

MMC

Metropolitan Mayors' Consortium

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City of Beaverton

Mayor Brian Hodson

City of Canby

Mayor Jeffrey Dalin

City of Cornelius

Mayor Gery Schirado

City of Durham

Mayor Brian Cooper

City of Fairview

Mayor Peter Truax

City of Forest Grove

Mayor Travis Stovall

City of Gresham

Mayor Tom Ellis

City of Happy Valley

Mayor Steve Callaway

City of Hillsboro

Mayor Ken Gibson

City of King City

Mayor Joe Buck

City of Lake Oswego

Mayor Mark Hardie

City of Maywood Park

Mayor Mark Gamba

City of Milwaukie

Mayor Teri Lenahan

City of North Plains

Mayor Ted Wheeler

City of Portland

Mayor Walt Williams

City of Rivergrove

Mayor Keith Mays

City of Sherwood

Mayor Jason Snider

City of Tigard

Mayor Randy Lauer

City of Troutdale

Mayor Frank Bubenik

City of Tualatin

Mayor Anne McEnerny-Ogle

City of Vancouver (ex officio)

Mayor Jules Walters

City of West Linn

Mayor Julie Fitzgerald

City of Wilsonville

Mayor Scott Harden

City of Wood Village

Representative John Lively, Chair
Representative Jami Cate, Vice-Chair
Representative Jason Kropf, Vice-Chair
House Economic Recovery & Prosperity Committee

Re: Opposition to HB 3040-1

Dear Chair Lively, Vice-Chair Cate, Vice-Chair Kropf, and Members of the Committee,

The Metropolitan Mayors' Consortium represents the mayors of twenty-four cities in the Portland Metro Area, collectively home to over 1.7 million Oregonians. The MMC writes to express its opposition to HB 3040 with the -1 amendments.

The mayors of the MMC recognize that housing costs are unaffordable for many Oregonians, particularly in the metro region. We are united in our efforts to address the affordable housing crisis in our communities, and the MMC is supporting a number of housing-related bills this session that will help Oregonians with the costs of rent, energy, and utilities.

Generally, the MMC supports state partnership with local governments that maintains local flexibility and allows cities to address their housing challenges in the manner that is most effective for their individual communities. HB 3040-1 is not that type of bill. It preempts local authority with several blanket mandates, such as deferring SDC payments to certificate of occupancy or sale. Deferrals are already allowed in statute, and many MMC cities already offer incentives for affordable housing development including deferrals, credits and waivers.

The MMC mayors do not believe that SDCs are a main driver of housing costs, and nothing in HB 3040-1 will guarantee a reduction in the cost of housing. The cost of infrastructure is high, and cities simply use SDCs to pass on the cost of the water, sewer, transportation, and parks that new housing development requires. Requiring cities to defer SDC payments to either the certificate of occupancy or date of sale significantly heightens the risk and cost for cities in order to produce modest savings in interest for developers. However, the bill does not ensure that these savings will actually be passed along to homeowners.

The transparency provisions in HB 3040-1 are also onerous and unnecessary. SDCs are crafted through a public process to ensure they represent our individual community values and needs, and existing statutes already require SDCs to be transparent.

The mayors of the MMC ask the Legislature not to adopt the -1 amendment to HB 3040, which will raise costs for our cities without making housing more affordable.

Sincerely,

The Metropolitan Mayors' Consortium