



## **HOUSE OF REPRESENTATIVES**

**To: Members of the House Committee on Housing and Homelessness**

**Date: February 16, 2023**

**Subject: Support HB 2889 -1**

Vice Chairs Helfrich and Gamba, and members of the Committee,

For the record, my name is Dr. Maxine Dexter and I am honored to be the State Representative for House District 33, which includes NW & Downtown Portland, Linnton, and Cathedral Park. I am grateful for this opportunity today to present to you the -1 amendment for HB 2889, and to ask for your strong support.

Oregon is facing a pressing housing crisis - not only of affordability, but of housing options and supply across the state. We have seen transformational land use policy pass through our legislature before - from SB 10 in 1969, SB 100 in 1973, and more recently, HB 2001 in 2019. HB 2889, now in our hands, creates a foundational framework by which government at the state and local level can work together to boost housing production toward a future where every Oregonian has the ability to have safe and affordable housing in the community of their choice. Secure housing will ensure every Oregonian's ability to lead a healthy, productive and secure life in each of our communities.

To review, HB 2889 establishes the Oregon Housing Needs Analysis policy, and this will be executed in conjunction with other efforts to prioritize housing production in accordance with Goal 10. The policy includes outlining expectations for local governments in cities over 10,000 to create and implement housing production strategies, streamlines urbanization processes, and clarifies responsibilities for jurisdictions in the Metro region.

This -1 amendment incorporates some technical amendments from stakeholders on the base bill and additionally puts forward our first draft of the accountability portion of the bill (sections 14-17). This section's development was guided by some key principles including:

- Jurisdictions should be held accountable for things that are within their control.
- The pathway for accountability is a partnership between the state and local governments.
- The process should be transparent and the interventions predictable.
- Goal 10 (Housing) will be prioritized over Goal 1 (citizen engagement).
- Any intervention imposed on a jurisdiction should be proportional to the issue being addressed.

The accountability process, as outlined in sections 14-17 was developed collectively by our incredible workgroup who I recognized by name at our public hearing on 2/7. These individuals have continued to remain engaged with many hours of productive conversations and the result is not complete as you see in the posted -1 amendment as further decisions on this process have been made since this was posted. We will highlight for you what the outcomes were of those decisions today in testimony to the extent possible. The accountability process builds on the Oregon Housing Needs Analysis outlined in Section 2 of the bill and applies to cities with populations over 10,000. Cities will meet established housing production goals through the use of a housing production strategy that will be established in partnership with the state as outlined in this bill with further rulemaking to be completed.

**I will say again, cities will be held accountable for factors within their control.** When they in good faith follow their Housing Production Strategy and yet remain unable to meet targets, they will proceed down a collaborative consultative path with DLCD. When factors beyond the city's control limit housing production, it is the responsibility of the state to help address the barriers when possible or pivot the tactics for achieving production targets with the application of alternative tools and strategies. Each of the pathways demonstrated in this amendment, and to be further reviewed by Sean Edging of DLCD, have been carefully constructed to provide the necessary support and resources for cities throughout the process. In this policy, it is the government's collective responsibility to evaluate and address the barriers to housing production that exist at every level - whether federal, state or local. Wherever possible, action will be taken at the most local level possible to overcome obstacles, however there will almost certainly be times where state or federal action or investments are needed. Through this accountability process, local jurisdictions will have variable pathways to follow to maintain compliance with clear timelines and agency support. DLCD will also have discretionary authority to extend timelines when appropriate. **This will be a collaborative partnership between the local jurisdiction and DLCD.** It is the legislative intent that DLCD will engage in ongoing collaboration with cities to optimize their opportunity for success even as the Department looks to deploy enforcement tools.

Some specific examples of actions that may be needed to be taken include:

- Follow current law as established by ORS 197.293 and 197.290.
- Adopt or have imposed model ordinances, procedures, actions or anti-displacement measures.
- Develop, amend and expedite local processes that maximize housing production as guided by the local needs analysis and production strategy.
- Take specific actions to correct, waive or amend local ordinances.

The workgroup's efforts will continue this week and next to clarify some parts of this policy - finalizing the accountability language for clarity, clarifying a process to identify how unincorporated urban areas in the Portland Metro area will fit into this policy, and further incorporating recommendations from the Governor's team.

This policy will be durable and build on our 50 years of learning in applying SB 10 and SB 100. Passing this with our 60-day package is the down payment on our broader policy development needs this session. It is the foundation for policies to come and we must pass this expeditiously to be sure we put ourselves on a proactive path towards addressing our housing crisis with the response Oregonians deserve. With this -1 amendment and further edits to follow in the coming week, we will not only identify the housing needed across our state but will effectively plan for how we will build it by cutting red tape, building capacity in the system, and working with urgency in partnership across all levels of government. HB 2889 with the -1 amendment will be transformational, ensuring that our state develops a legacy of rising to the occasion to build the housing that our communities so desperately need.

Before I hand this over to Sean Edging and Palmer Mason, I must once again offer my deepest gratitude to all of the stakeholders, colleagues, legislative staff and counsel that have been unwavering in their dedication to this work. I want the record to note that we have put in long hours productively engaged in deliberation to finalize the policy which will come for all to read in the coming days. We spent more than 7 of 24 hours together yesterday and I am frankly stunned by the dedication of this team - many had additional meetings with their stakeholders to confirm their positions and perspectives and offered written input prior to our in-person meetings. This policy is the result of true and deep love for Oregon and the people in it. This is a deliberately constructed, fair and well-considered policy. I am proud and grateful to be a part of the history this policy will make for the next 50 years, taking us into true delivery on Goal 10 - housing for Oregonians. Passing this bill with the 60-day package remains our goal and I look forward to bringing the final draft to you in the coming week. Our legislature, with the assistance of dedicated Oregonians, is rising to meet our housing crisis with the action it deserves. I look forward to continuing in this endeavor with your partnership and support.

Sincerely,

A handwritten signature in black ink, appearing to read 'Maxine Dexter', written in a cursive style.

Representative Maxine Dexter, M.D.

House District 33 (NW & Downtown Portland, Linnton, & Cathedral Park)