



OREGON
BUSINESS
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Oregon Park
Owners Alliance

House Committee on Housing and Homelessness Opposition to HB 3197

March 28, 2023

Chair Dexter, members of the Committee,

Thank you for the opportunity to provide testimony today in opposition to HB 3197. By way of background, our organizations represent business, industry, property owners, and housing advocates across the state. Oregon is in a housing affordability crisis and continually ranks in the bottom of the nation for having the most families paying more than 30% of their monthly income on housing expenses.

While is it never the right time to make housing more difficult and expensive to build, now is certainly not the time to allow local governments the ability to impose vague and confusing approval standards that cause unreasonable cost and delay to needed housing.

Oregon's "clear and objective" statute (ORS 197.307) states that a local government may adopt and apply only clear and objective standards, conditions and procedures regulating the development of housing, including needed housing. Any standards, conditions and procedures may not have the effect, either in themselves or cumulatively, of discouraging needed housing through unreasonable cost or delay. This statute is specifically designed to ensure the availability of all kinds of housing, including "affordable, decent, safe and sanitary housing opportunities for persons of lower, middle, and fixed income, including housing for farmworkers [...]" (ORS 197.307(1)).

The legislature also included provisions outlining where these protections do not apply, such as in historic areas and Metro regional centers. Land outside of the UGB was not included in these carveouts and the courts have determined that housing outside of UGBs is supposed to be protected under the law. The purpose of this law is clear and undisputed – to protect housing of all types, whether inside or outside a UGB, from being saddled with subjective local standards that discourage its development. HB 3197 limits this important protection by having it only apply to housing inside urban growth boundaries.

If passed, HB 3197 would allow a local government to apply vague and subjective standards that discourage needed housing through unreasonable cost or delay to housing being built outside of UGBs, including in unincorporated areas, rural residential neighborhoods, on farmland, and more.

HB 3197 would have drastic implications for housing in most of our communities¹, including housing serving our most vulnerable. This includes not only attached and detached single-family housing, and multi-family housing for those earning across the income spectrum, but also government assisted housing, mobile home or manufactured dwellings, and housing for farmworkers.² Oregonians from all walks of life are desperate for more abundant and less expensive housing. They cannot afford new and unpredictable barriers from local governments on needed housing development.

The Governor has made clear through Executive Order that we must be doing all that we can to reduce barriers to construction to achieve 36,000 units a year. This Committee has already taken bold action to strengthen protections for housing and local accountability this session with HB 2001, and is considering other vital pieces of legislation aimed at eliminating local barriers to housing development. Passing HB 3197 as drafted would be a staunch step backwards for this Committee in protecting needed housing development and meeting our housing goals.

We understand that proponents are trying to solve a specific local issue stemming from adverse legal opinions. We are happy to work with proponents on a solution that remedies their concerns, without rolling back important housing protections statewide.

For these reasons we ask you to **reject HB 3197 as proposed**. Thank you for the opportunity to provide these comments.

¹ [Microsoft Word - div022a.doc \(oregon.gov\)](#)

² [ORS 197.303 - "Needed housing" defined \(public.law\)](#)