



Janelle Booth, City Manager
Scott Cowan, Mayor

May 5, 2025

House Committee On Housing and Homelessness
Oregon State Legislature
900 Court St. NE
Salem, OR 97301

RE: Opposition for SB 974A – Timelines for permits

Chair Marsh, Vice Chairs Andersen and Breese-Iverson, and Members of the Committee:

The City of Millersburg thanks you for the opportunity to provide testimony on proposed Senate Bill 974-A. While Millersburg supports the intent of providing timely engineering review of projects, we are opposed to some of the specifics in this bill. Some aspects of the bill should be amended if the bill is to move forward.

The City largely agrees with the comments provided by the 1000 Friends of Oregon and the Central Oregon Landwatch as stated in their letter of opposition dated May 5, 2025. While Millersburg opposes shot-clocks dictated by the State, the edits suggested in their letter of opposition are important changes that would make the bill more functional to implement and not contradict other areas of existing legislation. These include:

1. The definition of “Urban Housing Application” remains too broad.

SB 974-A creates a new concept called an Urban Housing Application. The text requires all Urban Housing Applications to be processed with the Limited Land Use process. There are a number of issues with this concept.

First, the Limited Land Use process, by design, limits public input and seems to be at odds with the intent of State Planning Goal 1.

Second, the new definition includes some Comprehensive Plan Amendments. These should not be processed with a Limited Land Use process because they should include significant public input, which is provided through hearings at the Planning Commission and City Council level. Millersburg wants to ensure all voices are heard. Planned Unit Developments are typically larger projects that pose greater impacts, which requires public input and careful review. Planning Commissions and City Councils should remain part of that review process.

Third, the bill is confusing as it seems to imply that public works permits are to be

processed as Limited Land Use reviews. However, public works permits are not historically considered Land Use permits. The Limited Land Use review process is a Land Use process. It would actually hurt developers and slow the development of housing to require a Land Use process for public works permits.

Millersburg supports the 1000 Friends and Central Oregon Landwatch proposed edits (cut and pasted directly from their letter), with one exception- Millersburg would like all of D removed. As illustrated elsewhere in this letter, public works permits are not Land Use permits, nor should they be.

Adjustments Needed to Section 3 (21)(a) lines 13-19, page 5

'Urban housing application' means any application to a local government for a quasi-judicial decision, whether combined or in separate stages, seeking approval of any aspect of the development of lands planned or zoned for residential use or mixed residential use, within an urban growth boundary, including an application to:

~~"(A) Amend a comprehensive plan or seek a variance from a land use regulation;~~

~~"(B) Adopt a planned unit development;~~

~~"(C) Tentatively plat, partition or subdivide the land;~~

~~"(D) Approve any preliminary engineering or design plans relating to the provision of utilities, roads or other urban services; or~~

~~"(E) Site a specific dwelling structure, including a single-unit dwelling, manufactured dwelling, middle housing, or single room occupancy or multi-unit dwelling.~~

2. Design Review scope is still too broad

'Design Review' is a vague term used differently by each City. Such a 'review' typically includes implementing requirements such as aesthetic features, landscaping and other design features that are required on homes. The State seems to misunderstand the key role design regulations play in the creation of individual communities. These are very important tools for a City to regulate how a house blends with the community. They are not in place to slow development; rather, they are used to create a unique community that represents the desires of the community. This is what makes Sisters different from Lake Oswego and Bend. Wilsonville's Frog Pong has a very distinctive feel; this comes from design requirements. All Cities should be unique. Removing design requirements makes all Cities in Oregon the same. The State should not place any limits on design regulations. These should remain distinct for each City. Let Home Rule function the way it is designed to. The concept of removing design regulations seems to have been a late addition. The bill seems to have two very different concepts, introducing a shot-clock on building permits, and the late addition of eliminating design review requirements. Destroying a City's ability to apply design standards is a very big deal and should not be a small addition to another bill. This hides the change from the public and misrepresents the intent of the bill. Subsection 5 should be removed entirely.

