

VANESSA CORNWALL

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DATE: March 10, 2025

TO: House Committee on Housing and Homelessness

FROM: Vanessa Cornwall, Lane County Intergovernmental Relations Officer

RE: HB 3145, Relating to Factory-Produced Housing

Dear Chair Marsh, Vice-Chair Andersen and Breese-Iverson, and Members of the Committee:

Lane County strongly supports HB 3145 and its proposed amendment. This legislation is essential to expanding affordable housing opportunities across our county and ensuring that both rural and urban communities benefit from innovative, cost-effective housing solutions.

Lane County, like much of Oregon, is experiencing a severe housing shortage, with low-income residents disproportionately impacted by rising costs and limited housing availability. HB 3145 provides a much-needed solution by allowing the Housing and Community Services Department (OHCS) to allocate Local Innovation and Fast Track (LIFT) Housing Program funds to support the construction and acquisition of factory-built housing. This will accelerate the delivery of affordable housing in Lane County, particularly in areas where traditional construction faces cost and logistical challenges.

However, Lane County wants to highlight a concern regarding the definition of "low-income households" in this bill. The legislation defines low-income as 80% of the area median income (AMI) and below. While this aligns with some affordability programs, 80% AMI is typically considered "low- to moderate-income" by HUD standards. To ensure that this funding reaches the most vulnerable households, it may be worth refining this definition or prioritizing lower-income brackets within the 80% AMI threshold.

Additionally, while the bill prioritizes housing developments that are Oregon-based developers, sustainable materials, and geographic diversity, we encourage further refinements in the amendment process. The program should also give preference to projects that:

- Leverage other funding sources to maximize the impact of state investment,
- Are demonstrably less expensive than conventional construction methods,
- Use materials that enhance fire resistance, particularly given Oregon's growing wildfire risk, and
- Utilize construction techniques that improve seismic resilience, a critical factor in our region.

Another key concern is the bill's sunset date of January 2, 2028, which provides only about 30 months for implementation. Given the complexity of housing development



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particularly for modular and factory-built projects that require infrastructure investment, permitting, and production scaling—this timeframe may be too short to achieve meaningful results. Extending the sunset date to at least 2030 would allow for full program execution, ensuring that funding recipients can complete projects and that lessons learned can inform future housing policy.

HB 3145 and its amendment offer Lane County a critical opportunity to address our urgent housing needs with forward-thinking, cost-effective solutions. By refining certain provisions to ensure the greatest impact, this bill can significantly improve access to affordable housing while fostering industry innovation. Lane County urges the passage with the necessary modifications to maximize its effectiveness.

Thank you for your time and consideration.

ELECTRONICALLY SUBMITTED BY VANESSA CORNWALL, LANE COUNTY INTERGOVERNMENTAL RELATIONS OFFICER