



**Testimony by City of Wilsonville
Planning Director Miranda Bateschell Opposing HB 3569:**

***Proposed Legislation Has Unintended Effect of Slowing Housing Production,
Increasing Litigation Potential, and Producing Deficient Neighborhood Housing***

Scheduled for public hearing on March 23, 2023, before the
House Committee On Housing and Homelessness

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

On behalf of the City of Wilsonville, I am testifying in opposition to HB 3569. While well-intentioned, the bill creates a host of long-term problems detrimental to communities and the state goals for increasing housing production and creating greater development certainty.

The City of Wilsonville is one of the fastest growing cities in the State and has a long track-record of producing a variety of housing integrated within every neighborhood, with half of our 27,000 residents residing in single-family homes and half living in multi-family communities. Wilsonville has a streamlined land-use review process with clear and objective standards, which has provided an avenue for all of this housing production, and we continue to strive to improve that process wherever possible.

From discussions with homebuilders, we understand a main purpose of HB 3569 is to speed up the approval process, along with decreasing costs, and reducing appeals and lawsuits for needed housing. The City shares these goals. However, **HB 3569 does not present a solution, and in fact, it is only likely to slow down the process, result in more appeals, and increase costs.**

HB 3569 Slows Housing Production and Increases Litigation Potential

The text of HB 3569 introduces ambiguous language such as “Will not pose any unreasonable risk to public health or safety,” “can be serviced,” and “substantial evidence.” It also does not allow a City to apply any additional standards, thereby removing the clear and objective standards and process for developers. **This unclear language creates an increasingly ambiguous and discretionary review process for housing projects that will not only result in a longer process but also one ripe for appeals and lengthy litigation.**

HB 3569 also shifts the burden to local city staff to provide substantial evidence. The impact of local governments carrying the burden of proof would be a significant effort and additional red-tape to housing production. Effort and staff time would necessarily shift away from the ability to approve land use applications for housing and associated construction permits in a timely manner. **This will ultimately slow the development review process and make it difficult to achieve housing production targets.**

HB 3569 is Undemocratic

HB 3569 states that cities are **not required** to consider comments from anyone other than the applicant. This is undemocratic and laughs in the face of Land Use Planning Goal 1: Citizen Involvement.

HB 3569 Removes Certainty around Housing Production and Equity Housing

HB 3569 makes the State and cities beholden to developers, because it would not allow cities to enforce any standards outside the minimal criteria outlined in the bill. This would allow developers to skirt around Statewide policies important to the Governor and Legislature, and local jurisdictions could not enforce them. This includes:

- **Housing Targets and Production Strategies (HB 2003 and HB 2001 (2023)):** cities would not be able to enforce housing variety, inclusionary zoning, siting or design standards to achieve needed housing types where they are needed.
- **Accessibility and/or visibility features** are also land use standards that would be deemed unenforceable.
- Developers can ignore siting and design standards for middle housing developed by DLCD and adopted by cities consistent with **HB 2001 (2019) Rulemaking**.

HB 3569 Makes Us Less Resilient to Climate Change

Climate-Friendly and Equitable Communities Rules (2022), are land use regulations that cities could not enforce under HB 3569. These include electrical vehicle charging, parking regulations (including maximums), tree canopy and solar requirements, and any standards to implement climate-friendly areas (CFAs). If we cannot count on land use regulations that create a place supportive of pedestrian-oriented, mixed-use, multi-modal, multifamily development, these CFAs will not be successful.

HB 3569 will undermine Urban Growth Boundaries (UGBs), a critical land use planning tool, which has resulted in efficient use of land and reduced greenhouse gas emissions. While the process for amending UGBs has room for improvement, allowing developers to develop however they want within UGBs and Urban Reserves, as HB 3569 would allow them, will not ensure growth is done in a systematic, cohesive, and efficient manner that helps us reduce climate impacts. HB 3569 intends to subjugate the statewide framework for land use planning and local and regional goals for cities to plan for growth in neighborhood, regional, and town centers (also known as CFAs now).

HB 3569 will also intentionally circumvent natural resource protections. Several draft bills this session, and comments from homebuilders, have characterized the protection of trees, upland habitat, and Goal 5 resources which include the Willamette River, wetlands, streams, and floodplains, as “unnecessary requirements.” These resources are what many of us think of as defining Oregon and the Willamette Valley. Their protection is necessary for oxygen, climate resilience, health, and quality of life, not to mention all the other species that rely on these resources for habitat.

HB 3569 Would Allow Deficient Neighborhoods and Housing

Cities would not be able to apply standards outside of HB 3569, including: mixed-use and multi-modal requirements that create access to goods and services; minimum landscaping requirements and open-space requirements, tree preservation and mitigation requirements, including protections for Heritage Trees, that are necessary for mental and physical health; solar access standards that ensure access to sunlight; right-of-way dedications, including those for planned streets in a city’s adopted TSP, that ensure multi-modal access and connections are provided; and provision of adequate public facilities to serve development, including utilities residents need to use every day.

Some standards may not always be obvious as to the benefit they serve. For example, the setback requirement for a garage may not seem to be necessary. However, if it is not set back far enough, then cars parked in the driveway in front of the garage will overhang into the sidewalk creating accessibility and safety issues, particularly for children and citizens with mobility issues.

Good planning and zoning practices create communities where everybody has an opportunity to live in a great place. We should not be entertaining a mentality of providing housing without any standards — at the expense of good policies that create equitable housing in livable communities. Our focus should instead be on the real barriers to producing needed housing, specifically affordable housing.

HB 3569 Fails to Address Not the Real Barriers

The housing affordability and availability crisis is not unique to Oregon or our land use system. Local planning and zoning has minimal impacts. Housing production is market driven and depends on profit. If the State is ready to compromise the rest of the land use planning goals, then any increase in profit/reduction in cost from not implementing those standards needs to be transparent and captured to pass the savings down to home prices/buyers and be invested into publicly subsidized affordable housing.

The biggest barrier to housing production and affordability is the cost and timeline to construct infrastructure. In order for the State to meet its goals for housing production, we need to meaningfully fund infrastructure and improve how it can be financed.

HB 3569 will not result in the housing production, equity or climate goals of the State. It undermines local and regional authority in meeting these goals and serving the public in creating housing opportunities for all in livable communities. It instead favors developer and investor interests while removing city and county land use planning, citizen input, and local balancing of important priorities best understood by local communities, professional staff, and their elected governments.

The City would be happy to work on real solutions that will speed up the approval process, along with decreasing costs, and reducing appeals and lawsuits for needed housing. **HB 3569 does not address these problems, and only introduces approaches that will add time to produce housing and compromise the health and equity of our communities.**

The City of Wilsonville respectfully urges the committee to table HB 3569. Affordable housing, and overall housing production, is a critical issue but this bill takes an unreasonable approach. Thank you.

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