



## June 16, 2025 Finance Committee Agenda

**City Hall, Council Chambers, 2nd Floor – 1221 SW Fourth Avenue, Portland, OR 97204**

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**Monday, June 16, 2025 12:00 pm**

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**Session Status:** Adjourned

**Committee in Attendance:**

Council President Elana Pirtle-Guiney, Vice Chair

Councilor Steve Novick

Councilor Mitch Green

Councilor Candace Avalos

Councilor Eric Zimmerman, Chair

Councilor Zimmerman presided.

Officers in attendance: Rebecca Dobert, Acting Council Clerk

Committee adjourned at 1:45 p.m.

### Regular Agenda

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[Amend System Development Charge Exemptions Code to add a temporary exemption for residential housing projects \(amend Code Section 17.14.070\)](#) (Ordinance)

**Ordinance number:** 192082

**Document number:** 2025-243

**Introduced by:** Mayor Keith Wilson

**Time requested:** 75 minutes

**Council action:** Referred to City Council as amended

Motion to amend Exhibit A, Code Subsection 17.14.070 J.2.a.(2) to read "A building permit has not been issued before the effective date of this Subsection J. and will not be issued after September 30, 2028.": Moved by Pirtle-Guiney and seconded by Green. (Aye (5): Pirtle-Guiney, Novick, Green, Avalos, Zimmerman)

Motion to send the Ordinance, Document Number 2025-243, to the full Council with the recommendation that it be passed: Moved by Novick and seconded by Green. (Aye (5): Pirtle-Guiney, Novick, Green, Avalos, Zimmerman)

Portland City Council, Finance Committee  
June 16, 2025 - 12:00 p.m.  
Speaker List

Name	Title	Document Number
Eric Zimmerman	Councilor, Committee Chair	
Rebecca Dobert	Council Clerk	
Elana Pirtle-Guiney	Council President, Vice Committee Chair	
Steve Novick	Councilor	
Mitch Green	Councilor	
Candace Avalos	Councilor	
Christopher Herr	Council Policy Analyst	
Donnie Oliveira	Deputy City Administrator Community and Economic Development	2025-243
Christina Ghan	Community & Economic Development Service Area Analyst	2025-243
Angela Rico	Permit Improvement Project Analyst	2025-243
Michelle Schulz	(Testimony)	2025-243
Mike Mitchoff	(Testimony)	2025-243
Cameron Chester	(Testimony)	2025-243
Michael Hamilton	(Testimony)	2025-243
Agustin Enriquez V	(Testimony)	2025-243
Iain MacKenzie	(Testimony)	2025-243
Joseph Petrusich	(Testimony)	2025-243
Joren Bass	(Testimony)	2025-243
Christe White	(Testimony)	2025-243
Gus Baum	(Testimony)	2025-243
Anselm Fusco	(Testimony)	2025-243
Sean Heyworth	(Testimony)	2025-243
Todd Littlefield	(Testimony)	2025-243
Holloway Huntley	(Testimony)	2025-243

## **Portland City Council Committee Meeting Closed Caption File**

**June 16, 2025 – 12:00 p.m.**

This file was produced through the closed captioning process for the televised city Council broadcast and should not be considered a verbatim transcript. The official vote counts, motions, and names of speakers are included in the official minutes.

**Speaker:** All right. Good afternoon. I call a meeting of the finance committee to order. It's Monday, June 16th at 12:00. Becca, if you could please read the roll.

**Speaker:** Pirtle-guiney here.

**Speaker:** Novick.

**Speaker:** Here.

**Speaker:** Green here. Avalos.

**Speaker:** Present.

**Speaker:** Zimmerman.

**Speaker:** Here. Christopher, if you could read the statement of conduct, please.

**Speaker:** Welcome to the meeting of the finance committee to testify before this committee in person or virtually. You must sign up in advance in the committee agenda at. Ed.gov. Agenda finance committee or by calling 311. Information on engaging with the committee can be found at this link. Registration for virtual testimony closes one hour prior to the meeting. In person, testifiers must sign up before the agenda item is heard. If public testimony will be taken on an item, individuals may testify for three minutes unless the chair states otherwise, your microphone will be muted when your time is over. The chair preserves order disruptive conduct such as shouting, refusing to conclude your testimony when your time is up, or interrupting others testimony or committee deliberations will

not be allowed. If you cause a disruption, a warning will be given. Further disruption will result in ejection from the meeting. Anyone who fails to leave once ejected is subject to arrest for trespass. Additionally, the committee may take a short recess and reconvene virtually. Your testimony should address the matter being considered. When testifying. State your name for the record. If you are a lobbyist, identify the organization you represent. Virtual testifier should unmute themselves when the clerk calls your name. Thank you.

**Speaker:** Thanks. All right. This meeting in the finance committee will consider an ordinance proposing an amendment to the city code, which will introduce a temporary exemption to the system development charges for residential housing projects. And with that, you could call item one.

**Speaker:** Please amend system development charge exemptions code to add a temporary exemption for residential housing projects.

**Speaker:** Great. So is donnie and team. Come on up. Colleagues, we're going to hear from the presentation first. Then we do have some public comment today. And I'm going to limit public comment to no more than one hour to allow further discussion. I don't think we'll need that full hour. But if more folks do sign up, I'm going to limit it today to one hour. And then we'll get into back and forth questions, discussion, etc. Hope that works for everybody. And with that dca oliveira, please take it away.

