



March 23, 2023

House Committee on Housing and Homelessness
Honorable Chair Rep. Maxine Dexter
Honorable Vice Chair Rep. Mark Gamba
Honorable Vice Chair Rep. Jeffrey Helfrich

RE: Testimony in support of HB 3569

Chair Dexter, Vice Chairs Gamba and Helfrich, and members of the committee,

My name is Jon Isaacs, and I am the Vice President of Public Affairs for the Portland Business Alliance.

The Portland Business Alliance (the Alliance) is greater Portland's Chamber of Commerce and represents the largest, most diverse network of businesses in the region. The Alliance advocates for business at all levels of government to support commerce, community health, and the region's overall prosperity. We represent over 2,100 members, from 27 counties, 14 states, and virtually every industry sector. More than 80% of our members are small businesses.

I am here today to express the Alliance's support for HB 3569, which requires local governments to process housing development applications in a reasonable and timely manner. HB 3569 will require applications for new housing be accepted within 21 days of receipt and that final permit decisions on the new housing applications be issued within 120 days of receipt of complete applications.

We have greatly appreciated the importance Governor Kotek and the 2023 legislature has placed on new housing production. In 2020, the Alliance issued our housing affordability report for the Portland region and it showed clearly that underproduction of housing is the single biggest factor driving virtually all of the significant challenges impacting the Portland region and the entire state, most notably homelessness and the rising cost of living,

Talk with any developer who has done business in Portland and they will tell you that the single biggest obstacle to building the badly needed housing that we all agree we need is the City of Portland permitting system. We urge you to align local permitting with all of the other critical bi-partisan housing production legislation you are working to pass this session by supporting HB 3569.

Today, it regularly takes over a year or longer for new housing developments to make it through the City of Portland's byzantine and cumbersome permitting system and appeals process. Multiple bureaus must approve multiple permits, and even after projects receive preliminary approval developers regularly have decisions reversed or changed after the fact. And projects that make it through the entire process regularly get appealed all the way to the city council for final approval simply because a small group of residents are opposed to a given project. It is a system currently designed to discourage housing production every step of the way. Despite the best efforts of many city commissioners spanning decades, this system has become entrenched within the city bureaus.

HB 3569 will finally create requirements that force the necessary reforms that will prevent local permitting systems from being a barrier to meeting Governor Kotek's ambitious housing production goals. To meet these goals we must create the conditions that will drive private investment to build this critically needed housing. And today, for the Portland region, those conditions don't exist.

The 2023 Urban Land Institute survey of capital investors ranked the Portland region in the bottom 30% of cities for real estate investment. This is despite the fact that the Portland region has one of the largest housing supply shortages in the nation. HB 3569 will help solve this by giving project developers and financiers a reasonable level of certainty regarding the scope and timeline for project reviews and approvals. It also allows for stakeholder input, but ensures that this will be collected within a reasonable and consistent timeframe, and limit conditions for appeals. Finally, it also creates efficiency by requiring the necessary intergovernmental notifications and coordination within a reasonable 21 day timeframe.

We urge to support HB 3569, which will encourage this badly needed investment in housing production by requiring our local permitting systems to be predictable, reasonable, and efficient. Thank you for your time,

Jon Isaacs (*he/him*)

Vice President, Public Affairs

PORTLAND BUSINESS ALLIANCE

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