



Representative Keny-Guyer, Chair  
House Committee on Human Services and Housing  
Oregon State Capitol  
900 Court St. NE, HR 50  
Salem, OR 97301

**RE: Concerns with HB 2306**

Dear Chair Keny-Guyer and Members of the Committee:

**General Overview**

The City of Hillsboro has a number of concerns with HB 2306 as written and we appreciate that discussions are occurring about amendments that may improve the measure.

Local governments have existing authority to allow bonding for public improvements that are required as part of the local land use processes. The City of Hillsboro exercises this authority on a case by case basis in partnership with developers. In our experience this process has worked well and has supported a strong partnership between our City and developers. We are concerned that as written this bill shifts risk away from developers and onto local governments, and ultimately taxpayers for the completion of public improvement projects necessary to support a given development.

Local governments have three points in the development process to ensure public improvements are completed in subdivision: release of the final plat; release of building permits; and release of certificate of occupancy. These are important tools to ensure the development has adequate and complete infrastructure. Although we have general concerns as expressed above, below are some specific areas worthy of analysis in the amendment process.

**Definition of “Public Improvements”**

The definition does not include stormwater. It also does not include fiber, which for our City is important as it is incorporated into our design and construction standards for purposes of constructing and maintaining our public internet utility. Recommended change: “Public improvement includes, but is not limited to the water, sewer, storm drainage, and transportation facilities necessary to serve the approved level of development.” Or “Public improvements includes the construction of the streets, roads, water, sewage disposal, storm drainage, and communications service at levels adequate to serve the approved level of development”

**Definition of “Residential Subdivision”**

The definition does not align with subsequent terms that are listed within that definition and does not relate to the division of land normally included in a subdivision. Recommended change: “Residential subdivision means a land divided to create four or more lots within a calendar year for residential development.”

## **Definition of “Substantial Completion”**

This definition needs further consideration and to that end, we would suggest a definition that is more specific. Recommended change: Substantial completion means completion of all sanitary lines, storm facilities (storm conveyance and detention facilities), water lines and mass grading. Public facilities must have passed testing (compaction testing, TV testing, mandrel, pressure testing, disinfection, as appropriate). In addition, 80 percent of the public improvements included in the conditions of development, based on a reasonable estimate of the costs.

## **Section 1 (2)**

Recommended change: In line 19 add “and maintained” after “obtained”

## **-1 Amendment**

The -1 amendment resolves many of the structural issues of the introduced bill. The -1 allows the City to deny a permit for other reasons unrelated to public infrastructure. This is important because a development may have fire, life, safety or other legitimate issues that would prevent the issuance of a building permit. Although the introduced bill would require the City to issue the permits based solely on compliance with completion of infrastructure or obtaining a bond, the -1 Amendment provides more flexibility in mitigating those other concerns.

## **Conclusion**

The City of Hillsboro allows bonding for public improvements in certain circumstances. Retaining the authority to use that tool on a case-by-case basis ensures our ability to secure delivery of critical public improvements and has contributed to strong local partnerships with developers. We are concerned that a state-level requirement could weaken a key tool we use to ensure the completion of safe, adequate public infrastructure to support developments.

Thank you for the opportunity to express concerns with the bill as written and to suggest a few items that ought to be considered in discussions about potential amendments. The -1 amendments are an improvement on the base bill and we are grateful for the work that went into them. We are happy to provide more detailed suggestions as desired by this Committee.

Kind Regards,

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City of Hillsboro