

March 3, 2025

House Committee on Housing and Homelessness 900 Court Street NE, HR F Salem, OR 97301

RE: HB 2138 – Expansion of Middle Housing

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

Expanding the use of middle housing like duplexes, triplexes, fourplexes, cottage clusters, and accessory dwelling units is an important part of the strategy to meet our ambitious housing production goals in Portland and across the state. In Portland, our <u>Residential Infill Project (RIP)</u> has been a major success, significantly accelerating the development of more diverse and affordable housing options in our residential neighborhoods.

The City of Portland has been an active participant in the ongoing discussions related to the development of House Bill 2138. While we greatly appreciate all the effort the Governor's office has put into identifying potential regulatory changes that could help increase the production of middle housing and providing many stakeholders with the opportunity to review and provide feedback on this bill, the City of Portland is not able to offer support for the language that is currently available. We understand that additional amendments are coming that should help to address our most pressing concerns, which include:

1. Clear and objective standards for urban services

Multiple City bureaus have highlighted that the clear and objective standards for urban services language will not reduce time nor cost for review. There are many technical requirements that cannot be drafted into a one-size-fits all policy. Our urban services require creative solutions to address unforeseen problems. It is often in the developers' interest to have an opportunity for staff to evaluate the individual circumstances of a specific site and identify appropriate requirements. Adding one-size fits all clear and objective standards will add time, and potentially additional regulatory barriers, to the review when ultimately discretion is needed for a specific project.

2. Changes to traffic impact analysis

While the -1 amendment moves this language in a better direction, there is still confusion around some of the terms used and how they are defined in this section of the bill. Terms like "development requirement," "offsite exaction or requirement," and individual versus larger projects need to be more clearly defined.



3. Definitions of middle housing

We are concerned that the changes to the cottage cluster definition proposed in this bill will make them substantively the same as other multi-unit housing, and the language related to expanding each lot or parcel to higher forms of middle housing is too expansive and broad, which may force the city to allow middle housing in places where services are wholly lacking.

4. Notice requirements for middle housing land divisions

Finally, we are supportive of removing the notice requirement specifically for middle housing land divisions.

We look forward to continuing to work with the Governor's office and this committee as new language is developed. We remain hopeful that with resolution on the issues articulated above, the City of Portland will be able to support the final package of proposed changes.

Thank you for your time and consideration.

Sincerely,

ATQ

Helmi Hisserich Director Portland Housing Bureau

Eric Engstrom Interim Director Portland Bureau of Planning and Sustainability