**Speaker:** All right. Thank you chair. Good afternoon. Councilors donnie oliveira for the record. So council, this is an opportunity for us to have a larger conversation about what our dilemma is in the city of Portland related to the housing continuum. But I want to just acknowledge that this is not designed to solve for every challenge that ails us right now. It is not designed to be a one size fits all solution. In fact, I would argue that it is picking up a very particular slice of our housing production

deficit in a way that is not entirely inclusive of all of our challenges. And yet laying that out, it is incredibly important that we take actions like this right now to send a strong and signals possible to our development partners, our construction industry, our labor partners, that the city of Portland is doing everything within our power to activate the lull and housing production in the city of Portland. As you may know, our housing needs analysis said that we are expected to produce approximately 5200 units a year going forward and built on the deficit that we've had over the past several years. That number is closer to 6000, and in 2024, we only produced 800 units of market rate housing and are projected to produce that going forward for the next several years. That is clearly unacceptable in the middle of a housing crisis. So what we have for you today is a concept that was generated out of a working group convened by the governor of Oregon, Tina Kotek, and Mayor Wilson, that looked at several opportunities for us to leverage within the city of Portland's authority. This being the first for your contemplation, this is an exemption for system development charges for new units of housing produced in the city of Portland. Across the city. My colleague Christina will walk through the specifics of you. But as you think about this again, it is a substantial maneuver for the city with some costs. And it is one of several different elements that we're working on related to permitting improvement, related to code improvement, and, frankly, related to how we tell a different story about the city of Portland and our ability to get stuff built. And so with that, I'll turn it over to Christina for the review of the deck. Thank you.

**Speaker:** Good morning everyone. Christine, again, for the record, we're Olivia in the in the community initiative service area. So today we're going to do about 24 slides. We'll they're pretty straightforward. So we'll try to go through them in good order to save plenty of time for discussion and questions and public testimony.

We'll do some quick background, go over the proposal, do an overview, discuss potential impacts that are also described in the impact statement with the legislation, and then very briefly go over next steps. All right. So for background next slide. As donnie just shared, I think we're no stranger to the challenges to building more housing right now. As donnie mentioned, we had just over 800 units of market rate housing built last year. It's the lowest in over ten years. That's all different types. We've done a lot to support middle housing in Portland in the last many years. That's going well. Apartment construction less so. So that really covers the full spectrum of new units produced that that don't have those regulated affordability restrictions like some of fbs finance projects do. And like you said, we're forecasting a really low level in the next three years. So about 2500 total. We do have a lot of units in the queue right now. We'll go over that in a minute. Thousands of units that are somewhere in the permit process. But are many of them, most of them, they're not full steam ahead right now because they're they cannot get the financing and the numbers to work for their projects next. So here's that slide of our current pipeline as of may. Again, you can see over 7000 units in there. Most of those are in kind of multifamily apartment buildings again at various stages of the process. And this is a key piece of what this proposal is trying to kind of unlock is the folks that are already talking to us, they already have ideas, they probably already have land, and they're trying to figure out how to make it work. And I think you might hear from some of those folks in testimony today. Next. Just very briefly, you all know this is not the only thing we're doing to spur housing production. You know, we've done the permit reform work that donnie mentioned, and many of you might be aware of the work to recalibrate the city's inclusionary housing program. Recently, we got a whole housing production strategy that lists all kinds of stuff, including touching on how sdc's impact housing feasibility as well. We

have legislation coming to council this summer for other types of development code cleanup. We're always looking for more local resources to build regulated affordable housing. You know, that's a huge area of need with the expiration of our two local housing bonds. And of course, there's all sorts of innovative concepts. This is never a finished, done conversation, always taking ideas, including the recent social housing resolution that council passed next.

**Speaker:** Christina, just as this gets a little complicated, I'm going to entertain questions as they come up with each of these slides and councilor green, I know you had your hand up. You want to get back to that? Yeah.

**Speaker:** Thank you. Chair can you go to slide five please. Thank you I wonder so the subtitle here says building permit applications under review or approved to issue. And I saw in the kind of draft track changes of the ordinance that this would not be eligible for permits that have already or projects that have already been issued a permit. So I wonder how much of the numbers on the table would maybe be off off the table for this benefit because they've already been approved a permit? Does my question make sense?

**Speaker:** Yeah. So those 7300, none of those have had their building permit issued yet. These are all ones that are earlier in the process. Okay. Part of that is because usually people pay their building permit, pay their permit fees, pay their sdcs, and then initiate construction pretty soon after. And we'll go over this in a minute. But typically when we pass new legislation, it only applies to new projects that apply after the legislation goes into effect. Given that there's a housing crisis, given that we know there are 7000 units that are already underway, we didn't want to accidentally exclude those from being eligible. And so we tried to find the right balance of where to kind of cut it off.

**Speaker:** So here in the language approved issues, not the same as issues.

**Speaker:** Exactly. It means all the reviews are done. Literally. Ball's in their court. They just got to pay their fees and go.

