

March 22, 2023

Senate Committee on Housing and Development 900 Court St NE, S-409 Salem, OR 97301

Re: Support for SB 919-1 amendments

Chair Jama, Vice-Chair Anderson and Members of the Senate Committee on Housing and Development,

The City of Portland supports the property tax provisions included in the SB 919-1 amendments as a measure to increase housing production through the conversion of existing homes and construction of accessory dwelling units (ADUs). As stated in the City of Portland's previous testimony on SB 847, we appreciate the work the committee and staff have put into developing a modest financial tool that will encourage residential property owners to meaningfully participate in solving the state's acute housing shortage.

The SB 919-1 amendments provide a five-year property tax special assessment for the construction of an ADU or conversion of an existing single-family house into a duplex, triplex or quadplex. The bill requires permanent occupancy by the primary resident (owner) and does not allow the resultant housing units to be rented on a short-term basis. This financial incentive compliments recent statewide and local land use changes that allow ADUs and middle housing in areas long restricted to single-family use. Specific to Portland's land use regulations, recently adopted changes provide additional zoning code flexibility intended to encourage the conversion of existing houses into duplexes, triplexes, and quadplexes.

Although Portland's land use regulations allow for such residential conversions, the adaptation of existing homes into middle housing presents significant structural and financial challenges, especially



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The City of Portland supports the general direction of the SB 919-1 amendments as a meaningful compliment to recent land use changes that allow for and encourage the conversion of existing houses and construction of ADUs in existing neighborhoods. There are refinement discussions happening to further improve SB 919, and we support those discussions.

Sincerely,

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Commissioner Carmen Rubio



