CITY OF MILWAUKIE

May 9, 2025

Representative Pam Marsh, Chair
House Committee On Housing and Homelessness
900 Court St., NE
Salem, Oregon 97301

RE: Opposition to Senate Bill 974A

Chair Marsh and Members of the House Committee On Housing and Homelessness,

I am writing to urge you to reject Senate Bill (SB) 974A.

The time restrictions highlighted in the bill title might be the least objectionable part of this bill. This bill is a poster child for the adage – "the devil is in the details."

I have been told that the penalty/cost-shifting provisions may be eliminated in a forthcoming amendment, but for the record, these provisions are untenable for cities.

One of the biggest reasons in evident in the definition of "final engineering plans" in the -A4 amendment. This definition is problematic because it includes infrastructure plans that may not be under the authority of a local government. Final engineering plans may include infrastructure plans under the approval authority of other agencies such as a local wastewater or fire district, or a state agency such as the Division of State Lands (DSL) or the Oregon Department of Transportation (ODOT). Placing the shot-clock burden only on local governments is unreasonable in such cases. And imposing penalties is doubly unreasonable.

Another significant concern is the elimination of design review of housing. Recent state enactments, most especially SB 1537, already put significant limitations on what can be required. Milwaukie only had to make one code change to come into compliance with SB 1537, and we are also in the process of adopting an affordable housing incentive package that will further remove some design criteria for affordable housing. But eliminating design review of ALL housing is a bridge too far. What problem is the pre-emption of design review on 20 or more residential lots or parcels attempting to solve? The scale is also far from clear – does this to apply to subdivisions? Planned unit developments? Or simply to any submission of 20 or more lots for building permits at the same time?

Also problematic is language in the definition of "urban housing application" that includes amendments to a Comprehensive Plan and planned unit developments. The city alone is responsible for its Comprehensive Plan policies and their adherence to statewide planning goals and this type of action should not be available to a developer of housing.

Similarly, with the existing requirement for clear and objective housing standards, a planned unit development application is a discretionary option available to, but not required of, a developer of housing. Because this is an application type that the developer is opting for in lieu of a clear and objective pathway, it should not be included in any shortening of the review timeframes.

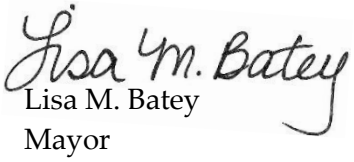
Across Oregon, city planning departments have been in a nonstop cycle of code revisions since passage of the original middle housing bill, House Bill (HB) 2001, in 2019. The five or six mandates to have issued since 2019 have been an enormous drain on staff time, city resources, and public outreach capacity. In a city with only a few planners, other work falls by the wayside when such serial unfunded mandates come out of the legislature. And in this case, the significant lack of clarity in the language of this bill brings a high likelihood of litigation to resolve this lack of clarity.

Maybe the better course is to set this one aside and revisit it in 2027, after we have an opportunity to see the impact of all these other changes, as well as HB 2138 and other bills this session. We ARE seeing middle housing built in Milwaukie, as are other metro-area cities, as I know from other mayors in the Metro Mayors Consortium.

This bill is a problem-ridden answer to an ill-defined problem. I encourage a "no" vote.

Thank you for your consideration.

Sincerely,



Lisa M. Batey
Mayor