**Speaker:** Okay thank you.

**Speaker:** Yeah. Okay. One more slide angela. Great. All right. As donny mentioned, the origin of this really was from those conversations with the mayor and governor and their multifamily housing work group. I think you might hear from some of those folks during public testimony. I'm just going to really quickly, like, we know it's expensive to build housing. No stranger to this committee on that issue. We know that that shortage of housing leads to rising housing prices, which contributes to homelessness, gentrification, displacement, all the things that we as a community have been grappling with for over a decade. No stranger to this conversation. We know that the development, industry and construction in Portland is not in a good place right now. For many years, from our from our previous market peak, and that as a city, we can't do everything, but we do control some levers and some tools. And so looking at really what we can do to help improve that. And so really the goals of this work were to get our the projects in our pipeline moving forward, as well as provide a pathway for people that are really eager to invest in Portland and want to bring in projects like right away to be able to do so. So that kind of helped inform the three years. And of course, recognizing that this is a public subsidy, there are trade offs. And so balancing that need for more housing with loss of revenues for our our infrastructure needs as a city. Next. Did some kind of targeted engagement to the development community, mainly to make sure that what we put together actually makes sense and works. And so had a variety of conversations with those folks to understand some of the financials and, and get input on the concept. And then obviously a lot of coordination within the city. I never want to skip this kind of information because it's helpful to know who all we're talking to,



and that a lot of different folks kind of contributed their technical expertise to make this happen. Of course, the budget office in the city economist and then the attorney's office as well. Next, it's very ominous, like doing whatever that was.

**Speaker:** Yeah, we can go half a year without hearing that bell. And today you're in the middle of a presentation, so.

**Speaker:** I love it. I'll take it.

**Speaker:** I used to go.

**Speaker:** Yeah. It's all good. Okay. So very briefly I, I'm not an expert on system development charges, but I've talked to a lot of them in the last couple of months and their money is in the room behind me. And so there are questions about this. At some point we'll kind of defer to those folks. But high level, they're collected as part of the permit process for new development. They provide resources to expand our infrastructure to support sewer, water, parks and transportation needs. They vary. Each bureau sets their sdc's according to their own methodologies, but on average, and a lot of them depend on the scale of the housing, the number of faucets. Et cetera, et cetera. But they range from 15 to \$35,000 in Portland per unit, and about \$20,000 average. We have a couple of programs at the city over the years to waive and defer those for certain types of developments. So we've kind of been grappling with this tension for a while now. Any regulated kind of permanent affordable housing qualifies for an exemption, and fwp administers that. Also, for many years, we've had an sdc waiver available for homeownership units that agreed to sell the to income restricted households at middle income. And then we have a adu waiver for accessory dwelling units, as long as they promise not to operate them as short term rentals for a while afterward. And of course, there's a pathway for office to housing conversions. And so as council and city priorities have adjusted, we have sort of modified options for sdc waivers and deferrals. We also have opportunities

for them to still pay them, but pay a little bit later in their permanent construction process, including a recent option for a two year delay without interest. And that's going to expire soon. So great, we can keep going through. Thank you angela. So now an overview of the proposal. These are for amendments to title 17 of the city code and go next. Awesome. So we're waiting for new housing for three years to help create 5000 units. We're just going to go into the weeds a little bit here. So bear with me again. I'll skim over them. If you want to go into more detail on questions, we can. We define this as new housing units and new congregate living facilities. What is housing is like a whole thing that our technical experts know a lot better than me. So we defined it as that. Again, all types of housing, detached, single family, middle housing and apartments. We had to make a judgment call on things like dorms and live work and assisted living facilities, and most of those would fall in as well, as long as they're not doing basically medical, they're not operating as hospitals, and then they can be located in a new building in an addition that's creating new housing or in a conversion. So like an office to housing conversion project, it does not include if you're not building new building a new unit, it's you're not eligible. If you're planning on operating that housing as transient lodging. And again, like I said before, if you're doing too much medical stuff, then that would be a different type of activity. So it wouldn't be eligible for the exemption next.

**Speaker:** But regular condominiums would fall into the category.

**Speaker:** Exactly. Sorry. Yeah. An apartment is a building type, not an ownership structure. Yeah. Good question. Okay. All right. So what would be waived? All types of sdcs. So transportation parks, water, sewer and stormwater. We have a lot of mixed use buildings in Portland, as I'm sure you all know, like five stories of apartments above and then like a ground floor retail, whatever for those types. In

most instances we can just split out and we would exempt the residential above, but they would still pay the sdcs on the commercial or whatever it is down below. There's only one exception for that for our stormwater, because they just do that based on the total impervious area. But for most of them, it's really easy to divide up. So the legislation kind of allows people to still pay on those commercial pieces. In terms of the timing, as councilor green kind of refers to your question, it can be new projects coming in the door or those that are currently in our pipeline, as long as their building permit has not been issued by the effective date. The goal here is not to be refunding sdcs that have already been paid for projects, so we're trying to keep that nice and clean in the legislation. And this is a temporary program, so they need to have their building permit issued within three years of the effective date in order to receive the exemption. And then another piece that is not always typical in legislation is that we have an enforcement mechanism in the ordinance that projects need to proceed with construction in order to receive the exemption, and we'll go into that more in the next slide. Okay. Acknowledging that it is not free or cheap to take a, you know, a project through building permit review, right? You have to hire architects, designers, draw up all the technical plans, show where the water pipes are going to go, all of that. And so applicants typically have invested significant resources into a project by the time they get to their building permit being issued. That being said, we've heard very loud and clear that there's interest in making sure that people build now, because our housing crisis we're experiencing now in Portland is very acute. And so we have a proposed approach in the ordinance to ensure that people do actually start construction. And so as it's drafted now, projects need to reach their foundation or their concrete pour inspection within one year after their building permit is issued. If they don't reach that codified checkpoint in time, we have the authority to ask them to pay their

