCDC) to formulate the state goals and ensure that local plans were consistent with them (Knaap, 1994).”

“Nineteen statewide planning goals formed the backbone of Oregon land use policy. They were adopted in three installments from 1974 through 1976 by LCDC as a framework for creating and evaluating local comprehensive plans (Knaap, 1994). Although most of the goals have been amended over the years, their original intent remained intact. They covered topics that ranged from citizen involvement (Goal 1) to agricultural and forest land (Goals 3 and 4, respectively) to transportation (Goal 12).” and coastal resources (Goals 16 – 19).

“Of particular relevance to manufactured housing are Goals 10 and 14, the housing goal and the urbanization goal, respectively. Goal 10 required that the plans created by local jurisdictions accommodate housing units that are priced at ranges affordable to Oregon households and provide a range of densities, locations and types. Because it required that local jurisdictions consider the varying abilities of Oregon residents

to pay for housing, it was the first goal to explicitly address issues of social equity within Oregon's land use planning framework (Toulan, 1994)."

"Goal 14 both ensured that there was enough land to accommodate projected population growth and contained that growth within defined urban areas. It established a system of urban growth boundaries to 'separate urbanizable land from rural land...to provide for an orderly and efficient transition from rural to urban land use' (OAR 660-015-0000 (14)). Among the factors that planners were required to consider in implementing this goal was the need to provide sufficient land for 'housing, employment opportunities and livability' in a manner consistent with 'maximum efficiency of land uses within and on the fringe of existing urban areas' (OAR 660-015-0000 (14)). By subsequent rule making, LCDC established that the land inside UGBs must be sufficient to accommodate 20 years of population growth."

"Some affordable housing advocates were concerned about the possibility of the new land use laws resulting in higher home prices and a decline in the supply of market-provided affordable housing (Toulan, 1994). Goal 14 limited sprawl by simultaneously planning for and constraining the supply of land available for development. According to the laws of economics, constraining the supply of a commodity for which there is a demand generally results in price increases. Although the quantity of housing was not constrained by Goal 14, it did constrain the supply of land available for development. Although local governments could promote affordable housing by zoning for smaller houses on smaller lots, there was a built-in disincentive that discouraged jurisdictions from doing so; larger houses on larger lots typically generated higher tax revenues and required a lower level of services per acre than denser housing (Nelson, 1994)."

"Goal 10 was put in place to address this conflict and counteract market tendencies toward higher home prices. Goal 10, adopted on December 27, 1974, required local jurisdictions to inventory buildable lands and provide for 'the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing location, type and density'" (OAR 660-015-0000(10))."

"In 1974, Betty Niven, a civic leader from Eugene, drafted a proposal for a statewide housing goal as an element of the statewide land use system in her capacity of chair of the State Housing Council. The State Housing Council had been created in 1971 as a seven-member citizen advisory board to the Administrator of the Housing Division of the Oregon Department of Commerce (Nauta, 1987). The Council advised the Housing Division on matters pertaining to housing policy and financing and was instrumental in promoting legislative initiatives during the formative years of Oregon's land use system and the devolution of affordable housing programs from the federal to state and local levels in the 1970s and 80s. Niven proposed the creation of a state housing goal 'to ensure that fulfilling the other goals of the statewide land use plan will not unreasonably impact the supply of modestly priced housing' (Niven, 1974, p. 1). She went on to write, 'it would be a grievous error for the state to not recognize this potential conflict between housing needs and the conservation of the state's natural resources and to fail to take steps to minimize it.'(Niven, 1974, p. 1)."

"In looking back on the impacts of Goal 10 in 1983, Niven said, 'Goal 10 has forced governing bodies to face the fact that many Oregonians may choose never to become homeowners and that many more may choose to own a different kind of home—a row house, a mobile home, a condominium—and cities and counties have the obligation to make these choices possible by appropriate planning and zoning...Some of these Goal 10 consequences, such as more multi-unit housing and more provision for mobile homes, have not been easy for cities to accept.'(Niven, 1983)."

Andrée Tremulet, *Policy Responses to Closures of Manufactured Home Parks*, Portland State University Phd Dissertation, 2010, pp 145-149