



411 SW Ninth Street
Redmond, OR 97756

CITY OF REDMOND
Office of the Mayor

February 11, 2026

TO: Chair Taylor and Members of the Senate Committee on Labor and Business
RE: Support for SB 1566

The City of Redmond supports SB 1566. This bill removes ambiguity in the law related to the application of prevailing wage rates (PWR) on affordable housing projects.

Under current interpretation, Cities pursue our critically important affordable housing projects without knowing whether PWR will be applied. These rates drive up the cost of projects – particularly outside of metropolitan areas.

It's important to note that SB 1566 does not remove prevailing wage protections for public works projects. Rather, it clarifies how "funds of a public agency" can be used for public infrastructure without triggering PWR on otherwise private housing construction.

In addition, SB 1566 addresses several structural barriers regularly encountered when trying to facilitate affordable housing including: Exemption of certain loans and financing arrangements between public and private partners; and ensuring commonly used financing tools do not unintentionally trigger PWR across entire projects. The bill also removes barriers tied to prior site uses, making it easier to redevelop commercial and industrial properties for much-needed housing. It also maintains income eligibility requirements, ensuring exemptions are applied to true affordable housing.

Another feature of the 1566 is that it allows qualifying residential projects to remain exempt even if they include an on-site childcare facility operated by a not-for-profit.

Thank you in advance for considering this important bill.

With warm regards,

Ed Fitch
Mayor
Redmond, Oregon