



Board of Directors

March 2, 2023

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Rep. Maxine Dexter, Chair
House Housing & Homelessness Committee
900 Court Street NE
Salem, OR 97301

Dear Chair Dexter, Vice-Chairs Gamba and Helfrich, and Members of the Committee,

On behalf of the Tualatin Hills Park & Recreation District (THPRD) board, I'm writing to express the district's concerns with HB 2894, specifically the provisions relating to system development charges (SDCs). THPRD values the provision of affordable housing and we've taken measures in our jurisdiction to support it; however, the language in HB 2984 regarding system development charges would leave us without a critical resource that we typically use to provide recreational facilities within transforming communities.

THPRD is the largest special park district in Oregon, spanning 50 square miles and serving over 270,000 residents in the City of Beaverton and many unincorporated areas of eastern Washington County, including Aloha and North Bethany. THPRD is a Commission for Accreditation of Park and Recreation Agencies (CAPRA) accredited park district and has won numerous awards for the quality of its programs, facilities, and financial management. THPRD is funded primarily by property taxes and program fees; however, land acquisition for parks and trails and funding capital improvements – developing new or adding capacity based on community needs – to parks, trails, natural areas, and recreation facilities is reliant on system development charges.

As found in the recent report required by HB 3040 (2021), *Oregon System Development Charges Study: Why SDCs matter and how they affect housing*, SDCs are one of the only tools that communities have to provide parks and recreational facilities, which we know are part of the very fabric of healthy and thriving communities. The report's conclusion included:

- At their core, SDCs are a funding mechanism; reducing SDC costs broadly in the interest of housing production and affordability would require greater availability of other funding for infrastructure that does not increase development costs or burden low-income households
- Given fiscal constraints, SDCs are likely to remain central to local funding for infrastructure, and most stakeholders agree that development should contribute to growth-related infrastructure costs at some level.

Unfortunately, prohibiting system development charges on development converted from commercial to residential without providing another funding source will impact local government's ability to provide the necessary infrastructure, including the parks, recreational facilities, and natural spaces that provide the outdoor space these developments could lack.

Under this bill, we would not have a mechanism to help meet the increased demand on our parks, facilities, and spaces in these transforming neighborhoods. Again, the THPRD Board of Directors is supportive of affordable housing and has taken steps in our jurisdiction to increasing house opportunities for our community members, but we are opposed to efforts that would limit our ability to serve those same members with all of the benefits parks and recreation provide.

Thank you for your consideration of our testimony. Please contact Aisha Panas, Deputy General Manager, at a.panas@thprd.org or by phone at 503-816-5804, if you have any questions.

Sincerely,

Felicita Monteblanco
President, THPRD Board of Directors