

Joint Committee On Ways and Means
Subcommittee On Capital Construction
Oregon State Legislature
900 Court St. NE
Salem, OR 97301



**Re: Testimony in Support of Rural Oregon Modular Mass Timber Workforce Housing
Lottery Bond Request, Senate Bill 5701**

Co-Chairs and Members of the Subcommittee:

My name is Brenda Engebretson, and I serve as the City Manager for the City of Burns, Oregon. Burns is a founding board member city of the Regional Rural Revitalization (R3) Strategies Consortium, alongside Baker City and other small communities that have partnered through R3 to plan and deliver urgently needed rural housing and infrastructure. On behalf of the City of Burns, I am writing in strong support of R3's capital request in Senate Bill 5701 for modular mass timber workforce housing across multiple rural Oregon cities.

R3's intergovernmental model has been transformative for Burns. Through our partnership, R3 helped structure and deliver the first phase of Miller Springs—a master-planned subdivision inside the Burns city limits —by co-investing with the City and Miller Springs Founders LLC in new public streets, water, sewer, and stormwater infrastructure over approximately 7.27 acres of right-of-way that we accepted into public ownership in November 2025. That initial joint development unlocked a complete neighborhood framework and positioned Burns to support the construction of up to 160 new homes.

As a board member city, we have seen firsthand how **R3 leverages state capital and federal resources to deliver results beyond what a single rural community can manage alone.** R3's current portfolio includes more than 500 homes and home lots in construction across ten Oregon counties, Burns and Baker City helping lead this work on the ground. In our community alone, R3 has already supported: (1) the Miller Springs Phase 1 public infrastructure; (2) three single-family model homes now under construction; and (3) the Homestead, which will bring 84 modest, energy-efficient rental units to market using modular mass timber construction designed and built by MODS PDX.

The capital requested in SB 5701 aligns directly with this pipeline. R3's project will fund site improvements and modular mass timber units in four rural cities—Burns, John Day, Baker City, and Vale—within subdivisions that are already platted, construction-ready, and fully permitted, with environmental work complete. In Burns, that means pairing SB 5701 equity with HIFP-funded infrastructure and Opportunity Zone investment at Miller Springs so that the

Homestead's 84 units, all covenant-restricted for households at or below 120 percent of area median income, can be delivered quickly and at scale.

For Burns, **the impact of R3's programs is tangible**. Our employers—hospital, schools, public agencies, and small businesses—struggle to recruit and retain workers because local housing is scarce, especially for moderate-income families. By concentrating 84 units at Miller Springs on already served land at a net density of 20.4 units per acre, and by complementing this with similar projects in John Day, Baker City, and Vale, **R3 is directly addressing workforce housing shortages while making efficient use of existing infrastructure and reducing per-unit public costs**. R3's technical team and financing tools have also increased our local capacity—helping Burns navigate complex grant programs, coordinate with private partners, and keep projects on schedule within state timelines.

The City of Burns views R3 as an essential partner in implementing our housing, economic development, and land use goals, and we believe the SB 5701 request is a strategic, high-impact use of state capital that will deliver real homes in rural communities within this biennium. We are proud to serve on R3's board of directors and to help lead a multi-county effort that is already building hundreds of homes across rural Oregon.

For these reasons, I respectfully urge you to support the R3 capital request in Senate Bill 5701. This investment will accelerate modular workforce housing delivery in Burns and other board member cities, while strengthening an intergovernmental model that is one of the most effective tools we have for tackling rural housing shortages.

Thank you for your consideration and for your continued work on behalf of Oregon's rural communities.

Sincerely,

Brenda Engebretson
City Manager, City of Burns