

J. PETERKORT & COMPANY

Honorable Mark Hass, Chair
Senate Committee on Finance and Revenue
900 Court St. NE
Salem, Or 97301

May 26, 2015

Re: HB2126 – Vertical Housing Program

Dear Mr. Hass:

I am writing on behalf of J. Peterkort & Company in support of HB 2126. J. Peterkort & Company owns significant undeveloped real property in the City of Beaverton at the intersection of Highways 26 and 217 and Barnes Road. Extension of the Vertical Housing Program through January 1, 2026, as proposed in HB 2126, is very important to the development of this property and to meeting the goals of the City of Beaverton.

We have recently completed a Planned Unit Development process with the City of Beaverton for a mixed use development adjacent to the Tri-Met Sunset Station. Given this transit oriented location, one of the anticipated uses at that location is housing, together with other uses such as retail and office.

HB 2126 will continue providing local jurisdictions with the flexibility to encourage more dense mixed use and transit oriented development in what now may be considered suburban locations such as ours. This program provides local entities with the opportunity to offer tax exemptions, not tax credits, and there would be no impact on the state budget. Further, the existing Vertical Housing Program, to be extended by HB 2126, does not require local jurisdictions to participate and allows special districts to opt out of the program.

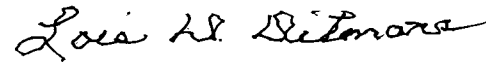
The cost of construction for this type of development typically is much higher than the cost for suburban apartment projects, in large part due to the structured parking needed in conjunction with this more dense development. Unfortunately, those costs cannot be supported by the market rents obtainable in suburban settings.

The Vertical Housing Program allows for a financial incentive that can be provided by the City of Beaverton, and other local jurisdictions, increasing the likelihood of vertical development that will maximize the region's investment in Sunset Station and light rail.

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We support HB 2126 and urge you and the Senate Committee on Finance and Revenue to pass this bill on to a vote of the full Senate.

Sincerely,

A handwritten signature in cursive script that reads "Lois D. Ditmars".

Lois D. Ditmars, President
Peterkort Management Company