



April 4, 2017

Dear Chair Barnhart, Vice-Chairs Bentz and Smith Warner, and members of the Revenue Committee:

I write on behalf of Oregon Opportunity Network (Oregon ON), the statewide association of affordable housing and community development nonprofits, in opposition to HB 2939, which would limit the ability of local jurisdictions to levy a commercial Construction Excise Tax (CET).

Oregon ON was part of the diverse statewide coalition which worked with multiple stakeholders during the 2016 session to pass SB 1533, which lifted the statewide ban on inclusionary zoning and enabled local jurisdictions to levy a construction excise tax (CET) for both residential and commercial construction. The final version of SB 1533 included specific provisions that were subject of extensive negotiations. SB 1533 intentionally did not impose a limit on the commercial CET, in order to provide local flexibility.

As you know, communities across the state are struggling to meet affordable housing needs across the spectrum from ending homelessness, to building and preserving rental housing, to providing first-time homeownership opportunity. The ability for jurisdictions to enact a CET for residential and/or commercial construction as new funding tool for affordable housing is a crucial component of the hard-won compromises in SB 1533.

Local governments have limited options to secure funding for affordable housing. The construction excise tax can help meet this need by providing a dedicated source of revenue. Many cities across the state are considering implementation of a CET to help fund desperately needed housing in their communities.

Now is not the time to limit the tools available to local jurisdictions or impose additional restrictions on their ability to tailor tools to best meet their local market. Please do not undermine the hard-won compromise provisions of SB 1533. Please do not move HB 2939 forward. Thank you very much for your consideration of our testimony.

Sincerely,

Jerome Brooks
Executive Director

Oregon ON member organizations:

Statewide

CASA of Oregon
Cascadia Behavioral
Healthcare
Catholic Charities
Enterprise Community
Partners
Habitat for Humanity of
Oregon
Housing Development
Center
NOAH (Network for
Oregon Affordable
Housing)
Northwest Housing
Alternatives
Rural Community
Assistance Corporation

Central & Eastern Oregon

Columbia Cascade
Housing
Community Connection
of NE Oregon
Housing Works
NeighborImpact
UGMW Nonprofit
Development
Corporation

Coastal

Northwest Coastal
Housing
Community Action
Team, Inc.

Southern Oregon

ACCESS
Housing Authority of
Jackson County
NeighborWorks Umpqua

Willamette Valley

Catholic Community
Services Foundation
Community Home
Builders
Cornerstone Community
Housing
Farmworker Housing
Development
Corporation
Housing and Community
Services of Lane County
(HACSA)
Integrated Supports for
Living, Inc.
NEDCO
Polk CDC
St Vincent de Paul of
Lane County

Willamette
Neighborhood Housing
Services

Portland Metro

Bienestar
BRIDGE Housing
Central City Concern
Community Housing
Fund
CPAH
Habitat for Humanity
Portland/Metro East
Hacienda CDC
Home Forward
Housing Authority of
Clackamas County
Housing Authority of
Washington County
Human Solutions, Inc.
Innovative Housing, Inc.
NAYA Family Center
PCR
Portland Housing Center
Proud Ground
REACH Community
Development
ROSE Community
Development
Sabin CDC

...Plus over 100 businesses, government agencies, community organizations and individuals across Oregon who support our mission.