exempted sdc's and we have the authority to withhold their certificate of occupancy if they like, to make sure that that happens. And that's kind of one of the latest things that happen in the permit process is we issue their cbo. We also have for some projects that have really kind of sophisticated agreements with their lenders, an option for them to submit as part of their permit process and execute a construction agreement with their lender that basically they're promising to their lender to open the building in a certain amount of time. And so that would be another pathway for them to comply with that construction requirement. Next. Okay. So a couple scenarios. You know these are these are examples. So please don't come up to me afterward saying that it should take 14 months not 16. But this is intended to help kind of illustrate the different three different scenarios for how a project might move through this exemption, starting off with one that already is in our pipeline, meaning they already have applied on this slide, it says they applied back in may 2022, and this is one that kind of has just been waiting to see what happens. They might be an approved to issue right now. And so under this scenario the code goes into effect. They might, within a very short order, be able to get their building permit issued. Start with construction. Construction by fall next year, have their foundation inspection completed, and then the building would be done a little while after that. And you can see that all happens well within the kind of three years of the proposed timeline for the ordinance. And then in the next scenario, this is a much smaller project, just like a four unit, you know, middle housing project that's just getting started right now. So they're they're hearing this presentation, they're thinking, wow, this is amazing. They get started on their design work. Thank you for the laugh. Councilor. They submit their building permit application, they get their control of the property, all the things they need to do on their end. They submit their building permit application early next year. It gets

issued. They begin construction, obviously much shorter construction timelines. It's a much smaller project and they're all done, you know, with the whole project well before the end of the three years is over. And then in our third scenario. This is a 70 unit apartment building that's just getting started. This one's a little bit tighter, right. Because it's a bigger project. So everything takes longer. So they might already be in design. They might already have their eye on a property, but they have not submitted their building permit application yet. If they can do that, you know, early next year, get their permit issued about a year after that, begin construction, and then they're reaching their their foundation and concrete inspection in that appropriate amount of time under the legislation. And then you'll see that they in this scenario, they get their construction completed a little bit after the end of the three years. But because of the way we have drafted, not a problem for this project. Okay. Next slide. This is just a summary, a kind of a visual. I'm a very visual person. So this is a visualization of that timeline that we talked about. So you can see day one is legislation going into effect. Day three is the end of that three year temporary period. That's the very last building permit with this exemption could be issued. You know, then and then they have the additional one year to reach that construction stage. So this is like the slowest possible, the latest possible timeline that a project could qualify for this program, if that's helpful. Okay. Next. All right. Now we're going to go into impacts. This is the last this is the less fuzzy warm. Well there's some things that are good. The more complex piece let's say. So acknowledging that this program is specifically intended to improve development feasibility, we obviously put some thought into that piece. I mentioned before how much the average sdcs cost we have. We're very fortunate at the city to have staff in that have economic analysis expertise, and they were already working on some pro forma models for a different project that they were doing. So they were really easily

able to just kind of update their models and model this concept specifically. And so they looked at 22 different housing types, kind of theoretical concepts around the city, and they plugged in the estimated sdcs and then they removed them under the proposal to see how much that helped the projects out. In general, the value of the sdcs is about 3 to 8% of the total development cost, and they found that, first of all, just building is really expensive. Everyone knows that there a lot of decisions that go into how buildings are designed that influence just how expensive it is. So are they using concrete and steel? Are they building a huge five story parking basement garage? Right. Like all these different things impact it. And so that showed up in the pro formas for how effective this tool was. So what we found is that for the apartment buildings that are kind of in the like medium small and medium ish size. Let's just say medium, whatever that means. 3 to 200 units in areas of the city where the, the rents, you know, work that are designed with wood frame construction and they can avoid some of those higher cost parking structures. This actually is enough to, in many instances, get them across the finish line. Same goes for kind of fourplex middle housing projects. Again, they're already pretty cheap to build, and even though they're struggling now, that 3 to 8% additional from this program would be enough to make their financials much better than they are now. We have other types of projects that are doing concrete, steel, expensive parking, those types of things that have huge feasibility gaps ten, 20, 30% or more. And even with a little 3 to 8% bump, it's not going to be enough to make them all work. So acknowledging that not everyone is going to probably, you know, seize forward with this, but everyone would be eligible to receive it. Looking at what this could do in terms of numbers, you know, we know we have the 2500 we expect to see. And we looked at our current pipeline. Again, we're not trying to assume that every single project is going to spring forward. So we thought it was

