



Chair Marsh, Vice-Chairs Andersen and Breese-Iverson, and members of the House Committee on Housing and Homelessness,

Thank you for the opportunity to provide testimony in support of HB 2968. For background, Oregon REALTORS® is an industry association comprised of roughly 18,000 members who work as real estate brokers, principal real estate brokers, real estate property managers, and affiliated industry professionals.

HB 2968 is a commonsense solution to a well-known problem. Cities need system development charges (SDCs) to fund infrastructure improvements; builders often struggle to pay SDCs before a certificate of occupancy is issued. Cities worry about their ability to collect unpaid SDCs that were deferred; builders know that some projects won't pencil out if they must pay high interest rates on their SDCs.

HB 2968 would establish the Municipal Development Protection Fund and direct the Department of Housing and Community Services (OHCS) to purchase past-due debt from deferred SDCs. If OHCS struggles to obtain the required payment(s) from a developer, the debt can be assigned to the Department of Revenue for collection.

By establishing a "no-frills" system to address the challenges faced by both cities and developers, HB 2968 will help the State of Oregon better achieve its goal to increase housing production and to produce housing at prices commensurate to the financial capabilities of Oregon households.

Oregon REALTORS® applauds Representatives Gamaba, Javadi, and Hartman for bringing HB 2968 forward. It is a simple solution to an often-challenging issue and would be a win for cities, developers, and the state as a whole.

Oregon REALTORS® urges you to vote YES on HB 2968.

Thank you for your time and consideration of our testimony.