



House Committee on Housing Letter of Support HB 2705

February 21, 2023

Chair Dexter, Members of the Committee,

The Oregon Home Builders is pleased to support House Bill 2705 and thank you for holding a hearing.

While we support HB 2705, we strongly encourage this Committee to advance other concepts in this Session to help offset the development cost for middle-income housing available to own. As housing experts have clarified, homeownership is the best way to break historical cycles of poverty and build generational wealth. Again, we need to pull all levers to make housing of all types available to Oregonians at price points they can afford.

The Oregon Home Builders Association (OHBA) represents nearly 3,000 members engaged in the residential construction industry and dedicated to affordable homeownership opportunities for all.

As this Committee knows, Oregon is in a housing supply crisis. There is a high demand for housing across the income spectrum and a limited supply of homes on the market. This dynamic drives up the cost of housing for more Oregonians and increases their cost burden. Developing affordable housing is a math problem, not a will problem. If the cost of construction exceeds what consumers can afford, it's impossible to bring an affordable product to market. Builders need assistance offsetting development costs and removing arbitrarily expensive regulations that prevent them from building middle-income housing. We must pull all levers available to bring down the cost of housing for consumers and get creative to offset construction and development costs.

OHBA supports HB 2705 as it will provide necessary assistance to residential builders as they work to construct rental housing for those earning below 120% AMI. Middle-income housing is incredibly challenging to build in Oregon because of the high development costs. Builders need substantial assistance to produce units at this price point to meet community needs.

Thank you for the opportunity to provide these comments.

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