



MEDFORD

CITY ATTORNEY'S OFFICE

March 13, 2025

House Committee on Housing and Homelessness
Oregon State Legislature
900 Court Street NE
Salem, OR 97301

Re: Testimony in support of HB 3746

Dear Chair Marsh and members of the Committee,

No new construction of condominiums has occurred in Medford in at least fifteen years. As single-family homes in southern Oregon grow more expensive, a dynamic that has been especially true after the devastating Almeda fire, condominiums are one excellent way for people to obtain the benefits of home ownership. These benefits include building equity, which can help financially improve families for generations.

As we understand current statutes, large commercial structures, which include apartment buildings of five or more stories, are subject to a six-year statute of ultimate repose for alleged latent defects. But condominiums are subject to a ten-year statute of ultimate repose regardless of size. This makes building condos much more of a financial liability for builders than physically-comparable apartment buildings. In other words, the financial implications of Oregon's tort system are inadvertently incentivizing developers to build apartments for rent instead of condominiums.

We recognize that this looks on paper like it would provide additional liability protection for building safety inspectors, but that's not the purpose of the City of Medford's testimony. The Oregon Tort Claims Act provides our staff adequate protection in terms of claims being brought against the City. The real issue for Medford is that as our city grows, and housing prices increase because of supply and demand dynamics, we need to help encourage the construction of all housing types, including housing types that allow for ownership and building equity. Condominiums would help serve that public interest at a variety of price points, including lower price points than single-family-home ownership can typically provide. This bill might not solve all the hurdles to the construction of new condos, but it would help move the needle.



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For these reasons, the City of Medford supports HB 3746.

Sincerely,

Eric B. Mitton
City Attorney