



WASHINGTON COUNTY

OREGON

House Committee on Housing and Homelessness
VIA OLIS

RE: Opposition to A-Engrossed SB 974, including -A4 amendments

Submitted for May 5, 2025 public hearing

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

Washington County is the second-largest Oregon county by population, and has been one of the fastest-growing counties over the last four decades. This growth does not just occur within the cities of Washington County. About 215,000 people live in the urban unincorporated areas of our county that continue to see development of all types of housing, commercial and industrial uses.

Washington County's Department of Land Use & Transportation manages the largest County building program (and second-largest building program in the state, behind City of Portland). We also manage plan review and inspection for on-site grading, private streets and private utilities, as well as on- and off-site engineering reviews for public streets and roads. Our teams work diligently to ensure that development projects are constructed consistent with our standards, particularly those regarding safety. We work in cooperation with our development community to improve our services and strive to meet the need for timely service with limited resources.

Washington County wants to be part of the solution to addressing Oregon's critical housing shortage that has been decades in the making. We generally support SB 974's overarching aims of creating more, and specifically more affordable, housing by improving predictability and shortening development timeframes. We appreciate that the bill's sponsors have been willing to work with local jurisdiction representatives to remove or improve some of the most problematic elements of this bill.

More time is needed for a deliberative review of the contributing factors to housing approval timelines. While we are pleased with the positive direction in the -A4 amendment, we continue to have deep concerns about A-Engrossed SB 974 and the -A4 amendment that lead us to request that the bill not move forward this session without significant further amendments.

The bill prescribes engineering review within an arbitrary artificial timeline, with needlessly punitive consequences for local jurisdictions that are unable to comply. It also includes provisions that are not implementable as drafted. We believe these provisions will lead to problematic and unintended consequences for jurisdictions and developers around the state. In the event this bill moves forward, our specific requests and rationale/concerns are described below in more detail.

- **Sec. 1(2)(a): We request that the 14-day completeness review for engineering plans be eliminated. If a mandatory timeline is retained, we request it be extended to 30 days, consistent with the land use requirement.**
- **Sec. 1(2)(b): We request that the 90-day jurisdiction review timeline for engineering plans be eliminated. If a mandatory timeline is retained, we request it be extended to 120 days, consistent with the land use requirement.**

- Even with the -A4 amendment's new clock-tolling provision in Sec. 1(3) when engineering plans are out of the local jurisdiction's hands, the proposed 14- and 90-day timelines are simply too short to be consistently met for all projects.
- The 14-day "completeness review" provision for engineering plans is modeled after the provisions for land use applications, which provide for a 30-day completeness review, which is more realistic.
- We have several full-time staff members dedicated to these plan reviews, and average about 120-150 days per project. Some can be completed in less time; some take longer due to complex site conditions and the varying quality of submissions by the consulting engineers that prepare the plans for jurisdiction review. The rigid timelines in this bill do not account for these factors.
- Infrastructure engineering reviews are complex and vary widely due to variations in project scope and scale, as well as topography, soil and other unique site conditions. In Washington County, most of the easily developed greenfield land has already been developed. The rigid, uniform and artificial review timelines in proposed A-Engrossed SB 974 -A4 do not lend themselves to the collaborative and iterative process that has enabled successful development of challenging sites. These reviews often require an ongoing series of conversations between the reviewing agency, the developer and their consultants, and often involve other agencies (including water, sewer, stormwater, and fire service providers) to ensure infrastructure is adequately planned, appropriately sized, and connects to the greater community system.
- Failing to adequately review infrastructure plans can have catastrophic life-safety and financial consequences to the residents of the housing units, neighbors, and communities. Local governments and the communities we serve cannot accept or afford the transference of the risks of infrastructure failure or substandard infrastructure from developers to the community solely because we are unable to ensure consistent compliance with local standards within a rigid and arbitrary timeline.
- Consistently meeting a 90-day deadline will require additional staffing and result in increased review fees. We are already challenged to find enough qualified plan review staff and will need more revenue in order to do so. Many of our developers are small firms or individual property owners trying to develop small infill parcels. Cost-recovery fees are already high, and additional increases may reduce the willingness of property owners and small developers to develop their properties to their highest and best use.
- Earlier versions of the bill included problematic provisions regarding platting and surveying that have been removed. We have similar concerns with the engineering provisions, and they should also be removed.
- **Sec. 1(4): If the above timeline provisions are retained, the ability to extend the deadline "by one or more 30-day periods" should be changed to provide more flexible to respond to the unique challenges of a particular development proposal.**

- **Sec. 2(3)(b)(A) and (B): We request that the vague and punitive provisions regarding award of attorney fees and engineering costs be removed in their entirety.**
 - Including “the costs of preparing and processing the application and supporting the application in local land use hearings or proceedings” in the definition of “attorney fees” is vague and is an unnecessarily punitive overreach for jurisdictions who are generally acting in good faith to complete timely reviews.
 - Further, “attorney fees” as defined in the -A4 amendment appears to provide the ability for a developer to recoup all costs associated with processing a prior related land use review application. If so, that is unprecedented and seems to be another unnecessarily punitive measure that will only cost jurisdictions more.
 - The provision allowing a developer to recoup “engineering costs” is also vaguely written, unnecessarily punitive and unprecedented.
 - These punitive provisions will also result in higher fees for all applications as agencies will need to build up an “insurance” pool of funds to cover agency costs in the event of a failure to comply (even if unintentional) and a successful writ.
 - If this bill is passed, we will do our best to meet its requirements. However, these provisions may result in frequent jurisdiction denials of plans nearing the end of the arbitrary 90-day review period solely to ensure we are not held liable for delays and subjected to these punitive cost-recovery provisions. This may result in longer overall review timelines, not shorter. This does not sound like progress toward meeting housing needs more quickly.
- **Section 3 (21)(a): We request that this new definition of “urban housing application” be modified to exclude certain lands that are in the urban growth boundary but do not yet have adequate urban infrastructure to support development (e.g. UGB expansion areas). We also request the removal of subsections (A) and (B).**
 - Creating a new definition for the “urban housing application” may cause unintended consequences for areas that are within the urban growth boundary but do not yet have the urban infrastructure necessary to support additional development.
 - Lumping comprehensive plan/zoning and map changes into the definition of “urban housing applications” subject to limited land use decisions is not workable because these types of applications cannot be processed as limited land use decisions under current statute.

In closing, if there is a sincere desire to shorten jurisdiction development review process timelines and streamline the land use regulations that impact housing development, there should be an intentional conversation involving representatives from all parts of the development process. Instead of the kinds of overly simplistic changes proposed by SB 974 being rushed through with just a superficial deliberation, there should be a comprehensive analysis of development review, permitting and

infrastructure standards and processes to increase efficiency, reduce delay, and minimize unintended consequences from proposed changes.

Such a process is outlined in SB 1537 (2024), which requires the new Housing Accountability and Production Office (HAPO) to study the housing permit process and make improvement recommendations by September 2026. The legislature should set aside SB 974 and await HAPO's recommendations, which should be made in cooperation with the development community and local jurisdictions to ensure their feasibility and success. Washington County stands ready to participate in these discussions.

Making major changes in a piecemeal way without careful consideration is not the appropriate path to crafting meaningful long-term solutions. I urge you to vote no on A-Engrossed SB 974, including the -A4 amendments.

Sincerely,



Stephen Roberts, Director of Land Use & Transportation

cc: Board of County Commissioners
Oregon Association of County Engineers and Surveyors
Association of Oregon County Planning Directors