



Senate Committee on Housing and Development
900 Court Street, NE
Salem, OR 97301

February 5, 2026

Re: Senate Bill 1521 – Inclusionary Housing

Chair Pham, Vice Chair Anderson, and Members of the Committee:

The City of Portland operates the only Inclusionary Housing (IZ) program in Oregon, which was made possible thanks to the work done by the Legislature to allow the use of Inclusionary Housing (IH) in 2016. The program was implemented to help address the city's significant housing needs, particularly for low and moderate-income households. It requires that new multifamily residential developments above a certain size include a share of units that are affordable to households earning 80% of the area median income (AMI) or less. In recent years, the City has made many changes to the program to support feasibility and housing production, for units affordable to households earning 60% AMI, by expanding in-lieu fee options, adjusting affordability levels and compliance pathways, streamlining administrative requirements, and pairing IZ with incentives such as property tax exemptions and regulatory flexibility. These updates reflect the ongoing commitment to advancing affordability while supporting continued private housing development.

We wish to recognize Chair Pham's leadership and continued interest and engagement in Inclusionary Housing. The City of Portland shares her goals of strengthening inclusionary housing tools and increasing their effectiveness across the state. We greatly value the deep engagement and many opportunities to provide input on Senate Bill 1521. This bill has seen many iterations, and we appreciate Senator Pham's thoughtful consideration of the many diverse local perspectives including the feedback from the program's administrator, the Portland Housing Bureau.

Looking forward, we hope for continued collaboration as the legislature examines and advances policies aimed at expanding affordable housing options for Oregonians. IH remains an important

tool in meeting this shared objective, and the City of Portland is committed to being a strong and constructive partner in that work.

Sincerely,

A handwritten signature in black ink, appearing to read "Candace Avalos".

Candace Avalos
Chair, Portland City Council Committee on Housing and Homelessness
Portland City Council, District 1