very reasonable to assume that we could expect 4000 or more. And obviously the goal set in the code is 5000 units for this program. Next. Okay. This is just a I mean, a real development project I think is always helpful to like talk in specifics. Not not you know, I think the modeling theoretical modeling is really helpful. And also we did a lot of targeted outreach to the developers to understand what this meant for their projects, and they were very generous sharing information with us. This is a 76 unit wood frame apartment building off of the off of interstate near a train line. And this is just one of those projects that is in that sweet spot where the sdc's that they would be exempted under the program, 6%, you know, would be enough to help them move forward. And it just gives a little information on their construction window and kind of how they would benefit from the program. Okay. Next. So again, honing in on that same data from before, this is just the subset of those housing units that are kind of the right scale that we think would most benefit. We can move on from that with several thousand units potentially. And then here we get to the trade offs conversation. Right. Like this is a public incentive. And those revenues go toward important public purposes. And so we had a really helpful conversations with our stc bureau colleagues about how they charge sdc's, what they expect, what they're forecasting for the future. The I mean, the bad news is that we aren't expecting much housing. Like that's the bad news. The good news from a from an sdc revenue perspective is that that means we're not going to we're not giving up very much. I wish that, you know, i'll leave it to y'all to say whether that's good or not good balancing the scales. But so we modeled those those units we're expecting to see otherwise. And with the technical expertise of those folks came up with some estimated, you know, reduced revenue for them, which I'm not going to read them because we have them on the slide. But obviously for some bureaus is somewhat significant. We did not include units that would be stimulated

beyond those 2500, because that is a stimulated demand. And so the trade off for that isn't quite the same as it is for units that we know we're going to see otherwise. And then we have folks in the room who can answer questions about any impacts on the delivery of future or existing capital projects, and how those resources are used for public infrastructure needs for the city. All right. Next slide. Other impacts. You all may know any apartment buildings over 20 units are subject to the city's inclusionary housing policy, meaning that they have to help build new, regulated, permanent affordable rental units in Portland. And so any projects that receive this exemption that are private sector that go forward, most of them economically, are starting to opt to build those 60% ami units, the kind of the lower income units for inclusionary housing. And so we would see an increase in the number of affordable units created through inclusionary housing as part of this. That's one kind of important benefit. On the other note, we do currently have a homeownership incentive program through the housing bureau for those middle income housing units. I'm just going to I think it's safe to assume that people will be given the option to receive an sdc waiver for, you know, for restricting sales price and then stc exemption for not restricting sales price. They're probably going to choose to not have to restrict the sales price. So we would see some reduced participation in that. So it's again just trying to be transparent about some of the trade offs here. And then finally just acknowledging the significance of the real estate development and construction industry and how important that is for Portland's overall, you know, workers and jobs and economy, and that anything we can do to help support this industry is helpful for, for many Portlanders as well. All right. Next. All right. Last slide. We did it. Here we are a finance committee meeting. Obviously you know, if you all are supportive of moving this forward then the next step would be full council. We have a policy on the books in Portland that encourages city, the city to



not have a revolving door of regulations going into effect all the time. And so what that says is try to only have stuff go into effect twice a year in March and October. And so we put in that default date of October 1st as the effective date in the legislation the council is interested. You could adjust that to the standard 30 days after adoption. Just wanted to acknowledge that. That is why we have October 1st in here as drafted. And then assuming it goes forward and it goes into effect, then the bureau would likely do some the bureaus would likely do some administrative rules to help implement it. And that is the presentation.

**Speaker:** Great. That was very thorough and appreciated. You posed some good questions. I'm going to have you both step away while we go to public comment. At this point, I'll just note it is 1230 and I don't think we'll need the full hour, but we'll go till 130 if we need it with public comment, please. I'm sorry. One quick question.

**Speaker:** One quick question. Looking at the proposed language, it says if the dwelling unit or congregate living facility is part of a development that includes a mix of both dwelling units and other uses or occupancies, the entire development is exempt from sdcs. I'm just wondering what could that what could happen under that? Could we have like a huge doggy daycare facility with one attached studio apartment and that would all be waived?

**Speaker:** Yeah. Thank you for the question. And I think councilor, I think I sort of skimmed over that piece really quickly. It's, it's they're just two sdcs that would be waived for the whole building. And that's because they're really hard to break out according to the use. And so one of those is the storm water sdcs. It's just based on the again, I'm not the expert, but it's based on the impervious area. And so just literally like how much hard surface there is in the building. And so it's not really practical to be able to split out doggy daycare versus the one housing unit.

**Speaker:** But might you want to have sort of a limit on the extent to which the facility is like 90% non dwelling unit and 10% dwelling unit. Even for that limited exemption.

**Speaker:** We did consider that we I think we included a an exception for as an example of this for caretaker's quarters, which is like if you add a one dwelling unit in an industrial piece of property. So that was our way of kind of making sure there wasn't a weird loophole for that. We discussed a bit the concept of having, you know, a limit on the proportion of a building i'll just be i'll just be honest, like a lot of it came down to the complexity of implementing and administering that kind of rule, because then you now have to start asking every applicant for every housing project in the city to, like, share the split of, you know, spaces by you. And so it just became kind of a practicality. Staff weren't too concerned that that was going to be a common thing. We might also be able to handle it via an administrative rule if that starts to become an issue.

