



April 24, 2023

Senator Mark Meek, Chair
Senate Committee on Finance and Revenue
Oregon Legislature
900 Court Street, NE
Salem, OR 97301

RE: **SUPPORT SB 919A**

Dear Chair Meek and Committee Members,

As Oregon's only statewide non-profit historic preservation organization, Restore Oregon works with thousands of people across the state each year to preserve, reuse, and pass forward the historic places and spaces that embody Oregon's diverse cultural heritage. By helping our fellow citizens preserve our state's unique built, natural and cultural environments, we help celebrate and promote much of what makes Oregon special.

Restore Oregon expresses our support for SB 919A, which recognizes the role that existing properties can play in creating housing, either by the construction of an additional accessory dwelling unit (ADU) OR the conversion of an existing single-family dwelling into multiple units. Restore Oregon would ask that if the State must prioritize the property tax incentive's availability, it would first and foremost be granted to new ADU's constructed on properties with an existing single-family dwelling, not an undeveloped property.

The property tax exemption for up to five years is a necessary incentive to expeditiously bring more housing online as an important strategy to utilize our existing built environment to help the state's housing crisis.

Financial incentives, like this five-year property tax exemption, are essential to increase housing stock, will work against displacement of long-time property owners, and reduce the carbon costs associated with demolition and new construction.

In its Oregon Housing Needs Recommendation Report presented to the Oregon Legislature in December of 2022, the Land Conservation and Development Department acknowledged the need to support affordability and promote housing stability through the preservation of the

existing housing supply, especially “naturally-occurring affordable housing” – housing that is relatively affordable without subsidy. Examples of this might include:

- converting existing houses to multiple unit housing (internal conversions)
- constructing accessory dwelling units (ADUs) middle housing (duplex, triplex, quadplex or cottage clusters) while retaining the existing structure
- restoring and revitalizing vacant housing units on 2nd/upper stories of older mixed use commercial buildings

This is also a strategy that addresses carbon reduction goals. The embodied energy in existing structures is substantial, and every time we send a serviceable building to the landfill, we are incurring a carbon debt which must be amortized. They do not require the extraction of virgin resources to produce new construction materials. The energy efficiency of a new building typically takes many decades to break even when we account for the CO2 associated with demolition of the existing structure and the use of raw materials to build the new one. This demonstrated reduction in carbon costs is yet another solid policy to support the financial incentive of this property tax exemption.

It will take multiple and diverse strategies to address the need for housing in Oregon.

Re-using and adapting existing buildings, as well as building new, must be part of this strategy. Thank you for the opportunity to comment on SB 919A and for taking Restore Oregon’s comments into consideration.

Sincerely,



Nicole Possert
Executive Director