



## Community and Economic Development

Donnie Oliveira, Deputy City Administrator

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Senate Committee on Housing and Development  
900 Court St. NE, HR E  
Salem, OR 97301

RE: SB 49-1

Chair Pham, Vice Chair Anderson, and Members of the Committee,

Thank you for the opportunity to comment on House Bill 49-1. Although the City of Portland is generally supportive of efforts to generate more housing through regulatory streamlining and expanded use of Inclusionary Housing, we are unable to support House Bill 49-1 as drafted. We appreciate the opportunities we've had to comment on various aspects of the bill and remain committed to working collaboratively with Chair Pham and her team, members of the committee, and relevant stakeholders.

As the only city in Oregon with an active Inclusionary Housing (IH) program, we have learned many lessons about how to maximize production of these units and maintain an IH program that successfully balances obligations with offsets. That being said, the City of Portland has significant concerns with the IH section of this bill, along with many other aspects included in the -1 amendment. We have offered feedback on our most pressing concerns and are ready to provide more in-depth information as needed. To summarize, our most pressing concerns include:

- **Minimum Density Requirements:** Section 2 removes all minimum density requirements for cities with a population of more than 10,000 residents. Not only does this limit the tools available to local jurisdictions to create more density, it undoes a great deal of work required by the legislature over the last five plus years, and it would make implementing our recently adopted Housing Production Strategies extremely challenging.
- **Inclusionary Zoning:** Sections 5,6, and 7 would significantly increase administrative costs and requirements to provide fee waivers and cash incentives to developers of IH/IZ properties. This section will result in a reduction in Inclusionary Housing units produced in Portland.
- **Building Codes Board:** Section 9 reconfigures the Building Codes Structures Board to have less of a focus on professionals with construction experience and more focus on designers of multifamily projects. This is problematic for a board that is responsible for *all* commercial buildings, not just multifamily housing.

The City of Portland is committed to continuing to work on this bill. We would like to be strong partners in identifying ways to increase housing production, however, as drafted SB 49-1 will not help to achieve the stated goals, and it will undo years of work to increase density and affordability as previously directed by the State Legislature.

Sincerely,

Donnie Oliveira  
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