**Speaker:** Thank you.

**Speaker:** Yeah, great.

**Speaker:** We can go ahead and call three up at a time. That would be wonderful.

**Speaker:** First we have agustin enriquez v michelle schultz and isaac amoruso. And michelle is online.

**Speaker:** Great. Michelle, you have three minutes. Thank you.

**Speaker:** Good afternoon. Finance committee councilors, thank you so much for listening to our testimony today. My name is michelle schultz. I'm a licensed architect, principal and owner at gbd architects. We're proud to be headquartered in district four, and our firm has been designing projects in Portland for over 54 years. We've had the privilege of shaping the city's skyline, neighborhoods, and public spaces across generations. But in recent years, we've seen a troubling

slowdown in housing development, driven in part by financial barriers that make it increasingly difficult to get projects off the ground. As a Portland business owner, I've built my career and we've built our company around the belief that this is a city worth investing in. We want to continue doing our work here, creating the housing, communities and public spaces that define Portland. But more and more, our work is being pushed outside the city and even outside the state, because that's where the projects are actually able to get built. That's where the math works and the momentum exists. We want to reverse the trend. We need this action now. That's why I'm strongly supporting the temporary exemption of system development charges for residential projects. This measure isn't just about lowering costs, it's about removing key hurdles that are preventing much needed housing for moving forward. The sdc waiver will have an immediate impact on shovel ready projects that currently don't pencil. It's a powerful tool to unlock housing production, retain local jobs, and restore confidence in Portland's development pipeline. We're seeing firsthand how stalled projects affect not only our teams and clients, but the small businesses, neighbors and communities waiting for change. This is a practical, time limited solution that signals to investors, developers and residents alike. Portland is serious about building housing and open for business. Let's move for plans of action. Thank you for your leadership and for considering this important step towards Portland's recovery.

**Speaker:** Thank you. Go right ahead. You introduce yourself and you'll have three minutes.

**Speaker:** Good morning, chair zimmerman, members of the finance committee. My name is isaac amoruso and I am the deputy director of government affairs for the Oregon home building association. I appreciate the opportunity to testify today in strong support of this sdc exemption. Since 2015, the city of Portland has

declared a housing emergency six times, which you acknowledge in this bill. Yet despite this, housing production has steadily declined. In 2024, only 818 market rate housing units were produced, which is far short to meet the need of projected demand of 120,000 new homes by 2045. Today, you'll hear from builders and developers, many of them members of hba, whose projects are stalled, and those projects bring new homes, new families and new investment into Portland. But simply don't pencil under the current cost burden. The reality is that supply matters. Austin, texas, often seen as a political cousin to Portland, took bold action to boost multifamily housing, including issuing permits at a rate of 64.5 units per 10,000 residents. The result of that was that median rents dropped nearly 9% year over year. If we want affordability, we must increase supply. It's really that simple. Concerns about short term revenue loss. Short term revenue loss are understandable. But let's be honest, the pipeline has already slowed to a trickle. If we do nothing, sdc revenues will remain depressed. Regardless of the choices of this committee and the broader council, and they will continue to decline over time. This exemption won't cause a slowdown. It's our best shot at reversing it. This is a targeted, temporary policy to get Portland building again. And if we're serious about addressing affordability issues and economic stagnation, we need to remove barriers that prevent new housing from moving forward. On behalf of the Oregon home building association, I urge you to adopt this ordinance without unnecessary restrictions or new bureaucratic hurdles. Thank you very much.

**Speaker:** Thank you.

**Speaker:** Mike mitchell, michael michael hamilton and cameron chester. Thanks.

**Speaker:** They're here. Is it doesn't matter. Okay.

**Speaker:** Thanks, gentlemen. Whoever's first, you can introduce yourself and get right started.

**Speaker:** If we're going in that order, go ahead. Okay. My name is mike meyerhoff. I'm a lifetime resident of the city of Portland. I live over in southeast in westmoreland. I'm basically fourth generation on the same exact property and the same exact house. And I care about Portland a lot. I also happen to be a builder investor. I don't like to use the term developer, but I create community here in Portland and I'm really proud of it. I served on the residential infill project stakeholder committee between 2017 and 2020, and I'm just here. You've already heard most of the arguments, but I'm here to say that the I already participate in the sdc waiver program, along with the whole t program. And for all the things that we hear about, I could list, I could go on and on about things we could do better. But I can tell you, those two programs work and they're great. And I'm I'm happy. Like, I just sold two, two houses last week in southeast Portland, where homeowners got into houses that they probably wouldn't. I can't say specifically in this situation, but probably wouldn't have been able to qualify otherwise. And so I'm here to say that this program works. Exempting sdc works. So i'll take you back 15, 20 years. When we started to exempt adu sdcs. Just look. Look at what it did to the volume of production. So it's in my opinion, it's really simple, but it's a step in the right direction. And it's something I think we can all be proud of. We're going to look back in three years and hopefully the numbers will will justify what we've done here. But I believe in Portland and I think this is a step in the right direction and we all have an opportunity to participate in it. So thank you for your time.

