



405 SW 6th Street
Redmond, OR 97756
p: 541.923.1018
f: 541.923.6441
www.housing-works.org

Senate Committee on Housing and Development

RE: SB 977 – Split Determinations of Prevailing Wage requirements for mixed use affordable housing projects

Hon. Senator Jama and Committee Members,

I am writing to express the support of Housing Works for SB 977's provisions on "Split Prevailing Wage Determinations" for affordable housing developments with commercial space. Housing Works is the regional housing authority for Central Oregon and we have developed nearly 1,400 units of affordable housing. We frequently look to develop space within our communities for supportive commercial uses like child care centers and Federal Qualified Health Clinics. However, typically, we opt not to provide those services to our affordable housing communities because to do so would subject the entire project to prevailing wages which typically increases the total cost of the development by 25%. These types of costs increases make any type of affordable housing/commercial development financially infeasible.

SB 977 would preserve the existing exemption for affordable housing development in mixed use projects while applying prevailing wages to the commercial portion of the project. This reasonable accommodation would permit projects to include needed commercial services to our low income tenants.

Sincerely,

David Brandt
Executive Director