

To Chair Marsh and members of the Committee on Housing and Homelessness:

I am writing to express support for House Bill 2968. I believe this legislation represents a practical step forward in addressing Oregon's housing needs and will be beneficial for the growth and vibrancy of communities across the state. This bill supports one way that housing costs can be lowered.

By guaranteeing the collection of deferred system development charges (SDCs) by local governments, the bill provides a safety net for local governments while simultaneously easing the upfront financial burden on home builders. Allowing developers to defer payment of SDCs until after occupancy can make it more feasible for housing projects to move forward.

Any measure that encourages the development of more housing units is welcome. The deferred payment structure outlined in HB2968 can support a greater diversity of housing projects, including potentially more affordable housing, as the deferral period can extend up to one year following occupancy for such developments. This legislation lowers the cost of development and can lead to a greater supply of homes available to more people, fostering inclusive and welcoming neighborhoods.

As has been pointed out by Portland: Neighbors Welcome and other commenters – the bill may oblige participating cities to create a new procedural step of contacting the developer to collect the fee, potentially creating an obstacle to cities opting into the program. You may wish to consider adding flexibility to this program by letting cities defer collection to a time they choose.

HB 2968 provides a pragmatic, effective approach to encouraging housing development in Oregon. By mitigating financial hurdles for developers and providing security for local governments, this bill has the potential to increase housing availability and contribute to more vibrant and inclusive communities across the state. Please support its passage.