**Speaker:** Thank you. Go right ahead.

**Speaker:** Good afternoon. My name is cameron chester. I'm here today.

**Speaker:** In support of the sdc moratorium. I work as an employee for a local developer. We focus on small residential infill. It's called dbs group. The majority of our projects are between about four and 30 units, and they include a mix of both

rental housing and for sale housing. Our team is made up of Portland natives, and we really care about how our work impacts the city. We currently have three rental projects totaling 17 units throughout the city that are in pre issuance that we can't pull today because they're not economically feasible. We've done some analysis and a program like this were to pass. We would be able to pull those right away and get started on those. These projects consist of one, two and three bedroom units in the elliott, creston-kenilworth and north tabor neighborhoods, with rents expected to be between \$1,400 a month and \$2,200 a month. So we think this is going to be workforce housing kind of targeting that 80% area median income level. Just as an example, one of these projects consists of five modestly sized one bedroom housing units that would be for rent near providence Portland hospital in northeast. We think this will be an ideal project for members of our community to live near their job, be able to walk to work and have, you know, a new, really nice housing, the passage of this program. It's going to allow projects like that to move forward. We aren't building luxury units or large federally funded multifamily developments that rely heavily on public subsidy. We're local private developer, and with your help, we could get these projects across the line temporarily waiving these sdcs are going to help private developers like us deliver the much needed housing supply that the governor, the mayor and the city is looking for. Thank you.

**Speaker:** Thank you. Go right ahead. Yep.

**Speaker:** Well, hello, City Council members.

**Speaker:** My name is michael hamilton. I'm the president of seneca development, a Portland based housing developer that focuses on multifamily development. I'm here today to voice my strong support for the proposed measure, a targeted measure that addresses one of the most persistent barriers to housing production, financial feasibility. Developers like us are not looking for handouts. We're simply

asking for tools. And this measure is a powerful tool. Sdcs often account for 10% of a project's total budget, and unlike labor, materials, or debt, they are not tied to market conditions. They're one of the few cost levers the city controls. This temporary waiver is practical, time bound tool that can restore feasibility and bring stalled projects back online. Today, construction costs are at historic highs. Interest rates have more than doubled in the last two years. And against that backdrop, sdc fees often ranging from 20 to 30,000 per unit, are frequently tipping or the tipping point between a viable project and one that stalls. At seneca. We have felt this firsthand. None of our six multifamily projects in our pipeline, totaling 500 units, are currently financially feasible. The economics simply do not work, and as a result, we are unable to secure funding to start construction. And let me be clear, this is not about waiting for a better market. The capital markets, both equity and debt, will not fund projects that don't pencil. But since this sdc waiver measure was announced a few weeks ago, we have received multiple term sheets from bona fide financial institutions to fund our projects. Three of them are now positioned to break ground this year, contingent on this waiver being implemented. This proposal is already having real world impact. It's unlocking capital and reshaping the perception of Portland, our capital partners, many of which are not Portland based, view this legislation as a clear sign that Portland is serious about housing again and open for business. Removing these fees does more than unlock delayed development. It directly improves affordability, accelerates delivery timelines, and expands access to quality housing for Portlanders. At seneca, we are not just advocating, we are pledging to deliver at least 10% of the city's 5000 unit goal, a minimum of 500 new homes, within the next 36 months. And with continued partnership and momentum, we believe we can exceed that. These aren't theoretical commitments. Our projects are in active pre-development and design,

and at least half of which will be ready by quarter three of this year. The only remaining barrier is financing, and with this waiver in place, we will break ground immediately. Not in two years, not after another market cycle. But now the sdc proposal is exactly the kind of bold, collaborative and time sensitive action Portland needs. It's not permanent. It's not open ended, it's purpose driven and it's clear and it has a clear return. More homes built faster by teams like ours who are deeply invested in the city's future. We are ready to build and thank you for your leadership.

**Speaker:** Thank you all for taking time to come up today and call the next 3rd August.

**Speaker:** Augustine enriquez v.

**Speaker:** Good morning. My name is Augustine enriquez the fifth and I'm a principal at gbd architects. We are an architecture, interiors and planning design firm located in downtown Portland. Since our founding in 1969. Our firm employs 57 people, and we've had the good fortune of being recognized as leaders in the design of mixed use urban developments in Portland, with new housing as the foundational element in creating the kind of neighborhoods we all want to live, work, shop, and recreate in. We have designed thousands of new apartments and condominiums in Portland over the years, and it was common for us to have hundreds of new housing units under design in any given year at our firm during the last few years, during a housing shortage and affordability crisis in Portland, the volume of that work locally has reduced significantly. Where we used to have multiple new apartment buildings and condos under design, we now have very few. I'm here today to offer my support for a temporary waiver of system development charges for new housing. There are many factors that contribute to the drastic reduction in new housing being developed in Portland. The primary challenge we



hear from our clients is the total cost. To develop new housing simply exceeds what it's worth. At the end. Cost of construction interest rates are unnecessarily complex or expensive. Requirements are some of those challenges. Some of them are beyond the ability for council to address, but some are not temporarily exempting. Sdcs is a great tool at your disposal and thank you very much for considering it. I would also offer to please consider additional measures, whatever they may be. We are experiencing a housing crisis and have been for many years as many measures and tools as council can deploy to increase housing production. Please consider the more the better. Thank you.

