



February 4, 2026

RE: Support HB 4035 to expand eligibility for cities to amend their urban growth boundaries under temporary program

The City of Woodburn generally supports HB 4035 and appreciates the leadership of Chair Marsh, Vice-Chairs Anderson and Breese-Iverson, as well as legislative and DLCD staff for their time and efforts in drafting the proposed amendments and engaging the City of Woodburn in work group discussions. **The high cost and lack of available housing in the Mid-Valley is contributing to workforce shortages in our communities and are a key driver in Oregon's slowing population growth.**

However, there are components of the current bill that create uncertainty as to whether the City of Woodburn would qualify under the reformed framework:

- While the statute sets up DLCD as a decision-maker in program eligibility and qualification, that determination is only a preliminary step in what can become a lengthy and expensive process. In highly contested land use matters, there remain opportunities for opposition and appeal – even under this bill. As a result, the City of Woodburn continues to feel some risk and exposure related to **procedural timelines and program eligibility** determinations under HB 4035, given the time sensitive nature and intent of the housing need.
- DLCD staff has offered recent interpretations (at times inconsistent) regarding what constitutes “**developed land**” under SB 1537 and how, and by whom, the surrounding lands analysis must be completed under new Section 5, new subparagraph (D) for “other land” (and at what potential cost/timeline). We believe that without a statutory definition of “**developed land**” in the bill, there is some risk of conflicting interpretations on these terms or definitions that could undermine predictability and implementation.

To address these concerns, we respectfully offer the following alternative text for Section 52(1)(b):

Within urban growth boundary expansion areas for residential use adopted by the city over the previous 20 years, or by Metro in locations adjacent to the city, 75 percent of the lands either:

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- (A) Are developed **with a permanent structure, including permanent structures that existed when the urban growth boundary was expanded;** or
- (B) Have an acknowledged comprehensive plan with land use designations in preparation for annexation and have a public facilities plan and associated financing plan.

While the City of Woodburn may ultimately remain ineligible under HB 4035, we believe it is important to support this bill because many communities may be able to access the programmatic reforms and eligibility pathways it creates, helping to move the needle on housing production statewide.

Thank you for your consideration.



Frank J. Loneragan,  
Woodburn Mayor