



February 11, 2021

Representative John Lively, Chair

House Committee on Economic Recovery and Prosperity

900 Court Street, NE

Salem, OR 97301

RE: Support for HB 2701 – Rural System Development Charges Program for Affordable Housing

Dear Chair Lively and Members of the Committee:

I am writing to you today on behalf of the League of Oregon Cities (LOC) to urge your support for HB 2701, which would pilot a fund to help pay for System Development Charges to support the development of affordable housing in rural communities.

As you know, the LOC represents all 241 incorporated cities in the state of Oregon. The LOC is deeply invested in increasing the development of much needed housing across the state. Cities across the state are seeking solutions to shortages of all types of housing and recognize that affordable housing is a critical component to meeting that need.

System Development Charges (SDCs) represent a valuable tool for cities to ensure that public facilities and infrastructure keep pace with new development by distributing the costs of increased services on new development, not on existing development. While some larger communities have adopted policies to offset the cost of SDCs for affordable housing, smaller rural communities lack the resources to do so. HB 2701 will provide Oregon's rural communities an additional tool to encourage the development of much needed affordable housing. We urge your support.

Thank you for your consideration,

Ariel Nelson

League of Oregon Cities

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