



**Senate Committee on Housing and Development
Testimony in Support of HB 4035A**

Chair Pham, Members of the Committee,

Thank you for the opportunity to provide testimony in support of HB 4035A. By way of background, the Oregon Home Builders Association represents over 3,000 members engaged in the residential construction industry and advocates for homeownership opportunities for all. The Oregon Property Owners Association has represented Oregon property owners before the Legislature, local governments, state agencies and Oregon courts for nearly 40 years, with more than 12,000 contributors across the state, including all 36 Oregon counties. With this background in mind, we stand in strong support of HB 4035A.

As this committee well knows, Oregon is in the midst of an unprecedented housing crisis. This is in part due to our inability to produce enough housing to meet the demands of our communities. Builders, developers, and real estate professionals have been sounding the alarm on this issue for decades. Now, the impacts of our overburdened system are being felt across the state and Oregon's families are paying the price.

To ease the burden of this crisis, the Legislature adopted SB 1537 in the 2024 Legislative Session. This bill created a "one-time" urban growth boundary expansion opportunity for communities experiencing significant land and affordability needs – if they guaranteed that 30% of new homes were deed-restricted and affordable. Despite its potential as a landmark housing bill, SB 1537 has been underutilized. Restrictive "need-triggers" have created barriers to entry that preclude many eligible communities from accessing the program.

HB 4035A resolves these issues and allows more communities the opportunity to utilize the tool. It does so by lowering cost-burden thresholds, resolving ambiguities around vacant tracts, increasing the amount of eligible acres so that communities can truly build "complete communities", and allowing certain jurisdictions to utilize resource lands for needed housing.

These common-sense changes unlock the door for communities that are ready and willing to tackle the affordable housing shortage head-on. For these reasons, we strongly encourage your support of HB 4035A and appreciate this Committee's willingness to assist and empower the cities that stand ready to build.