

March 3, 2025

Oregon State Legislature House Committee On Housing and Homelessness

RE: HB 2138 -1 | Support

Chair Marsh, Vice-Chair Andersen, Vice-Chair Breese-Iverson, and Members of the Committee,

Thank you for the opportunity to submit testimony in support of the -1 amendment to HB 2138 on behalf of Central Oregon LandWatch. For nearly 40 years, Central Oregon LandWatch has been working to ensure Central Oregon's livable future—one where our region grows well and with intention by creating well-planned and well-built cities with Complete Communities, preserving farmland, and protecting wild, open spaces.

HB 2138 would make it simpler to build more types of affordable housing within our cities and towns. HB 2138 would support the production of more affordable housing within Oregon's UGBs by removing barriers to middle housing development to more closely match the streamlined processes and requirements for single detached housing. It effectively addresses remaining development barriers to allow more middle housing choices, such as duplexes and three- and fourplexes, cottage clusters, townhomes, and accessory dwelling units, in every neighborhood. It also promotes more accessible housing and homeownership opportunities.

We support that this bill:

- Requires that cities allow middle housing development on lots with existing single unit dwellings or duplexes. Similar to ADUs, this allows incremental infill and more housing production without the need to demolish existing homes or divide the property into separate tax lots.
- Limits traffic impact analysis as well as off-site traffic-related exactions for smaller infill middle housing developments. This 'right sizes' these elements for smaller scale projects, removes a significant planning and cost burden for middle housing developments, and reserves city resources for larger projects that have more impact on the system.
- Removes the requirement for cottage clusters to be detached units of 900 sq.ft. or less. This opens up more flexibility for duplex-style cottage clusters of varying sizes to accommodate a wider range of market demands. And importantly, the -2 amendment will retain the requirement for a shared courtyard in cottage cluster developments, thereby ensuring open/green space within these types of developments for the people who will call these places home.
- Requires cities to allow small (1-2 unit) density bonuses for developments that include affordable or accessible units. These small incentives, on a large scale, can make a big difference in our city and statewide housing goals.





- Clearly and narrowly defines Unincorporated Urban Lands (Section 36 definition) and that middle housing is only allowed on lots zoned to allow for single family residences
- Recognizes that more housing is needed in every neighborhood within our cities, and addresses inequitable, exclusionary practices that have prevented this.

Middle and infill housing is an essential part of meeting the State's housing goals. These types of housing will play a significant role in meeting Governor Kotek's housing production goal of 360,000 units over the next 10 years. Removing barriers for middle and infill housing will support the production of housing in every Oregon city, and help fully realize one of the primary intents behind HB 2001: Facilitating and encouraging housing production, affordability and housing choice on buildable lands within urban growth boundaries¹.

HB 2138 fosters more climate resilient communities, because it focuses these housing policies within UGBs and helps cities better utilize available lands. This bill supports the efficient utilization of land and infrastructure, and supports the development of more Complete Communities: mixed-use neighborhoods with nature nearby, and housing and transportation options for all. Concentrating growth and housing within UGBs is not only efficient and a good use of existing resources—it supports climate resiliency. Prioritizing housing development within our existing neighborhoods reduces pressure to sprawl into critical farm and forest lands, and reduces the number of homes in areas at risk of natural hazards such as wildfire.

We look forward to continuing to engage on this bill and the following issues to be addressed in the -2 amendments:

- Cottage cluster development: Section 1 Keep courtyard requirements
- **Traffic Impact Analysis: Section 1** There are a number of options under discussion that seek to clarify policy intent to right size TIAs for single infill projects, and limit off-site traffic-related exactions. We support this intent. Including a maximum unit cap would further clarify the intent of this provision.
- **Promoting Housing Density: Section 7 & Section 9** Include language that clarifies these sections are limited to within UGBs.
- Clear & Objective requirements: Section 12 & 13 There is a balance to strike with 'clear and objective' standards and more flexible/discretionary standards within UGBs. There are scenarios where cities should maintain some flexibility in interpreting urban service standards for purposes of public health and safety, and particularly related to protecting Goal 5 resources. Some of the proposed policy approaches may strike this balance.

¹ <u>HB 2001</u> Section 9.(2)(a)





We urge your support of HB 2138-1, as it includes strategies that will increase housing quantity, choice, and affordability in Central Oregon and every Oregon community — it's a vital part of meeting Oregon's housing goals on the path ahead. Thank you for your service and consideration of this testimony.

Sincerely,

Corie Harlan Cities & Towns Program Director

