



March 14, 2023

Senator Kayse Jama
Chair, Senate Committee on Housing and Development
900 Court St NE, S-409
Salem, OR 97301

Re: Section 22 of Senate Bill 847

Dear Chair Jama and Members of the Committee:

The Oregon Housing Alliance strongly supports Section 22 of SB 847. Among other important measures included in the bill, section 22 will resolve a double standard in current statute that adds expense to building affordable housing if those homes are part of a mixed-use development. The result of this provision is that commercial spaces are rarely included in affordable housing developments, even when those developments are located in mixed-use zones. This outcome is counterproductive to our state's goals in relation to housing production, land use planning, and economic prosperity.

Under the current system, workers lose out on the higher prevailing wages they could have earned for the commercial portions of mixed-use developments that never happen. Affordable housing residents lose out on access to employment opportunities and community services that could otherwise be located adjacent to their homes. And neighborhoods lose out on access to community-serving amenities such as small business storefronts, food carts, childcare centers, in-home child cares, health clinics and libraries – all of which are specific uses that had been envisioned by affordable housing developers in Oregon but then scrapped because they could not afford the higher required construction costs for the housing that would have accompanied those uses.

Section 22 will allow all affordable housing – whether it happens to be above ground-floor commercial space or in a stand-alone development – to be built under the same rules. Prevailing wages will continue to be paid for construction of the commercial portion of a mixed-use project without affecting the cost of the affordable housing portion. The result will be a win-win for workers, neighborhoods and households that are desperately waiting for affordable homes all across Oregon.

Sincerely,

A handwritten signature in black ink, appearing to read "Cameron Herrington".

Cameron Herrington
Director of Policy and Advocacy, Oregon Housing Alliance
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