We echo the statement made in the testimony submitted by Wilsonville in their letter dated 5/5/25 "Taking reasonable design standards away from Oregon's communities will not produce additional housing, reduce housing costs, or increase access to healthy communities. Design standards are not about aesthetics for exclusion; rather, they are most often used to promote public safety and create green, walkable, and inclusive neighborhoods."

If this were to be implemented, we agree with the edits proposed by 1000 Friends and Central Oregon Landwatch. Removing landscape requirements will conflict with implementation requirements of several climate change requirements. We also believe "shall" and "may" should be swapped in (a) and (b).

Millersburg fully supports the edits proposed by 1000 Friends and Central Oregon Landwatch (cut and pasted from their letter):

Adjustments Needed to Section 4 (5)(a)(b) lines 29-36 (page 6) and to Section 5 (5)(a)(b) line 30-37 (page 7)

"(5) With respect to any design review process or requirements related to aesthetics, ~~landscaping, building orientation, parking or building design~~, but not including limitations on size or any review under applicable building codes, fire codes or public health and safety regulations, a local government:

- "(a) ~~Shall~~ **May** waive the process or requirements for an urban housing application for the development of 20 or more residential units; and
- "(b) **May** ~~Shall~~ waive the process or requirements for a smaller number of residential units.

3. Cost reimbursement to applicant if local government delays is problematic

This section requires cities to pay for attorney and engineering costs if there is a delay by the local government. The text also applies these to "urban housing applications." This could serve as an incentive for Cities to deny applications. Further, an applicant can use many tools, like legal challenges, to slow the government review, which could result in tax-payer funds used to pay for private development costs. In other words, this creates the possibility of a loophole for bad actors to game the system to get cities to pay for engineering costs.

Millersburg supports the 1000 Friends and Central Oregon Landwatch proposed edits (cut and pasted from their letter):

Remove Section 2 lines 1-16 (page 2)

~~SECTION 2. (1) An applicant is entitled to an award of the applicant's reasonable engineering costs and attorney fees, including fees incurred on appeal if the applicant prevails on a claim against a local government or special district for failing to meet a deadline for final action under:~~

~~(a) Section 1 of this 2025 Act; or~~

~~(b) For an urban housing application, ORS 215.427 or 227.178.~~

~~(2) As used in this section:~~

~~(a) "Attorney fees" includes prelitigation legal expenses, such as costs of preparing and processing the application and supporting the application in local land use hearings or proceedings.~~

~~(b) "Claim" includes a petition for a writ of mandamus under ORS 34.130, 215.429 or 227.179.~~

~~(c) "Engineering costs" includes costs to prepare the preliminary plat, to calculate, draft and design infrastructure plans and location, to submit and process the land use application and to consult with the local government planning, engineering and building officials to obtain approvals for the preliminary and final plat, land use and engineering design.~~

4. Clarity needed on what an urban housing application does not include

The text refers to "construction" permits. That term is not typically used in City permitting process. It's too vague. That term could mean several different things. We agree with the 1000 Friends and Central Oregon Landwatch that this should be revised to be "building" permits instead.

We support the 1000 Friends and Central Oregon Landwatch proposed edits (cut and pasted from their letter):

Clarify language in Section 3 (21)(b)(C) line 27 (page 5):

"(b) 'Urban housing application' does not include:

- "(A) An application that would have the effect of reducing the minimum residential density of land.
- "(B) An application for or a decision made by a local government pertaining to a site within an urban growth boundary that concerns approval or denial of a final subdivision or partition plat or that determines whether a final subdivision or partition plat substantially conforms to the tentative subdivision or partition plan.
- (C) An application for a residential ~~construction~~ **building** permit.
- (D) Review of final engineering plans under section 1 of this 2025 Act.
- (E) A decision that may be made by a ministerial or other expedited approval procedure.

Millersburg agrees that streamlining processes is important. We constantly strive to be responsive, efficient, and timely in our engineering reviews. We are known to be a very development friendly community. We believe that legislated timelines for engineering review will have the unintended consequence of increasing requirements for completeness and slowing down the permitting process.

Millersburg opposes this bill.

Having that said, the changes proposed by the 1000 Friends and Central Oregon Landwatch will go a long way toward making this usable and we appreciate their thoughtful review of the bill and their suggestions for proposed edits.

Thank you,



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