

June 8, 2023

Oregon House Committee on Rules
(via email)

Re: HB 3414-17

To the Members of the Committee:

I am writing in strong opposition to HB 3414-17. I have testified in the past in strong opposition to HB 3414. This bill, though attempting to further an important housing goal, does so by doing great damage to the Oregon land use planning program. First, it enables builders and developers to bypass virtually all of the rest of Oregon's land use goals with urban growth boundaries, particularly those associated with preserving and protecting environmental resources. This is a dangerous and fundamentally anti-planning precedent.

Second, it purports to further housing construction, but nothing in the bill actually requires housing to be built as a result of the waiver of the rules, particularly affordable housing. In actual fact, HB 3414 uses widespread concern in Oregon about housing production for those least able to afford housing to open the floodgates for the most expensive and profitable housing product in the state, namely high-end housing. Simply visit Vancouver BC, another place with very high housing prices and limited production, to see the impact of lot-line-to-lot-line high-cost housing production yielding the same issues we now confront here.

Third, HB 3414 creates an end-run around the entire planning and appeals process set in motion by SB 100 50 years ago. It creates new agencies, appeal processes, and review standards that substitute for rather than improve the processes and standards already known, worked over, and improved in the last five decades.

Now, the "17" amendments proposed to HB 3414 continue in this same vein with a new and even more insidious threat to Oregon's planning legacy and processes. By requiring UGB amendments with no showing of land need, very limited public review (much less notice), requiring Metro to amend its UGB with NO public hearing, and assigning no responsibility for the implementation of so-called "conceptual plans", these amendments effectively negate the long history, both in law and in policy, associated with the use of UGBs in Oregon.

Particularly with respect to need, there is simply no connection between the UGB busting provisions in the "17" amendments and existing comprehensive land use plans. Note that courts in Oregon have long held that the need for new urban land is not based on what might be nice for investors, or desirable for sellers, but on what is needed by the community, or in Metro's case, by the Metro region. These amendments no longer require any showing of need, any connection between the provision of needed housing and the lands already set aside and

serviced for those purposes, or on the interaction of expanding land supply in one jurisdiction and the plans and investments of others nearby.

In the Portland Metro region, these amendments enable, for example, North Plains, to expand its UGB without any consideration of what that expansion means for services, roads, water and sewer provision, and market impacts on Forest Grove, Cornelius, Hillsboro, Banks, and other places nearby already planned, serviced, and zoned to provide places for new housing. In essence, the “17” amendments subordinate the plans, investments, and commitments made in and by Oregon communities to the land development schemes of developers having no commitment at all to the plans of the communities that these developments will directly impact, or to the legacy of planning in Oregon and to Oregon land use planning law.

In closing, HB 3414 is, itself, a bad idea, and the “17” amendments make a bad idea really horrible. Since the inception of SB 100, Oregonians have argued about the impact of land supply on housing affordability. In actual fact, no legitimate research, starting with that carried out by the Atiyeh Commission in 1982, has been able to prove that UGBs in Oregon have a significant impact on price. This may be hard for some to accept, but it’s true. In addition, the use of UGBs in Oregon have proven to be one of the only, maybe the only effective growth management tools in the US today.

HB 3414-17 upends the certainty provided to landowners, communities, and service providers by the Oregon planning program in favor of an ungrounded set of assumptions directed at providing a seemingly simple solution to a complex problem, namely the provision of needed housing in Oregon and, for that matter, nationwide. Please don’t be taken in by the false promises of HB 3414-17 and reject the amendments before you today.

Thanks for your time and consideration.

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