



Sightline Institute is an independent think tank working to advance sustainability in the Pacific Northwest. We believe it exists at the intersection of environmental health and social justice.

When people choose to live close to one another, they cut their energy use approximately in half. This is why Sightline's housing program is dedicated to giving more people the ability take this voluntary action with profound benefits for the economy and the planet.

We're writing in **cautious support** of HB 3414 and the direction of the -1 amendments, but in hope that it might be modified to do more to accelerate housing production in the next decade:

1. We suggest adding to Section 2 the ability to apply for modest variances to height, FAR and unit count: up to 30% higher than the current regulatory maximum, or 30% lower than the current regulatory minimum.
2. We suggest a sunset clause for Section 2.

As proposed by 3414-1, Section 2 would allow several things that can make urban and suburban housing more abundant:

- Flexibility in on-site parking.
- Smaller front and rear setbacks.
- Potentially simpler, faster and less expensive processes for creating homes in these locations.

As cities prepare to aim for the new targets set by the Oregon Housing Needs Analysis, HB 3414 would also serve as a sort of live-action test. Which variances are being requested most often – and are therefore, presumably, the biggest barriers to development, especially of lower-price homes? Which of our many rules could we actually live without?

However, critics understandably ask: are these variances really going to produce enough additional homes to be worth their costs? Some opponents propose that the bill require developers to show that their requested variances would increase the number of units on site. This would be a bad idea. Instead of reducing process, it would add a new layer of process. It would also fail to recognize the fact that one of the most important ways to build more homes is simply to reduce the cost of development.

The better approach here is to allow **modest variances to the land-use rules that do the most to constrain housing production**: limits on height, FAR, and unit count.

Allowing these to exceed their current maximums by up to 30% would allow a building in a 3-story zone to include a fourth story; or a triplex of 2-bedroom homes to instead be a triplex with 3-bedroom homes; or a fourplex to instead be a fiveplex. Allowing these to dip below their current minimums by up to 30% would recognize that minimum density standards can sometimes be barriers to short-term housing production and are worth waiving during a housing emergency.

(Another, much more limited approach: Section 2 could allow height variances of up to 50% but no changes to FAR. As written, Section 2 will tend to encourage wide, low buildings by allowing variances on setbacks and lot coverage but not to height. Allowing buildings to be “tall and skinny” may create a more pleasant built environment.)

The other change we suggest is to recognize that this bill has the nature of an emergency bill. It is not written for “business as usual” because Oregon desperately needs to change business as usual.

However, **Oregon should act quickly to end this emergency.** To that end, we offer two ideas for a sunset clause:

- Section 2 could expire after somewhere between 5 and 10 years – roughly in time for the first round of housing production strategies under OHNA.
- Section 2 could expire as soon as a jurisdiction meets its “total production” housing target under OHNA.

Either of these approaches would let Section 2 be what it seems to want to be: A productive, decentralized experiment in how to accelerate homebuilding. Once the experiment is complete, OHNA will give cities an incentive to put their mutual discoveries to good use.

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