



March 2, 2025

To: Oregon House of Representatives Housing and Homelessness Committee  
From: Portland: Neighbors Welcome  
Subject: Support HB2138 - Unlock Oregon's Potential with Less Expensive Housing

Portland: Neighbors Welcome is a pro-housing, pro-tenant grassroots advocacy group based in Oregon's largest city. We urge your support for HB2138 with Gov. Kotek's friendly amendments. This bill represents a crucial step forward in addressing Oregon's housing crisis and building more vibrant, equitable, and sustainable communities.

HB2138 aligns perfectly with our vision of allowing "four floors and corner stores" to bring many more housing options to Portland's inner neighborhoods. By building on 2019's HB2001 to expand housing options within urban growth boundaries, **HB2138 will help unlock the potential of our cities to become more dynamic, vibrant, and accessible to all.**

HB2138 retroactively extends the prohibition on private restrictions that limit middle housing and accessory dwelling units. This will allow for the organic evolution of more neighborhoods, creating more opportunities for people of all income levels and promote economic development. Neighborhoods without HOAs are already able to gradually evolve once the economic conditions to do so arrive. HB2138 will also allow this process in newer neighborhoods.

**HB2138 also fixes an undemocratic flaw in Oregon's rules governing historic districts.** Preserving some historic structures is a great part of an equitable, green and growing city. But because historic districts make most infill housing difficult and can be easily abused by small groups of homeowners looking to block change in wealthy neighborhoods, elected city officials need to be able to consider the social, economic, and environmental trade-offs before allowing a historic district to affect land use patterns.

State law currently forbids anyone from weighing such trade-offs. Section 22(1) of HB2138 would change this by returning these tradeoffs to local elected officials, who could choose their desired level of historic protection for National Register districts and local districts. Under HB2138, local officials would still be able to create new districts and honor old ones.



These changes and the others in HB2138 will collectively reduce delays and costs associated with building new housing, making it easier to create the housing that Oregon so desperately needs.

We urge you to vote YES on HB2138 and any amendments prepared by Gov. Kotek's office. This will help build a more welcoming, affordable, economically dynamic, and sustainable Oregon for all.