



January 28, 2021

Senate Committee on Finance and Revenue
900 Court St. NE.
Salem, OR 97301

RE: Support for SB 141

Dear Chair Burdick and Members of the Committee:

The LOC represents all of Oregon's 241 cities across the state, which continue to face escalating rates of homelessness and a severe shortage of affordable and available housing. In the 2021 Legislative Session, the LOC is advocating to increase critical state investments in housing and services programs across the housing spectrum, from preventing and ending homelessness, to developing and maintaining affordable homes, to increasing access to and maintenance of affordable homeownership. The League is also engaged this session as your committed partner in both crafting and implementing sound policies to reduce barriers to affordable housing development and help increase our state's supply of needed housing.

The Vertical Housing Development Program (VHDZ) is an important local-option tool that cities use to encourage both increased housing density and affordable housing development for mixed-use projects in locally designated areas.

SB 141 improves the VHDZ program by strengthening the incentive for developers to include additional housing units in their projects. It updates the current methodology so that partial floors are counted toward the abatement. This maximizes development in any project without granting more in abatements than what is developed.

Cities need all the tools we can get to help encourage housing development. SB 141 improves an existing, proven program. We urge your support.

Sincerely,
Ariel Nelson, League of Oregon Cities