

March 28, 2025

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

RE: Requested Amendments for HB 2138

Chair Marsh and members of the House Committee on Housing and Homelessness,

Thank you for the opportunity to provide testimony on the proposed -2 amendment to House Bill 2138. The City of Beaverton is grateful for the opportunity to work with the Governor's office over the last few months to share comments and concerns on the proposed language. While the concept has improved, a few clarifications are still needed, which Beaverton would like to help the Governor's office address as the bill progresses.

The city appreciates the changes made in Section 1 (6) in the dash-two amendment that exempt lots or parcels created by a division of land, other than a middle housing land division, that occurred within the previous five years. This will allow greater flexibility for local governments to use tools for proportional share fee structures like reimbursement districts or local improvement districts to build basic infrastructure that residents of those properties will contribute to, such as intersections and bridges. These tools allow a developer to recoup the cost of improvements from other developments that benefit from them and recognize the potential for large greenfield development to bring multiple middle housing projects to an area. The caveat is that the five-year timeframe may not capture some developments that need more time between the standard land division and the middle housing land division process to determine the development type.

In Section 13 (5), the amended language could use clarification to align with our understanding of the intent, which is to require the city to provide feedback to developers in a manner that clearly outlines the next steps for curing deficiencies within the application. This section is specific to public works requirements, which are included in both the land use decision process and the site development permitting process. The section should be amended to clarify at which points in the development review process the city is required to provide clear and objective standards for public works requirements.

As written, the city would be required to provide clear and objective standards for any denial based on a public works requirement. Public works requirements are evaluated at multiple times in the land use and permitting process in varying levels of detail. In a land

use decision, public works elements are conceptual, and the reason for denial would be if an element is missing or not feasible at its most basic level. Cities are required to provide clear and defensible reasons for the denial at this stage.

Most of the public works' details are evaluated as part of the site development process, which has separate approval and denial requirements than a land use decision. If a site development permit application does not meet public works standards, the most likely result is a series of meetings, including onsite evaluations, to assist in finding a solution to the problem. A site development permit is rarely denied due to a public works-specific requirement unless a developer refuses to address the issue with staff. At this point, the permit would be denied, and a letter including the deficiencies and required standards would be provided as part of the denial.

Beaverton is concerned that the language as currently written will limit staff's ability to work with the developer during the site development permit process to identify possible solutions for fear of deviating from clear and objective guidance. It would also increase liability for cities that try to work with the developer through the process but are challenged based on the denial because the developer did not like the solutions available to them.

In conclusion, Beaverton appreciates the Governor's Office and the Committee's efforts to make housing more accessible for all Oregonians. We are committed to working through the practical implications of these provisions to ensure they work for local governments responsible for implementation. I urge the committee to consider our comments and questions to ensure a balanced and effective approach to housing development in Oregon.

Thank you for your attention to these important matters.

Sincerely,

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Elizabeth Coffey Assistant City Manager