



March 4, 2025

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

RE: HB 2138

League of Oregon Cities (LOC) and our member cities share the goal of increasing housing production and addressing our urgent housing crisis. Oregon needs tools that work to encourage and promote housing development. The League and our members are ready and eager to work with the State and our development community to produce more housing in a thoughtful manner. We appreciate the ongoing conversations with the Governor's Office and DLCD, on this bill, and attempts to reduce the unintended or negative impacts of this bill.

We know there are coming amendments, we have specific remaining concerns around the sections addressing Traffic Impact Analyses and Clear and Objective Standards for Urban Services, and are opposed to those provisions as currently written. Regarding the bill overall, LOC is neutral, at this time, pending amendment language being made available.

On a broader note, LOC and our member cities urge caution regarding new changes to housing and land use laws. We urge the Legislature and Governor's Office to prioritize the effective implementation of existing housing legislation, including HB 2001, HB 2003, SB 1537, and Climate-Friendly and Equitable Communities, before enacting further mandates. Cities are focused on the implementation of previously passed housing legislation.

We request that the committee consider the totality of what we are asking of our cities with ever-changing land use and housing laws and rules and how this process can be detrimental to our shared goal of addressing our housing shortage. Our cities are deeply capacity constrained with two thirds facing a fiscal cliff by the end of this biennium, the remaining third may not be facing cuts but still face severe financial constraints due to Measures 5 and 50. Cities do not have the capacity, in personnel or financially, to undertake this

Thank you for your consideration. More information on the specific provisions of the bill can be read below.



Traffic Impact Analyses and Exactions

We know there are forthcoming amendments to this section. Our concerns remain the same, as currently drafted the language will impact cities' abilities to require site related improvements to the frontage, like side walks and storm water. This issue is of particular, but not exclusive, concern to cities that have annexed formerly rural residential or other unurbanized lands where urbanized infrastructure is not already in place.

We appreciate the work being done to amend this provision and look forward to reviewing final language.

Clear and Objective Standards for Urban Services

We are opposed to this provision, as currently written. We appreciate the efforts to address concerns in the -1, however we believe that the language precludes cities' technical experts from exercising professional judgment in order to address the various unforeseen and unique circumstances in our cities to allow for housing development. The default for an objective approach would need to be heightened safety and protection of the public system. This means that more cases will have to demonstrate that it is infeasible to comply with the standard before pursuing alternative remedies, in essence extending the review process. The goal is not a punitive process; it is protecting the health and safety of Oregonians.

Currently, it is the obligation of the applicant to demonstrate that the proposal meets the approval criteria. Shifting the burden to a permitting jurisdiction to find only clear and objective ways for the applicant to meet urban services requirements is legally significant and has the potential to make land use application review significantly more time consuming and potentially unworkable if clear and objective solutions do not exist.

We appreciate the work being done to amend this provision, cities remain cautious about potential unintended consequences of addressing this, if language cannot be agreed to, we encourage shelving this conversation for a later date.

Middle Housing Definitions

Cities continue to have concerns around the updated definitions for middle housing, specifically around the attached/detached changes and the removal of the courtyard requirement for cottage clusters. We understand that the removal of the courtyard requirement for cottage clusters is being amended out, we appreciate this change. Cities continue to have concerns around the increase footprint permitted for cottages as well, for any of our cities small cottages fill a needed housing type, for smaller starter homes or for single story age in place.



We understand the drive to permit all middle housing types to be attached or detached, our concerns regarding this provision remain logistical, not necessarily an objection to the concept in ideological terms. It remains unclear to cities, how at the permit counter, city staff or developers will be able to tell the difference between what should be permitted as what, for example is it a detached 4-plex or a 4-cottage cluster or a 4 detached town homes. We have cities who have already tried to adopt this strategy and have found that in practice it leads to confusion and additional challenges for developers and builders.

Some members have suggested the inclusion of an optional alternate approach, regulating middle housing by density rather than type, agnostic to the type of housing, looking at only the amount. And not relying on definitions related to different middle housing types and whether they are attached or detached. This is not a strategy that all of our members may be interested in, but it provides an alternative approach for those who have found the above challenging in practice.