



CITY OF REDMOND
Office of the Mayor

411 SW Ninth Street
Redmond, OR 97756

March 21, 2023

Chair Taylor, Vice-Chair Bonham and Members of the Committee:

Please do not support Senate Bill 850 (SB 850).

While we support the concept of community benefit agreements for large-scale projects, putting in place Project Labor Agreements for any project greater than \$750,000 is a burden for smaller cities such as Redmond.

Over the last 10 to 15 years, cities have worked closely with labor and other stakeholders on bills which recognize the importance of quality wages and benefits in construction trades. This includes building in prevailing wage thresholds for urban renewal and other public investments. However, reducing a triggering threshold from \$10 million to \$750,000 is unreasonably aggressive. This lower limit is seeking out a problem where it does not exist.

Three specific challenges of SB 850 include:

- Slowing down the contracting process, which will delay needed infrastructure as well as the expediency needed to get affordable housing built. In Central Oregon, Project Labor Agreements are not common practice, and across Oregon only 20% of the firms currently have them in place. This will shrink the pool of contractors in an already thin market.
- Using an alternative labor standard when awarding contracts will lead to protests in our Notice of Intent to Award processes. This will delay projects for weeks in what is an already short Central Oregon construction season.
- Off-ramps in the bill are available, but only upon the approval of the Department of Administrative Services. A state agency that may not have empathy for our contracting market or project urgency.

Thank you for hearing the voices of cities as you consider SB 850. We hope you will not support the bill.

Ed Fitch
Mayor
Redmond, Oregon