

Submitter: Jerry Mitchell
On Behalf Of: City of Reedsport
Committee: Joint Committee On Ways and Means Subcommittee On
Capital Construction
Measure, Appointment or Topic: SB5531

Hello Chair Senator Lieber, Co-Chair Representative Sanchez, Co-Vice Chair Girod, Gombert and Smith and Members of the Joint Committee on Ways and Means.

For the record my name is Jerry Mitchell. I am an independent land use planner and real estate development consultant. Over the past year I have been working closely with the City of Reedsport and the owners of the Cross Creek Subdivision property to determine the feasibility of developing the property, with workforce housing as a priority. The property is ideally located as a logical extension of Reedsport's street and utility grid, with the potential for excellent access to the rest of the community.

As a team, we have been supported by a heavy civil general contractor and a regional civil engineering / planning consultant. Both firms have deep experience with public infrastructure and residential land development in the coastal Douglas County environment. Our team also includes a commercial real estate consultant who has provided strategic advice on the residential real estate market, product type and debt and equity financing.

Based on conceptual layouts and detailed cost and feasibility studies, we have estimated the cost to bring public utility and street improvements to and through the Cross Creek property at \$11.9 million. After additional study we reached the following conclusions:

? It would be impractical to fund the necessary infrastructure through a conventional residential development approach, with the developer funding the infrastructure upfront and then recovering the cost incrementally through home sales.

? Funding through SB 5531 will be essential to 1) achieving Reedsport's objective to deliver a significant amount of workforce housing in a reasonable amount of time; and 2) attract the necessary amount of private investment needed to develop the subdivision.

? Securing upfront financing to bring street and utility infrastructure to and through Cross Creek would be a game changer for the broader Reedsport community.

We appreciate your consideration of this request and are ready to respond to any questions or comments.

Regards,

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