



March 21, 2023

House Committee on Housing and Homelessness
Oregon State Capitol
Salem, OR 97301

Re: Opposition to House Bill 3414

Dear Honorable Chair Dexter and Members of the Committee:

Thank you for the opportunity to provide comments on HB 3414.

On behalf of the Happy Valley City Council, I would like to express our strong opposition to HB 3414. Communities across our state are facing a housing crisis; however, preemptive legislation such as HB 3414 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. Focusing our attention to implementing the multitude of legislative mandates such as HB 3414 will take time away from our ability to process permit applications in this expansion area.

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.

Below highlight the City's specific concerns with HB 3414.

Prevents Public Involvement

Top-down approaches can produce conflicts between state goals. Notably, HB 3414 is counter to the very pillar of Oregon's unique land use system: Goal 1, Citizen Involvement. The provisions of HB 3414 supersede local development standards that were developed by gathering input from community members and implemented by volunteer Planning Commissioners and the elected City Council. The proposal will render all but a narrow list of development criteria effectively irrelevant. If a variance is requested, the City may no longer enforce minimum lot sizes, or all of our environmental protections.

Doesn't Address the Housing Problem

HB 3414 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 HB 3414. Jurisdictions are obligated to provide clear and objective

criteria for housing and thus every development has a path forward with certainty. The inability to deny variances does not result in additional housing units, but rather developments that do not meet the design envisioned by the community. 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.

Erodes Trust and Partnership in Governance

Instead of creating partnerships, HB 3414 pits the State of Oregon and cities like Happy Valley as opponents. Instead, we should be working collaboratively to achieve our shared hopes for the future. 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.

Adds Unnecessary Bureaucracy

There are already established systems in place to assure local governments comply with existing laws. Creation of a new entity is simply not necessary and will cause opportunities for conflict between the suite of oversight mechanisms, and an ongoing cost to the State. Rather than using our State's limited resources to create a new agency, it would be far more fruitful to provide technical assistance or other resources to local jurisdictions to proactively review local codes and policies for compliance with existing laws and offer solutions.

Thank you for your consideration of our concerns.



Tom Ellis
Mayor