

June 8, 2023

House Committee on Rules Oregon State Capitol 900 Court Street NE Salem, Oregon 97301

## RE: HB 3414 – Opposition to -17 amendment

Chair Fahey, Co-Chair Breese-Iverson, Co-Chair Kropf, and members of the House Committee on Rules.

Thank you for the opportunity to provide testimony on the HB 3414-17 amendment on behalf of Central Oregon LandWatch (COLW). COLW is a conservation organization that, for more than 35 years, has been working to create well-planned cities and protect farmland and wild, open spaces across the region.

Earlier this session, an excellent bi-partisan effort focused on the policies and tools we need to solve Oregon's housing crisis. The -17 amendment to HB 3414 is out of step with this effort and directly undermines the important progress made this session.

That's why we oppose the -17 amendment. If HB 3414 moves forward this session, it should be with the compromise brokered in the -14 amendment and the technical fixes outlined in the House Committee on Rules' public hearing on June 1, 2023.

The -17 amendment is the latest iteration of two problematic bills this session – SB 1051 and SB 1096. It allows UGB expansions to be driven by individual private landowners, not a public process. This would pull time and resources away from cities already working to deliver more effective solutions for needed housing and further exacerbate serious issues related to a lack of resources for necessary infrastructure. And it also significantly undermines two core tenants of our land use system – basing UGB expansions on a demonstrated need and conducting an alternative site analysis that includes looking at critical factors like climate impacts and wildfire risk.

This amendment has been crafted by a special interest group without the inclusion and consideration of other groups, organizations and cities who all have a direct stake in how our land use system functions and best serves Oregonians. And it comes in the waning weeks of a session that has been derailed by a Republican-led walk out. This is not the Oregon way – and we can and should do better.







This amendment ignores the hard-earned lessons of past legislative sessions on how we deliver more housing to our communities with urgency. For example, seven years after its passage, HB 4079 (2016), designed to the expedite UGB expansion for an affordable housing pilot has not delivered any housing units to the communities where it has been implemented, including Bend.<sup>1</sup> One of the key reasons is a lack of funding for infrastructure, like roads, water, and sewer, needed to support new development. The -17 amendment does nothing to address this issue.

Infrastructure improvements are one of the most significant barriers to available land becoming shovel-ready for housing development. In Bend's 2016 UGB expansion areas – where over 2,000 acres are planned to accommodate over 5,000 housing units – there is a \$101 million funding gap for transportation infrastructure alone<sup>2</sup>. Today, less than 10% of total possible housing units have been built in Bend's 2016 expansion areas.

The -17 amendment only widens this funding gap and dilutes infrastructure investments where they are most needed: lands already slated for development within our current UGB that lack infrastructure.

Th Oregon Housing Needs Analysis (OHNA) elevated policies – many of which were included in this session's HB 2001 – that have broad stakeholder support and consensus because they will have the most significant impact on meeting Oregon's housing needs. As noted by OHCS and DLCD in that report and in subsequent testimony by DLCD, small scale, expedited UGB expansion policies are contentious, not fully developed, and are not one of the most impactful policies for delivering more housing, quickly.<sup>3</sup>

Like other Oregon cities, Bend currently has available land within its UGB that can become much-needed housing if we continue to focus on consensus-based housing policies that will actually move the needle on meeting Oregon's housing production goals established by Governor Kotek.

As legislators continue to craft solutions to Oregon's housing crisis, we urge you to explore programs and funding mechanisms that help communities like Bend close the

<sup>&</sup>lt;sup>3</sup> Oregon Housing Needs Analysis (OHNA) Recommendations Report: Leading with Production, pg. 9; Land Conservation and Development Commission meeting, <u>DLCD testimony</u>, November 17, 2022: 3:14:47 & 3:17:16



<sup>&</sup>lt;sup>1</sup> <u>Bend Bulletin Editorial: The Hard Lessons of Parkside Place</u> (HB 4079: Expedited UGB Expansion for Affordable Housing Pilot Project), January 25, 2023

<sup>&</sup>lt;sup>2</sup> 2020 Bend Transportation System Plan, page 121



gap on their infrastructure needs and urgently deliver more housing options to our communities. HB 2980 and HB 2981 are both widely supported solutions that actually help deliver housing quickly to Oregon's communities and should be advanced this session.

We have important work to do together now and beyond this session to meet the housing needs of all Oregonians. We ask that this Committee not advance the HB 3414-17 amendment.

Sincerely,

Corie Harlan

Cities & Towns Program Manager

