

Testimony of Anneliese Koehler, Legislative Affairs Manager

In Opposition to HB 3414 -19

House Committee on Rules

June 9, 2023



Metro is the regional government for the greater Portland metropolitan area, tasked by Oregon statute with making decisions every six years about how and where the region will grow. Our region has a strong track record of supporting the core purposes of Oregon's statewide planning system – protecting farms and forests by facilitating efficient urban development, while providing additional room for people and jobs when needed by expanding the urban growth boundary.

I want to focus my comments on sections 12 through 19 of the -19 amendment. Over the past few sessions, we have seen multiple iterations of this concept and this amendment shows improvement from past versions. We want to thank in particular the Governor's office for advancing much needed changes to ensure increased affordability, density and narrowing the scope of the bill. Simply put, the housing portions of this bill are greatly improved.

However, Metro has significant land use concerns about the -19s and we oppose the bill.

Fundamental to this bill is that it is permissive for local governments that would like to expand their UGBs. This bill is not permissive for Metro. While we would prefer that we be treated the same as any other local government that manages their UGB and not be forced to do a UGB expansion, if the shall needs to remain in place, the role for Metro outlined in the -19s is inappropriate. Metro should have the ability to review cities' petitions to ensure that they comply with the requirements of the bill. We should not be forced to expand the UGB when we know that a city does not meet the requirements of this bill. Based on conversations we've had over the last week about the components of this bill, we understood that that is what should have been in the bill language, that Metro should have the ability to review cities petition to ensure compliance with the bill. Correcting this would help this bill be more workable for Metro.

Our understanding of the intent of this bill is to offer opportunities to increase land supply for housing production. While I cannot speak for other areas of the state, raw land supply is not the crux of the Metro regions housing supply crisis. We have thousands of acres of vacant buildable land inside our UGB. In addition, Metro has multiple opportunities for cities to petition us to expand the UGB. Every 6 years, we are statutorily required to undertake a year-long analysis to ensure that we have a 20 year land supply. Through that process, we work with our local jurisdictional partners and review their requests for UGB expansions. We also have mid-cycle review process where cities now have an opportunity to request a UGB expansion every three years. In addition, Metro can utilize a land exchange at any time. This involves bringing land into the UGB while simultaneously removing land from the UGB that is unlikely to develop any time soon. Cities currently have an opportunity to petition Metro during our 6 year cycle, our mid year cycle and at any time under a land exchange for a UGB expansion. For example, we are about to undertake our 6 year growth management process in 2024. Cities have

the opportunity in the upcoming year to apply for a UGB expansion. Since we have adopted the process of having cities apply, we have not turned down a city.

Because we have frequent processes in place in the Metro region to address land supply, our main issue is development readiness. Meaning, in order to facilitate housing production, we need funding for local governments to provide critical infrastructure, to convert vacant buildable land to development ready. And we need partnership from the state in order to do this. Roads, sewers, pipes and other critical infrastructure are the bricks and sticks that facilitate housing production.

We are acutely aware of the importance of addressing the housing needs of all people in our region, especially those with low and moderate incomes. Metro supports the Governor's ambitious proposal to build 36,000 homes a year and is actively working to facilitate increased housing production. However, we believe that we can and should do so within the framework, and with respect for the integrity, of Oregon's existing land use system. Housing supply, not land supply, is at the crux of Metro's housing crisis. We look forward to working with the Legislature, the Governor's office and all partners to address our housing supply issues.