



February 21, 2019

Dear Chair Gelser, Vice-Chair Heard, and Members of the Committee,

The City of Springfield understands that in order to be a family-friendly community for all people in every phase of life, we need a diverse housing market that supports employment and families at every phase of life.

The Springfield City Council re-instated our Low-Income Rental Housing Property Tax Exemption program in 2018 and many of the City of Springfield's fellow taxing districts support the program, including Springfield School District, Lane County, Lane Community College, and Willamalane Park and Recreation District. Just last month, the City approved an exemption for a new 35-unit affordable housing apartment building for individuals making less than 50% of the median area income.

The City's Affordable Housing Strategy includes incentivizing the creation of housing at all levels of the continuum, including income-qualified housing. SB 737 extends the sunset on an existing opt-in local property tax exemption available for affordable housing projects serving low-income populations. This is a critical tool for cities that choose to utilize it. It makes it more feasible for developers to increase the number of new housing units and to make those units affordable to the renters in our community who face the greatest cost burdens and who are struggling to obtain or maintain a place to live. The exemption also helps to offset the costs of repair and maintenance as projects age. Due to commitments to keep rents affordable in our area, these types of costs often get deferred.

The sunset extended in SB 737 not only maintains the availability of critical property tax exemptions available to cities to adopt for the purposes of incentivizing new affordable housing for low-income residents, it also allows cities to specify additional restrictions if they choose (e.g. only new construction, elderly housing, etc) and requires fellow taxing districts to weigh in on whether or not to allow the exemption to apply to their tax levy.

We hope to have continued access to this power tool as part of our strategy to increase affordable housing in Springfield. Please support SB 737.

Sincerely,

A handwritten signature in blue ink, appearing to read "G. Grimaldi", is written over the word "Sincerely,".

Gino Grimaldi
City Manager