March 17, 2025

Senate Committee on Housing and Development Oregon State Legislature 900 Court St. NE, Salem, OR 97301

League of Oregon Cities is opposed to SB 6, as drafted. We understand that the bill sponsor intends to amend the bill in some key ways to address many of the concerns with the base bill, we look forward to working with the bill sponsor to craft amendment language.

We share the common goal of building more housing. Our permitting counters and review staff are frequently under-resourced and over capacity, with some communities struggling to hire the expert staff needed to ensure that our buildings are safe. Some applications come in "complete" and can be processed quickly if the staff time is available, however many applications are submitted incomplete, lacking key elements like scale building schematics and other necessary information. Our permitting staff frequently work with the applicants to get to a complete application, which takes more time and staff capacity, but often ends in a complete, approved application.

Our understanding of the intention of this bill is that it would fundamentally change how our building permitting works. Cities would need provisions in the bill to require extensive pre-work on the part of the applicant and for applications to be significantly more complete than they are currently when they are accepted. This measure has the potential to decrease permitting times, but significant changes will be needed to ensure that that decrease in time does not result in increased permit cost, increases in the number of applications denied, and unnecessary legal risk for cities.

Combined with SB 974 these measures would upend our permitting and zoning processes for housing, more time and work is needed to ensure that we are creating a new system that works for all. Currently both measures would have significant unintended consequences and neither measure would benefit the city or the developer and applicant. Further comments on the changes necessary to make this bill implementable can be found on the following page.



























Technical Comments on SB 6

- As drafted, SB 6 applies to all building permits, which could range from an awning to bathroom addition to a 12-story apartment building to a football stadium. It is our understanding that this is not the intention of the bill sponsor, their intent is for this to only apply to housing. Multifamily housing and large apartment complexes are much more complex to permit and that permitting typically needs to be done in stages to ensure viability and compliance.
 - Changes needed: To make this measure implementable we need this clock to apply to only single family (single unit) and middle housing which are simpler permitting processes.
- A "complete permit application" is not defined, and is not a term typically used in conjunction with building permit review. Additionally, this does not account for permit amendments, cities would need the clock to start over for any amendments, as amendments can be small but also can be significant alterations to the building plan.
 - Changes needed: A new statutory definition of completeness would be needed, incorporating both statewide building code standards and common city requirements. An alternative strategy would be to simply require that cities post a "punch list" publicly so that developers and applicants know what makes up a complete application. LOC and our members are happy to provide sample "punch lists."
- There would also need to be an exemption for time when the application has been sent back to the applicant due to a question or additional information needed, as cities cannot control how long applicant response takes.
 - Changes needed: Addition of a clause that stops the clock while applications are back with the applicant for changes.
- Under the LC, after acceptance of an application, the permit must be either issued
 or denied with 45 days. If denied, for a project to move forward a new application
 would need to be submitted, and the 45-day clock requirement would start again. In
 that case the project would be subject to any changes that have occurred in
 adopted codes, regulations, or fees, which could necessitate costly redesign.
 - <u>Changes needed:</u> Cities need more wiggle room in the timeline if large scale changes are needed, to ensure that denials to not increase significantly.
- Section 1(2)(c) is problematic with questionable legality. If this provision were passed, there would be scenarios where localities would have to refund fees, pay

the applicant's design and engineering costs (with no statutory limit), issue the permit anyway, and perform all the inspections for free. Our localities experience backlogs in permit applications and long timelines not due to negligence or intent to do harm but out a lack of capacity and staff with expertise to review applications properly to ensure codes are met and homes are safe. This portion is overly punitive and does not address the core of the issue that is causing delays in building applications, lack of funding and difficulties finding expert staff. The result of this provision would be increased permitting fees to cover the liability that cities will have to assume. LOC is strongly opposed to this provision as written.

- Changes needed: The correct approach to addressing this problem would be to offer solutions to the core issues, like technical assistance or a state wide staff pool to address shortages in building permits and engineering experts.
- Overall, SB 6 does not relax any construction standards, reduce any of the
 complexity of plan review and permitting work, or relieve any liability on the part of a
 municipality or a building official to verify compliance with adopted state or local
 codes and regulations prior to issuing a permit. Therefore, ensuring performance
 under the measure could without other substantial changes in the bill require
 additional staff, paid for by increased permit fees.