



TO: Members of the Oregon House's Housing & Homeless Committee  
From: Doug Burges, Secretary/Treasurer - Oregon Smart Growth  
Date: March 23, 2023  
Re: Testimony in support of HB 3569

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Oregon Smart Growth (OSG) is a coalition of developers, investors and allied professionals committed to the feasible development of walkable, livable communities that are environmentally, socially, and economically sustainable.

OSG appreciates the State's laser focus on increasing housing production across Oregon, as a critical strategy to address our housing affordability crisis, reduce homelessness, and enhance Oregon's economic prosperity.

We view HB3569 as an encouraging step forward to speed up Oregon's permitting process and create consistency across jurisdictions. As an example of need, we note that in Portland alone, permits for new commercial construction persistently take 200 or more days to issue according to [the city's own dashboard](#), and based on our member's experiences, often more than a year. Despite two years of work by a Permitting Improvement Task Force across Portland's many permitting bureaus, these timelines have not meaningfully decreased.

HB 3569 takes bold action by providing an administrative path for approving any housing project on land zoned for housing (including commercial zones allowing housing), overriding local development standards, preventing third party appeals and creating a clear timeline of 120 days for review and approval. We note and appreciate the consistency of the 120-day shot clock with the state law requiring land-use decisions within the same amount of time.

We are excited about the move toward a statewide standard, by requiring local government to approve housing proposals if they meet what we agree are the most important requirements for housing:

- Sufficient services are available;
- Building code requirements are met;
- The housing will not pose an unreasonable risk to health and safety.

In my role overseeing development and construction projects - currently as a Senior Director at Greystar, the building and land use permitting process regularly delays projects and causes undue burdens on housing production and unbudgeted cost increases.

In the City of Portland, we recently began a housing project that required land-use review, followed by two commercial building permits. These permits took seven and eight months respectively. We had to close our real estate deal prior to permit issuance to ensure we did not lose the construction financing- but it was with substantial risk.

Financial capital is time sensitive and requires certainty of the project time-line to ensure the project successfully moves forward. In Portland, there are many long lead time items. They seem to arise only in the latter stages of the permit review process and are items that should be tied to Certificate of Occupancy rather than permit issuance - examples include covenants and right of way dedications. Moreover, the late-stage review cycles prove burdensome and delay both our capacity to complete the project and our trust in the process, as we are put at the back of the reviewers' queue for closing out even minor revisions.

We are thrilled with the message that HB 3569 is sending and its commitment to furthering housing production statewide and quickly. We have a few additional ideas that will also help if the Committee is planning amendments. We would suggest the following ideas for your consideration:

- Moratorium on system development charges (SDCs) or allowing deferred payment of SDCs (i.e., two years after a permit is issued, or when the building is sold).
- Improve and standardize inclusionary housing regulations, including aligning tax incentives with period of affordability, and minimizing additional requirements local jurisdictions have layered on top of the inclusionary housing requirements. This will be a game changer in how investors consider affordability requirements.
- Require municipalities to re-evaluate zoning rules and land use changes for impact on housing production.

We appreciate your work and welcome the opportunity to provide assistance or support where needed.

If you have questions, please don't hesitate to reach-out. Oregon Smart Growth is represented by BethAnne Darby from Strategies 360 for our state affairs. BethAnne can be reached at [BethAnneD@Strategies360.com](mailto:BethAnneD@Strategies360.com)

Thank you.