



Senate Committee on Housing and Development Testimony in Support of SB 1537

February 7, 2024

Chair Jama, members of the Committee,

Thank you for the opportunity to provide comments today in strong support of SB 1537. By way of background, the Oregon Homebuilders Association (OHBA) represents nearly 3,000 members engaged in the residential construction industry and dedicated to affordable homeownership opportunities for all. The Oregon Property Owners Association (OPOA) is the state's largest property owners association, dedicated to protecting the rights of private property owners statewide.

It is without question that Oregon is experiencing a severe and pervasive housing crisis statewide. The rippling effects of our housing crisis can be seen in every community. In our rural towns, firefighters, teachers, and librarians are being priced out of their own communities. On the coast, nurses are competing for rooms in vacation rentals because there isn't enough permanent housing. In multiple parts of the state, the hospital systems are struggling to fill vacancies due to skyrocketing housing prices from an extremely low housing stock. In our urban centers, many Oregonians experiencing homelessness are without opportunities for safe, secure, and affordable permanent housing solutions.

Both affordable and market-rate housing providers know firsthand that our current land use planning and building permitting system will not allow Oregon's homebuilders to reach the levels of production we need to properly house Oregonians earning across the income spectrum. If we want to solve our housing production and homelessness crisis, we must move with urgency to break the status quo and remove bureaucratic roadblocks to drastically increase the number of homes built a year. Continuing along the path we are on will only reinforce inequities in our system and make our housing backlog worse. Together, we can reframe our system with urgency and a bold commitment to meeting housing needs.

We want to commend Governor Kotek for her commitment to solving this crisis and making housing production and affordability a top priority of her administration. We greatly appreciate the work, collaboration, and time Governor Kotek and her team have put into crafting this bill. Our organizations look forward to continuing our partnership with the Governor's office and the Legislature to solve this crisis, and improving upon the policies set forth in SB 1537.

OHBA and OPOA support SB 1537 because it is a meaningful step in the right direction on breaking down systemic barriers in our planning and permitting system that would otherwise prevent Oregon's homebuilders from increasing housing production. We see number of positive outcomes from this bill, including, but not limited to:

- Flexibility from certain local siting and design criteria that may increase costs or prevent needed housing units from being built;
- Greater accountability at the local level during implementation of state housing laws;
- Critical funding for local communities to close gaps in housing financing needs;
- Increasing buildable land supply for the construction of complete communities with one of the Country's strongest requirements for affordable housing development;
- Cost-recovery for applicants whose needed housing projects are wrongfully appealed; and
- Streamlining certain land use approvals to expedite production.

For these reasons, we strongly urge your support of SB 1537 this session. With that said, we do have some concerns that certain provisions of the bill, particularly as it relates to the one-time UGB expansion process, may be too restrictive for some cities, which may prevent communities, builders, and Oregonians from fully utilizing this opportunity. As we have learned from past pilot projects authorized by the Legislature, builders and local governments must be able to work together with maximum flexibility to overcome the financial and site-specific realities that come with individual projects. Despite these concerns, OHBA and OPOA remain strongly supportive of SB 1537, and are committed to improving upon this important piece of legislation if these or other concerns materialize.

Thank you for the opportunity to provide these comments. Please do not hesitate to reach out with questions or concerns.

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