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February 7, 2023

Representative Maxine Dexter, Chair

Representative Mark Gamba, Vice-Chair

Representative Jeffrey Helfrich, Vice-Chair

House Committee on Housing and Homelessness

900 Court Street NE

Salem, OR 97301

RE: Testimony from the City of Bend, Oregon on HB 2889 (Introduced)

Chair Dexter, Vice Chairs Gamba and Helfrich, and Members of the Committee:

The City of Bend appreciates this opportunity to provide comments on the Introduced version of HB 2889.

HB 2889 represents a significant step forward in the State's support of planning for housing with local government partners. The Oregon Housing Needs Analysis (OHNA) will provide cities with critical data to ensure adequate supplies of buildable land for housing in UGBs (Urban Growth Boundary) and that ensures all types of housing can be developed. HB 2889 also includes several key elements and changes to statute that will reduce legal risks for local governments and ensure they have the data they need to get this work done.

You will find our comments organized by section, in particular those sections that include text we support and that will support cities planning for needed housing.

Section 2

- The City supports the text at (3)(a) and appreciates that the actions outlined under Sections 2 through 6 are not land use decisions. It will be critical for the Oregon Housing and Community Services to be able to innovate and test out ideas without the risk of an appeal to the Land Use Board of Appeals.

Section 3

- The Statewide Housing Analysis is right to consider vacant units, including those for vacation occupancies under (3)(1)(c). This data is important to vacation-oriented communities like Bend which also have a sizable portion of the housing stock owned as seasonal homes or not available for sale or for rent due to their use as short-term vacation rentals.

- It is critical here that the analysis rely on Portland State University's (PSU) most recent population forecast, for rapidly growing cities.
- The allocation process outlined here must be transparent, rely on the PSU population forecast, and ensure that the allocation represents a needed number of housing units for which a city can plan and zone. The process needs to stick to the data.
- Forecasting housing need by family income level is also critical so cities can ensure they are planning for a variety of types of housing that are affordable to households based on a range of incomes.

Section 4

- The City is concerned and wants to verify that in this context housing production targets are meant to reflect the numbers of housing units that will be needed for a city, based on forecasted population growth from PSU. If this is correct, then this data will be critical for completing a housing capacity analysis (HCA) and ensuring we are pursuing the right strategies to support the production of housing through our housing production strategy.
- Providing data on subsidized affordable housing is also critical to ensure the city can take steps to support the development of housing for those households and families who cannot find a market-rate unit they can afford.

Section 5

- The City supports the development of the statewide housing production dashboard. This dashboard will be a valuable tool for showing the public how housing production is going and will ensure that everyone will have access to the same data and information.

Section 6

- The City has several questions for clarification under this section:
 - Under (2)(b) what does "...overall land efficiency of housing production" mean?
 - What is meant by "visability" under (2)(c)?
 - Under (2)(f), what kind of factors will be reported here?

Section 9

- The City supports and is very appreciative for the proposed text under (2). This is essential to support local planning and eliminating legal risk in using the data outlined under (2)(a) through (2)(c).

Section 10

- With respect to the actions outlined here, the City appreciates the direction to provide greater flexibility, options, and certainty for local governments amending Urban Growth Boundaries (UGBs). That said, we want to bring to the Committee's attention that this was last attempted during the 2013 session with the passage of HB 2254. Through this bill, the Legislature directed the Land Conservation and Development Commission to adopt a new set of rules that would be intended to provide a simplified UGB amendment process. The Commission did this by adopting the Simplified UGB amendment rules in 2016. To our knowledge, no city has attempted to use these rules to amend their UGB.
- Any legislation that aims to improve the UGB expansion process needs to offer clear and objective standards, provide more safe harbors outside those included in the Simplified UGB process, and ensure rulemaking relies on local experiences of successful UGB processes.

- With respect to (2)(d), the City strongly supports the bill's direction to support coordinated public facility planning. Over the last five years, the City has updated its water, sewer, and transportation public facility plans to ensure land within the UGB, including recent expansion areas, can develop due to existing and/or planned infrastructure.

Section 13

- We have a clarifying question on this section. Is the intent for the 20-year planning period to re-start on the day a local government issues a decision that responds to a remand? If that is the case, we would strongly support this change because it would be a significant help to local governments completing work to satisfy the terms of a remanded land use decision from the courts or a remand order from the Department of Land Conservation and Development.

Section 16

- The City supports the proposed text under (4)(a)(F) that recognizes short term rentals, seasonal homes, and vacation homes impact the supply of available housing in a community. For vacation destinations like Bend, this data is essential to understand how much of our housing stock is not available for sale or rent due to its use as vacation or seasonal housing.

Section 17

- The City supports the expansion of the types of housing that are to be considered "needed housing" under (1)(e) through (1)(h).

Section 21

- The City supports the proposed changes to the housing production strategy statutes under this section, including those listed under (3)(d) that refer to actions that would prepare lands for development. We consider infrastructure planning and projection construction a critical strategy to ensure the land we already have in the UGB for housing can be developed as soon as possible.

Section 24

- The City supports the proposed amendment under (8) that would ensure amendments that are made to a comprehensive plan or land use regulations are not subject to review against Goals 9 and 12 if the amendment is already included in the city's approved housing production strategy.

Section 34

- The City supports the proposed changes under (6)(c) and (d). City staff have had positive experiences working with the Population Research Center and look forward to having this new data for our housing planning.

Thank you again for the opportunity to testify on HB 2889.

Sincerely

A handwritten signature in black ink, appearing to read "Eric King".

Eric King
City Manager
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