



February 7, 2022

House Committee on Housing

VIA OLIS

Chair Fahey, Vice Chairs Campos and Morgan, Members of the Committee:

I am writing to express the concerns of Washington County has with HB 4063 as introduced. Washington County sits in a different position from many of our fellow counties because we have a significant portion of urban unincorporated area within our jurisdiction that continues to develop through the county's planning and building processes. Most counties do not have this type of responsibility for development planning.

Establishing Substantial Completion Standards

As a result of the level of development that exists in Washington County, we must partner with many different service providers and coordinate to set standards for substantial completion. As an agency, we cannot unilaterally establish standards for what constitutes substantial completion of other agencies' systems. We depend on our partners to establish the standards and ensure the infrastructure meets them.

But, infrastructure facilities inform and impact the functions of each other. The key example in Washington County is the impacts that roads have on the stormwater system. When determining what constitutes substantial completion of the roads, we cannot limit our consideration to the engineering standards for roads to carry the loads of construction vehicles on top of the infrastructure underneath. The County must also work with our stormwater special district, Clean Water Services, to determine the road standards necessary for their stormwater systems to remain in compliance with state and federal regulations. They are subject to outcome standards set by the state and enacted at the local level which require that the system functions not just after construction but through the entire process. The roadway is not just a means for vehicle movements but also part of the stormwater conveyance process.

Therefore, we need to ensure that the process that is used to determine the standards includes all the relevant parties that need to impact the standards. And for each jurisdiction, even each parcel, this could be a different set of stakeholders. Requiring one agency to be responsible for all these different standards does not allow us to work faster when dealing with subdivisions proposals around the county.

Our partner agencies must have the authority to establish their standards that a developer needs to abide by. The flexibility that is intended to allow local jurisdictions to establish a

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baseline substantial completion standard should not be removed as it undermines efficiencies that the substantial completion path is intended to create. It is also necessary that each service provider is part of the process and has the ability to ensure the standards set at the beginning of the process are the ones they need to have functioning systems as the construction is completed and after the rest of the subdivision is completed.

Timing of plats, permitting, and addressing

In addition to our concerns related to the new language around what constitutes substantial completion, we also have concerns about the proposed changes to the timing of building permit issuance, plat recordation and the requirement for temporary addresses. The current systems we have in place are put into a process order because those processes have impacts beyond the developer. The need to ensure that a subdivision is properly platted is not just a paper exercise. Proper mapping, surveying, and monuments are the means to determine if the foundation is placed within the legally established set backs, protecting one home owner from losing lots size or the developer from having the foundation, or possibly more, torn down. As we build more density into new subdivisions, the likelihood of errors of inches causing real consequences increases. If mistakes are made because maps and surveys cannot be completed properly, there are opportunity losses to the developer as everything may need to be slowed to get it right. The cost to perform these longer surveys also increases to the county, which leads to increased costs for the developer.

In addition, there are land use laws that establish the number of residents allowed on a parcel, and without proper platting, it is possible that there is a land use law violation as there remains a single lot on which early permitted. In addition, addressing information is not just an internal need for inspections and permitting, there are impacts to other agencies that rely on addresses that we provide within our systems.

Liabilities

And the people that carry the risk with much of these potential issues are the home buyers. If an error is made, the recourse that the county would have is to withhold the certificate of occupancy until it is remedied. Often, in new subdivisions, the individual lots or homes are sold before the house is completed. If the entirety of the infrastructure that is required is not finished, or if there are errors because of permits issued too early, the homebuyer is left waiting for the home to be open to them. They have additional expenses while they wait to move into a home they thought would be available earlier.

Additionally, the remedy that the county or service district has is to try to collect on the bond that was proffered by the home builder. These are not simple cases where we can call the bond provider and automatically get paid. There are extensive, and often expensive, costs and delays when it comes to recovering these bonds. As we wait for the bond to cover our expensive repairs or replacements, we have to delay the repairs until we are assured we are financially covered or we have to make the repairs to allow people who moved in to have functional

utilities and hope that we are able to recover the bonds. These risks and liabilities are again placed on the new owners as well as the general public through the general funds of local jurisdictions.

Washington County is working at the local level to assist developers as we work through our substantial completion program. We agree that we need more housing across the state and that working together we can find solutions that work for everyone. However, we cannot support HB 4063 as introduced as it poses more concerns than provides solutions at this time.

We will continue to work to find solutions to the specific problems that are proposed in the substantial completion section of the bill. However, because these issues reflect the complex nature of the system, we need to be sure we are not creating more problems, costs or delay by passing a bill that has not contemplated the full cycle of the process.

Thank you for your consideration and we are happy to answer questions.

Sincerely,

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