

Submitter: Dan Wendle
On Behalf Of:
Committee: Senate Committee On Labor and Business
Measure, Appointment or Topic: SB1566

Chair and Members of the Committee:

My name is Dan Wendle. I have spent 30 years working in affordable housing—from site selection and acquisition, to capital stacking, to closing and delivering units for families, seniors, homeless and special needs populations. Over three decades, I've seen promising projects live and die on the margins: a few percentage points in soft costs, an extra month of delay, or a determination that changes the pro forma overnight. I am submitting this testimony in support of SB 1566 because it provides a targeted fix that helps Oregon produce more affordable homes, sooner, with the limited public dollars we have.

SB 1566 exempts certain public works projects, primarily affordable housing, from prevailing wage requirements, reducing per-unit costs and improving feasibility for projects that already operate on razor-thin margins. The goal isn't to undercut workers; it's to align statute with urgent housing outcomes when public subsidies must stretch as far as possible.

On the projects I've shepherded, a 10–20% swing in hard costs can determine whether we close and build, or stall and lose our financing window. Recent reporting and litigation underscore that prevailing-wage determinations tied to state bond financing or mixed-use elements have added 10–20% to project costs, reducing total unit production at a time when Oregon can least afford it.

Additionally, SB 1655 intersects with a very real administrative one. Independent audits by the Oregon Secretary of State found Oregon Bureau of Labor and Industries (BOLI) has faced years of poor management, planning gaps, and significant backlogs—conditions that make time-sensitive, high-stakes determinations unpredictable for sponsors and lenders. These findings detail outdated procedures, undocumented decision-making, and delays that ultimately undermine timely, consistent enforcement.

In the housing pipeline, uncertain or slow determinations drive up carrying costs and can collapse capital stacks. Lawmakers from both chambers have publicly pressed BOLI about the practical impact of prevailing-wage decisions on affordable housing delivery, citing reduced unit counts and delayed timelines—concerns I have experienced first-hand when projects face last-minute cost shifts. Meanwhile, BOLI has grappled with wage-claim backlogs and resource constraints, which the agency itself has acknowledged while seeking additional staffing—further evidence of a system stretched thin and ill-suited to adjudicate nuanced, project-by-project

determinations at the speed housing finance requires.

SB 1566 replaces costly, unpredictable case-by-case determinations with clear statutory rules for qualifying affordable housing projects, eliminating uncertainty that has repeatedly undermined feasibility. By reducing late-stage cost shocks, the bill enables faster, more reliable closings, restores lender confidence, and allows sponsors to move projects forward on schedule—an absolute necessity in a high-interest, high-inflation environment where delays can kill deals outright. Most critically, by avoiding unnecessary 10–20% cost adders, SB 1566 ensures scarce public dollars produce more homes, not fewer, directly advancing the Legislature's stated goal of maximizing housing production during an ongoing housing crisis.

After three decades in affordable housing, I've watched good projects rise, and far too many fall for one simple reason: UNCERTAINTY KILL HOMES! Clarity and predictability aren't luxuries in this work—they are the difference between a family getting keys and a vacant lot gathering weeds. SB 1566 gives us both. It cuts through the fog, stabilizes the numbers, and turns limited public dollars into the greatest possible number of safe, dignified homes for Oregonians who need them now—not someday. If we mean what we say about solving this crisis, then we must choose the path that builds. Pass SB 1566.

I respectfully urge your AYE vote.

Sincerely,
Dan Wendle