



CITY OF BEND

March 12, 2025

House Committee on Housing and Homelessness
Oregon State Capitol
900 Court Street NE
Salem, Oregon 97701

RE: HB 3746 Testimony

Chair Marsh and members of the Housing and Homelessness Committee:

The City of Bend supports HB 3746, which changes how construction defects and damages are handled for condos and homes in an HOA.

This bill aligns with the City's goals to remove barriers to the creation of more diverse types of housing for both the rental and homeownership markets. Oregon's current legal landscape limits the types of vertical housing—including attached and vertical dwellings (condos)—that can be sold for ownership. This bill would enable more vertical housing development, increasing opportunities for infill development and opportunities for homeownership.

Traditional methods to attain homeownership no longer function for many Bend households. In recent years, median home prices in Bend increased 64%, rising from \$449,000 in 2020 to \$735,000 in 2025. The last time a household earning 80% of the Area Median Income could afford a mortgage at the median home price of \$301,200 occurred in 2015. Nearly a quarter of Bend's community members spend more than 50% of their income on rent, sacrificing food or health care costs to maintain housing.

The City supports improvements to the current legal structure for construction liability, provided they are balanced between protecting both owners and developers/contractors. Addressing issues related to construction damages and defects for condos and homes in a HOA is an important step to support the development of more types of housing and more homeownership opportunities. We appreciate the state's efforts to increase housing production and urge support for the changes proposed in HB 3746.

Thank you for the opportunity to provide testimony.

A handwritten signature in black ink, appearing to read "Russ Grayson", with a stylized, flowing script.

Russ Grayson
Chief Operating Officer
City of Bend

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