

Mayor
Honorable Tom Ellis

City Manager
Jason A. Tuck, ICMA-CM



March 19, 2025

House Committee on Housing and Homelessness
Oregon State Capitol
Salem, OR 97301

Re: Opposition to House Bill 2258-1

Dear Chair Marsh and Members of the Committee:

On behalf of the Happy Valley City Council, I would like to express our strong opposition to HB 2258 as amended. Communities across our state are facing a housing shortage. The City is ready and eager to work with the State and our development community to produce more housing in a thoughtful manner that will leave a proud legacy for generations to come. Unfortunately, legislation such as HB 2258-1 will cause conflicts and further reduce a jurisdiction's ability to assure adequate infrastructure to allow future development. HB 2258-1 stifles the ability for local jurisdictions to plan for the context of our unique communities and it inhibits the ability of local governments to achieve our shared goals.

Happy Valley has been one of the fastest-growing communities in Oregon for nearly two decades. Since 2000, the City's population has grown 594%. Just in the last 15 years, the City added 5,744 new housing units, 1,722 of which were multi-family or middle housing. Through years working in a fast-growing community, we have refined our local permitting process to be one of the quickest and most responsive in the Portland area. The City of Happy Valley continues to invest resources preparing land for urbanization, including adoption of our newest 2,700-acre expansion area that is expected to add 7,500 new households. We have made efforts to develop a modern-day suburban downtown that will add another 1,200 housing units.

- Regardless of our community needs identified in our adopted housing assessments, the Bill provides a one-size-fits-none approach of automatically allowing up to twelve units of multi-family housing on any qualifying residential lot. The Bill significantly increases the potential density on any residentially-zoned property. This approach is blind to both a jurisdiction's unique circumstances and local jurisdictions' obligation to assure development can be adequately served by infrastructure. The Bill is both offensive and destined to cause more problems than it can solve.
- Further, the Bill no longer allows jurisdictions to articulate residential uses, and it conflicts with other provisions of the law, including OAR 660-046-0205(2), OAR 660-046-0205(3) and OAR 660-046-0010(3) which allow context-sensitive middle housing.
- The Bill allows a spectrum of residential uses on any qualifying property that is zoned residential, and not all of those uses increase the number of housing units. This is a problem in Happy Valley because we regularly hear from developers and property owners who want to underdevelop their property. This Bill hands them that ability. Until the market and adequate infrastructure are made available, this Bill would promote a decrease the density of greenfield development rather than an increase in infill.
- HB 2258-1 classifies simple housing units as land use decisions which would be subject to unnecessary red tape, increasing the length of time to review housing and also increasing the complexity and risk to developers.

- The Bill includes components that do not make sense, like minimum dwelling units per acre for single-family dwellings, when those parameters are only applicable to existing vacant lots.
- The Bill includes incredibly high square footages and floor area ratios, resulting in large homes, which will not be affordable.
- The Bill is overly specific in some cases and wildly broad in others. For example, it provides a detailed list of what a jurisdiction is allowed to regulate but it leaves large gaps of uncertainty . It is not clear whether onsite sight distance can be analyzed, if there can be oversight of onsite private stormwater facilities prior to entering the public system, or exactly what land use regulations are “appropriate.” It would be more appropriate to be clear about what a local jurisdiction cannot regulate with our existing clear and objective standards.
- We oppose the development of a pre-approved plan that would circumvent our community-adopted standards. However, if this is done, we request the scope of review be limited to the structure itself and honor local dimensional standards, such as building height and setbacks. To assure compatibility with the context of our unique communities, it may be more appropriate for jurisdictions to choose a limited selection of designs which may be applied.

Legislation must not preclude jurisdictions from continuing to manage our own housing options. Ongoing changes to siting and design standards create, rather than solve, problems and tie up limited local resources and staff in the process.

Thank you for your consideration of our concerns.



Tom Ellis
Mayor

16000 SE Misty Drive, Happy Valley, Oregon 97086-4288
 Telephone: (503) 783-3800 Fax: (503) 658-5174
happyvalleyor.gov