

Mayor
Honorable Tom Ellis

City Manager
Jason A. Tuck, ICMA-CM



March 14, 2023

Senate Committee on Housing and Development
Oregon State Capitol
Salem, OR 97301

Re: Opposition to Senate Bill 847

Dear Honorable Chair Jama and Members of the Committee:

Thank you for the opportunity to provide comments on SB 847.

On behalf of the Happy Valley City Council, I would like to express our strong opposition to SB 847. Communities across our state are facing a housing crisis; however, preemptive legislation such as SB 847 will stifle the ability of local governments to achieve our shared interests and produce unintended consequences.

Happy Valley has been one of the fastest growing communities in Oregon for nearly two decades. Since 2000, the City's population has quadrupled. Just in the last 15 years, the City added 5,656 new housing units, 2,033 of which were multi-family. Through years working in a fast-growing community, the City has refined our local permitting process to be one of the quickest and most responsive in the Portland area.

Looking to the future, the City recently approved a comprehensive plan update for 2,700 acres of the former Damascus area. That area is expected to add 7,500 new households with a near 50/50 split of single-family and multi-family/attached units.

While the City understands the housing crisis, our job as elected officials is to balance the many competing interests within our community. We pride ourselves not on being one of the fastest growing communities, but doing so in a way that builds complete neighborhoods, balancing the impacts of growth with environmental stewardship and community livability.

While the City has significant concerns over the entirety of the bill, we are specifically concerned over Sections 1, 2, and 3.

Prevents Public Involvement

Top-down approaches can produce conflicts between state goals. SB 847 is counter to the very pillar of Oregon's unique land use system: Goal 1, Citizen Involvement. The provisions of SB 847 supersede local zoning and development standards that were developed by gathering input from community members and implemented by volunteer Planning Commissioners and the elected City Council. The proposal effectively eliminates local commercial zones.

Doesn't Address the Housing Problem

SB 847 doesn't address the true barriers to accommodating more housing. As mentioned earlier, the City expects over 7,500 new housing units to be built once adequate infrastructure is in place. The most significant impediments are the cost of public infrastructure to serve those sites and the high cost of land in the metro area. Neither of which are addressed by SB 847. The City encourages the Governor and Legislative Assembly to engage meaningfully with a wide variety of jurisdictions and those involved in

development to identify a list of strategies which would be more effective at addressing the housing problem.

Ignores the Importance of Thoughtful Planning

As mentioned, SB 847 effectively eliminates commercial zoning. Happy Valley has ample land to meet a 20-year housing supply; however, it lacks sufficient commercial land. Commercial areas are critical to building well balanced community with land for jobs, grocery stores, medical offices, and other critical services. Furthermore, due to limitations of Measures 5 and 50, cities need commercial areas for property tax purposes. Lastly, most cities, Happy Valley included, already have allowances for residential components in commercial areas to provide for mixed-use developments.

Reduces Revenues to Provide Critical Services

Section 1 of SB 847 would reduce future tax revenues despite causing an increase in services. While the addition of ADUs may address an immediate housing need, eliminating the increase in property taxes as a result will come at a detriment to fire, police, parks, and other critical local government services.

As a City Council, we ask the Governor and Legislative Assembly to see us as equal partners in the implementation of our common interests. Our team does the work every day of creating an environment that supports more housing units at all income levels. We work tirelessly to build a diverse and equitable community that will thrive for decades to come. Please, partner with us to continue this work, rather than forcing us to spend our efforts implementing new bureaucratic measures that don't solve the problem.

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

Preserving and enhancing the safety, livability and character of our community