

Testimony of Scott Bellows in Opposition to SB 974  
House Committee On Housing and Homelessness  
May 5, 2025

I'm writing to oppose SB 974, which superficially seems to address Oregon's housing crisis but actually will cause more problems than it solves.

I'm no NIMBY. I'm a mediator who retired from a career as a construction lawyer (in both California and Oregon). I belonged to the Homebuilders Association for years. My adult kids can't afford homes; the state needs more housing. My wife is on the planning commission for King City, which is adding hundreds of new homes right now -- and that's a good thing.

But this bill will (1) overwhelm small cities trying to process building applications in good faith and the unpaid citizen volunteers who constitute the committees and planning commissions that need to comply with its short deadlines, (2) give a monetary windfall to big developers at the expense of taxpayers, (3) unfairly excuse big (usually out-of-state) homebuilding corporations from much of the review process while still making smaller (usually Oregon-based) builders jump through the hoops, and (4) ultimately result in shoddy, often defective housing.

I'll explain each of these as briefly as I can:

**(1) It will overwhelm small cities and citizen volunteers:** Sure, Portland has a large planning department staffed by numerous professional planners. But most jurisdictions don't have that kind of staffing. Woodburn has two planners. King City has one. Many Oregon jurisdictions don't even have a planner on staff, but contract for planning services as needed. Imagine if multiple applications are submitted for review at the same time! Imagine if a city's one planner gets sick or has an accident right before a deadline! When every application has to be decided by an arbitrarily short deadline, these jurisdictions will be flooded -- *and according to this bill, every application that's not decided on time will be approved, and attorney fees and development costs will be shifted to the cities* (see below)! That's not right. (And small cities can't avoid this by just hiring more planners; additional employees are expensive, workloads tend to ebb and flow in a way that makes staffing a challenge, and it's not like there's an endless pool of professionals out there waiting to be hired.)

Similarly, much of this review is done by citizens who volunteer on planning commissions and related entities. These volunteers donate their days to review applications and their evenings to attend hearings, all to serve their communities. Do we expect these folks to give up *every* night to review applications?

**(2) It will give a monetary windfall to big developers, at the expense of taxpayers:** it's normal for developers to pay engineers and attorneys to design their projects and shepherd them through the approval process. That's a cost of doing business. And if an application is approved, the developer never complains about those costs; their project moves forward and they'll make them back. But under this bill, if a local government misses a deadline, the developer gets its approval automatically, *and also can bill the city for its legal fees incurred in "supporting the application in local land use hearings" and its "engineering costs... to prepare the preliminary plat, the calculate, draft and design infrastructure plans..., to submit and process the land use application and to consult with the local government planning, engineering and building officials...."*

These aren't *extra* costs resulting from delay; they're *ordinary* costs that the developer would normally pay no matter what, being awarded a penalty and paid by taxpayers. Again: that's not right.

**(3) It excuses big (usually out-of-state) developers from meaningful oversight, while burdening smaller (usually locally-based) builders:** The bill outright waives many of the normal building requirements and review processes for developments of 20 lots or more. Big developers will no longer be subject to state or local codes "related to aesthetics, landscaping, building orientation, parking or building design" (with exceptions for fire and building codes).

Think about that: in larger developments, local governments won't be allowed any input on how the buildings are placed on the lots. They'll have no input over where parking lots are placed, or over any aspects of building design except the most basic safety requirements. And while people may disagree about whether local governments should have any input on aesthetics or design consistency, do you really believe that large corporate developers can be trusted to build communities that are attractive, desirable, fit well within the larger community, and meet the standards of Oregon rather than California or Nevada (where many of these developers are based)? Why would we trust big corporate developers, but *not* smaller, local ones?

**(4) It ultimately will result in shoddy, often defective housing:** What happens when developments aren't subject to meaningful local review? Houses get built as quickly and inexpensively as possible, without real engagement with the communities they're placed in. Big commercial developers care about a community for six months, cash out, and move on. But those communities, and their citizens, then have to *live* with those developers' short-sighted choices for a century or longer. When this housing crisis is over, these homes will remain. Let's make sure they're built right.

**Conclusion:** Before WW2, California's San Fernando Valley was a beautiful landscape with multiple small, livable cities surrounded by orange groves, agricultural land, public parks, and horseback riding trails. Basically, it was a mini-Oregon, with sensible development, urban growth boundaries, and protection for open space and agricultural land. But when our soldiers returned from the war, they needed housing. The big developers flooded local zoning and planning meetings with astroturf complaints that zoning restrictions were "Communist" and "unfair to veterans." There was a housing crisis! We needed to waive the rules to build enough homes! So officials waived the sensible land use requirements for big developers, just as this bill proposes to do in Oregon -- which is why the San Fernando Valley today is an ugly, endless sea of concrete, parking lots, and mini-malls.

Yes, we need more housing. But we don't need *bad* housing. We don't need "little boxes made of ticky-tacky," as the old song says. We don't need to become another San Fernando Valley, building garbage in the name of "needed housing." We need *good* housing in *well-designed* communities. And Portland declared a housing emergency ten years ago; a ten-year problem won't be solved by shortening the review and approval process by a few weeks, at the expense of creating livable communities that will exist for decades.

The current statute already requires that local review processes "[m]ay not have the effect, either in themselves or cumulatively, of discouraging needed housing through unreasonable cost or delay." It's probably a good idea to give that idea some teeth. But this bill (and the similarly well-intentioned but badly executed SB 6) is not the way to do it. Either a significant rewrite is needed, or it should be rejected so better legislation can accomplish the important task this bill fails to do.

Thank you,  
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