



March 5, 2025

To: Senate Committee on Housing and Development
Re: Support for SB 49-1

Dear Chair Pham, Vice-Chair Anderson and Members of the Committee,

Habitat for Humanity Portland Region has 165 homes in predevelopment and under construction across the Metro area. We are one of the few Portland area developers building affordable middle-housing for sale to buyers between 35-80% of Area Median Income.

Habitat for Humanity Portland Region has had a longstanding interest in advancing Inclusionary Zoning strategies that could include affordable homeownership. Portland's Inclusionary Zoning program has not resulted in a single affordable condo. This underproduction is partly attributable to [statewide deterrents to condo development](#). With condo liability reform on the legislative horizon this session (HB 3746), there may be new interest in building condos and consequently, a new opportunity to ensure that some of these condos are affordable.

SB 49-1 provides additional flexibility on unit count and income levels, which will make IZ more viable for condo buildings. It also requires cities to assess whether their IZ program is working, or whether it creates perverse incentives that stymie housing production, result in smaller buildings, incentivize rentals rather than ownership opportunities, and drive up housing costs overall. That's the last thing any of us want! But that's what we had in Portland for seven years (and it's a situation that persists in Portland on the condo side).

Ultimately, we hope that legislators will consider allowing Inclusionary Zoning programs to apply to all new housing developments, including subdivisions, middle-housing, and detached homes. If carefully calibrated to avoid unintended consequences (such as underproduction), a broader IZ strategy could scale up and integrate affordable housing across the state.

Thank you for your service,

A handwritten signature in black ink, appearing to read "Sarah Radcliffe". The signature is fluid and cursive, with a large loop at the end.

Sarah Radcliffe
Director of Government Relations
Habitat for Humanity Portland Region