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April 27, 2021

Rep. Julie Fahey , Chair  
House Committee on Housing  
Oregon State Capitol  
900 Court Street NE  
Salem, OR 97301

Re: SB 141A (Vertical housing)

Dear Chair Fahey and Committee Members:

1000 Friends of Oregon is a nonprofit, membership organization that has worked with Oregonians for more than 40 years to support livable urban and rural communities; protect family farms, forests and natural areas; and provide transportation and housing choice. Our work includes ensuring that the promise of Oregon's land use Goal 10, Housing, is implemented inside our cities and towns with policies that both encourage and require needed, diverse, and affordable housing choices for all.

1000 Friends supports SB 141A. The current vertical housing development zone program (VHDZ) provides a local-option program to encourage increased housing density within mixed-use development and redevelopment in locally designated areas. The program abates property taxes on the improvements, at 20% abatement per equalized floor, up to 80% abatement total (four equalized) floors. Current law also provides for affordability: an additional 20% abatement of land property taxes is allowed for each floor that has units for 80% average media income affordability.

However, the current method for calculating "floors" is limited to full, not partial, floors. SB 141 revises the statute to allow abatement to reflect actual equalized floors (full or partial). This change will incentivize development, including affordable housing, to the full level allowed.

Sincerely,

A handwritten signature in black ink that reads "Mary Kyle McCurdy".

Mary Kyle McCurdy  
Deputy Director