

March 16, 2021

# MMC

## Metropolitan Mayors' Consortium

**Mayor Lacey Beaty**

City of Beaverton

**Mayor Brian Hodson**

City of Canby

**Mayor Jeffrey Dalin**

City of Cornelius

**Mayor Gery Schirado**

City of Durham

**Mayor Brian Cooper**

City of Fairview

**Mayor Peter Truax**

City of Forest Grove

**Mayor Travis Stovall**

City of Gresham

**Mayor Tom Ellis**

City of Happy Valley

**Mayor Steve Callaway**

City of Hillsboro

**Mayor Ken Gibson**

City of King City

**Mayor Joe Buck**

City of Lake Oswego

**Mayor Mark Hardie**

City of Maywood Park

**Mayor Mark Gamba**

City of Milwaukie

**Mayor Teri Lenahan**

City of North Plains

**Mayor Ted Wheeler**

City of Portland

**Mayor Walt Williams**

City of Rivergrove

**Mayor Keith Mays**

City of Sherwood

**Mayor Jason Snider**

City of Tigard

**Mayor Randy Lauer**

City of Troutdale

**Mayor Frank Bubenik**

City of Tualatin

**Mayor Anne McEnery-Ogle**

City of Vancouver (ex officio)

**Mayor Jules Walters**

City of West Linn

**Mayor Julie Fitzgerald**

City of Wilsonville

**Mayor Scott Harden**

City of Wood Village

Representative John Lively, Chair  
Representative Jami Cate, Vice-Chair  
Representative Jason Kropf, Vice-Chair  
House Economic Recovery & Prosperity Committee

Re: Opposition to HB 3040-1

Dear Chair Lively, Vice-Chair Cate, Vice-Chair Kropf, and Members of the Committee,

The Metropolitan Mayors' Consortium represents the mayors of twenty-four cities in the Portland Metro Area, collectively home to over 1.7 million Oregonians. The MMC writes to express its opposition to HB 3040 with the -1 amendments.

The mayors of the MMC recognize that housing costs are unaffordable for many Oregonians, particularly in the metro region. We are united in our efforts to address the affordable housing crisis in our communities, and the MMC is supporting a number of housing-related bills this session that will help Oregonians with the costs of rent, energy, and utilities.

Generally, the MMC supports state partnership with local governments that maintains local flexibility and allows cities to address their housing challenges in the manner that is most effective for their individual communities. HB 3040-1 is not that type of bill. It preempts local authority with several blanket mandates, such as deferring SDC payments to certificate of occupancy or sale. Deferrals are already allowed in statute, and many MMC cities already offer incentives for affordable housing development including deferrals, credits and waivers.

The MMC mayors do not believe that SDCs are a main driver of housing costs, and nothing in HB 3040-1 will guarantee a reduction in the cost of housing. The cost of infrastructure is high, and cities simply use SDCs to pass on the cost of the water, sewer, transportation, and parks that new housing development requires. Requiring cities to defer SDC payments to either the certificate of occupancy or date of sale significantly heightens the risk and cost for cities in order to produce modest savings in interest for developers. However, the bill does not ensure that these savings will actually be passed along to homeowners.

The transparency provisions in HB 3040-1 are also onerous and unnecessary. SDCs are crafted through a public process to ensure they represent our individual community values and needs, and existing statutes already require SDCs to be transparent.

The mayors of the MMC ask the Legislature not to adopt the -1 amendment to HB 3040, which will raise costs for our cities without making housing more affordable.

Sincerely,

The Metropolitan Mayors' Consortium