



**Commissioner Carmen Rubio
City of Portland**

February 9, 2024

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

RE: SB 1537

Dear Chair Jama and Members of the Committee:

Thank you for the opportunity to comment on Senate Bill 1537. We are grateful for the Governor and legislature's leadership on this important issue and are writing in **support** of this piece of legislation.

The City of Portland has appreciated all the opportunities to provide feedback on this policy over the past year, including significant collaboration and rounds of review led by the Governor's office since last session. We see that much of our input has been reflected along the way, including in this week's technical amendments.

We share your acknowledgment that the need for more housing in our region, and across Oregon, is massive and urgent. There are several individual components of the bill that we will highlight in further detail below, but we would like to start by noting that this comprehensive set of strategies – with both short-term investments and new programmatic approaches – appropriately acknowledges that this is an issue that will take significant and sustained effort to address. The sum is truly greater than the parts.

We believe this bill will help meet Portland's needs and offer the following feedback on specific components:

- At the highest level, the new HAPO office will enhance statewide coordination and accountability as we all work together to increase production. We know that no one city or region can solve this problem on their own – each of us must do our part.
- The proposed \$200 million investment for infrastructure to support housing production would, without a doubt, be the most impactful component of this bill in Portland. The scale of this investment reflects the legislature's understanding of the seriousness of this issue and the need for bold action this session. In Portland, these resources would provide the financing needed to catalyze development at two major sites in Central City – Broadway Corridor and OMSI – creating over 3,000 units of mixed-income housing.

- We also appreciate your proposal to provide more resources for brownfield mitigation and other essential site readiness issues, which are an important part of building housing in an urban context and will undoubtedly bring currently unusable land onto the market and move forward projects that would otherwise get stuck.
- We would also like to recognize the value of dedicated funding for site acquisition and in support of carbon-friendly housing design.
- While we understand the Governor and legislature's goals for the adjustments process, we appreciate that the bill also provides the opportunity for local governments that have an existing and effective local process to opt out.

The City of Portland is committed to doing everything we can to increase housing production and build the 120,000 units (across all income bands) that we need over the next 20 years. In the last several years, we have adopted an Inclusionary Housing program and expanded capacity in our Central City and single-family zones to ensure that Portland has more than adequate land in our city limits for our needed housing growth. Just weeks ago, we adopted zoning changes to provide flexibility to reduce the cost of building housing and recalibrated our IH program to make sure that it's not holding back development. We are currently exploring new Tax Increment Financing Districts, and generally have programs in place utilizing nearly every state-authorized tool available to spur housing development. Doing these, and future actions in our forthcoming Housing Production Strategy, will ensure that current and future residents of all income levels can live and thrive here. We also know that focusing on expanding access to our region's urban core is the right move for the environment and will better connect new residents with amenities and transit opportunities, reducing their dependence on cars and taking pressure off the urban fringe to accommodate housing growth.

While some components of this bill may not be particularly useful for us in Portland, and one component, the UGB expansion, gives us pause, overall we believe that this bill—as proposed—is an incredibly meaningful step forward for our state.

Thank you for your time and consideration, the City of Portland urges you to vote Yes on SB 1537.

Sincerely,



Carmen Rubio
Portland City Commissioner