

February 9, 2026

Senate Committee on Labor and Business
900 Court Street NE
Salem, Oregon 97301

RE: Support for SB 1566

Chair Taylor, Vice-Chair Hayden and Members of the Committee:

My name is Emily Reiman, CEO at DevNW, an affordable housing development and asset-building agency serving Lane, Linn, Benton, Lincoln, Marion, Polk and Clackamas Counties. DevNW embarks on comprehensive community development throughout our seven-county service area through services aimed at increasing financial stability for individuals and families as well as through economic and housing development.

We support SB 1566, and the clarifications that it makes to the affordable housing exemption from prevailing wage. BOLI has been arbitrarily denying prevailing wage exemptions for new and unexpected reasons that defy logic, and we need the legislature to provide clarity of its intent. As just one example, **DevNW was denied an affordable housing exemption for the conversion of a Salem Church into 18 units of housing, even though it met the definitions (4 stories or under, 100% residential, 100% affordable) – simply because the building had once been a church.** Had we torn down the church and built a new structure with exactly the same specs, it would have qualified for the exemption. Instead, the denial **added nearly \$900,000 to the total project costs**, or over \$50k per unit, and we lost a unit to cut costs. The project would have died entirely if the City of Salem had not found funds to close the unexpected gap.

When BOLI is allowed to make arbitrary and illogical determinations that deny an exemption that the legislature clearly intended for affordable housing, it doesn't actually create additional prevailing wage projects, because we already know that affordable housing projects cannot afford it; that's why the legislature created the exemption. Instead, it simply forces projects to contort to BOLI's narrow interpretation of the exemption, in ways that don't serve anyone:

- It eliminates the conversion of vacant commercial buildings into affordable housing;
- It eliminates the inclusion of childcare and other critical services for low income families;
- It eliminates the ability to include ground floor commercial on small town main streets and neighborhood centers that desperately need economic revitalization.

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DevNW

DEVELOPING THRIVING COMMUNITIES

Nobody wins from this status quo, including workers.

- Workers don't benefit from increased prevailing wage projects;
- Residents of affordable housing lose out on the critical services they need to work and move out of subsidized housing;
- Communities lose out on the opportunity to convert vacant buildings into housing (that are often nearer services than remaining bare land);
- Commercial centers suffer from housing or vacant spaces on the ground floor, when commercial spaces would be better for everyone.

We need the legislature to step up to the plate, to ensure that BOLI is following the intent of the prevailing wage exemption, so that we can build the affordable housing that Oregon needs.

Thank you for all of your work on behalf of Oregonians.

Sincerely,



Emily Reiman
CEO
DevNW

devNW.org



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