

Submitter: Trisha Patterson

On Behalf Of:

Committee: Senate Committee On Housing and Development

Measure: SB847

Dear Chair Jama and Members of the Committee:

I'm writing to express support for HB847, which has a variety of components related to housing construction, especially middle housing and affordable housing. This bill is needed step in creating temporary reductions in barriers to building much needed housing and providing support to affect cities, and I thank this Committee for your continued attention on this matter.

Regarding Section 22: Oregon law currently requires affordable housing developers to pay the higher prevailing wage rate for any development -- including an affordable housing project -- that includes commercial space. Under normal market conditions, this is a good and sensible requirement. A 2019 study from the Oregon Housing and Community Services Department found that prevailing wage rules at that time added about 9 percent to the total cost of each regulated-affordable home ("Affordable Housing Cost Study" Blue Sky Consulting Group for OHCS, 2019). During a statewide affordable housing crisis, we cannot afford this additional expense. SB 847 would expand options for affordable housing developers to consider projects they otherwise would likely turn down due to this requirement. By extending the exemption to the affordable housing portion of mixed-use projects, SB 847 will enable affordable housing developers to incorporate childcare facilities, small business storefronts, and other community-identified priorities that are classified as commercial uses – while creating more work that does pay prevailing wages for the construction of those commercial spaces.

Thank you for your consideration,

Trisha Patterson