**Speaker:** Thank you. We can call three up at a time if we can.

**Speaker:** Ian mckenzie. Joseph petrusich jordan bass ian is online.

**Speaker:** Mr. Mckenzie go ahead.

**Speaker:** All right. Good afternoon. My name is ian mckenzie. I'm a senior associate at tva architects where I specialize in the design of multifamily housing. We have designed thousands of units in Portland, and I can say that what tva is experiencing in the market is exactly what you heard from michelle and Augustine at gbd architects. I'm also a volunteer for Portland neighbors. Welcome. And while I'm not speaking on their behalf today, I do want to draw your attention to a letter that they submitted in support of the temporary sdc waiver. I think we should take a moment to realize that the ordinance before you today probably wouldn't have happened without charter reform. In the old system, commissioners, commissioners in charge were incentivized to look out for the interests of their bureaus above all else, a measure like this, which does have trade offs, but which I believe is good for the city as a whole, wouldn't have been able to get the votes to move forward. And while I think it could be tempting to focus on the short term forgone revenue in the spirit of the new form of government, I think we should take

time to add up all the benefits to the city if this measure is successful, most obviously it will generate lots of new units of housing, including affordable units via inclusionary housing. At a time when the housing bureau's funds are exhausted, the building permit fees generated will help avoid even deeper cuts to staffing at Portland permitting and development in the private sector. The design and construction of these units will keep a lot of people employed who might otherwise be looking for work. As our construction pipeline continues to dwindle, the residents of the new buildings will help activate our downtown and our neighborhood main streets that supports our economy and also public safety. Once these new buildings come onto the tax rolls, they will generate unrestricted property. Excuse me? Unrestricted property tax revenue for the city, county and our school districts. The new buildings will be built to the standards of the stormwater management manual, which means less water going into the combined sewer system and therefore fewer overflows into the willamette river. The new buildings will rebuild sidewalks and with them, new street trees and ada compliant corners at no cost to the city. For the first time in years, I'm hearing from developers that they are interested in moving forward with new projects in Portland, but only if this measure passes. I urge you to vote this out of committee as soon as you can. Thank you very much.

**Speaker:** Thank you. Ian, go right ahead.

**Speaker:** Hello.

**Speaker:** My name is joseph petricic. I'm the president.

**Speaker:** And founder of.

**Speaker:** Savor development. We are a workforce housing provider in the.

**Speaker:** Portland metro area. Our three multifamily projects currently in the permitting process for a total of 72 units. They've been on pause for over a year

and will continue to be on pause unless the sdc waiver passes. If the waiver passes, all these projects will move forward immediately, with the first one breaking ground a few weeks after the waiver goes into effect. Councilor novick the only sure way to get housing prices down for everyone is to build more housing. According to housing and urban development database, in the city of Portland, exactly zero multifamily buildings pulled their permit in April of this year. In March, it wasn't much better. One duplex and one heavily taxpayer funded multifamily project broke ground. The city is on pace to start construction. Only about 500 multifamily units in 2025. This is a local issue and a recent issue. In 2025. The city of austin, texas has started construction on 9.8 times the amount of multifamily units that Portland has. As recently as 2017, Portland was keeping pace with austin, texas, and started construction on 6500 multifamily units, which is 13 times what we're on pace for in 2025. I bring up austin, texas, because it's a model of success. It has strong population growth, strong job growth, and due to policies that encourage housing construction, multifamily rents are down 17% cumulatively from their 2022 peak. We have fallen severely behind our peer cities and our city is dramatically underperforming its former self waving sdcs is an effective way to encourage an increase in new housing construction. To again quote councilor novick. Let's let's ask the hard questions about what's cost effective and what isn't. The last multifamily project to break ground in Portland was an affordable housing project that relied heavily on taxpayer dollars and received 160,000 per unit from the Portland housing bureau. Sdcs are about 20,000 for multifamily unit in Portland. That is one eighth the amount the Portland housing bureau provided to fund the latest affordable housing project. Multifamily buildings of 20 or more units are subject to the city's inclusionary housing law and are required to incorporate affordable housing into their projects. Multifamily buildings with 19 or fewer units

are almost always workforce. Housing. Projects that are market rate don't receive taxpayer funding, and are affordable for people, making 55 to 85% of median family income. Leaving sdcs is an efficient use of taxpayer funds to stimulate new housing construction. In addition, each additional housing unit that is created as a result of the sdc waiver doesn't cost the city a cent of fOregone revenue as that revenue was going never going to be collected with or without the sdc waiver. I urge you to vote in favor of the sdc waiver, and I urge you to have it take effect immediately. Thank you.

**Speaker:** Thank you. Go right ahead.

**Speaker:** My name is Jordan Bass. I'm a Portland resident and vice president of development at Deakin Development. I've been an architect and developer in Portland for 25 plus years. I'm here today to urge this committee and the City Council to be bold and support housing of all types by approving this waiver. As we know, Portland is in a housing crisis and a housing emergency. Housing production is at a historic low. We must be bold and produce more housing for all and address this shortage and affordability. At Deacon Development, we're we have units that are in the numbers you've seen before of units that are on the shelf, ready to break ground. We have over a couple hundred units that are shovel ready and will start as soon as this waiver can go into effect. We're deeply committed to Portland. It's the city where we live. We raise our families and where we work. We want to be a partner with the city in addressing the housing shortage. We want to be a partner in the solution, but we must it must be a partnership. The current development headwinds are enormous. We need a signal from the city and from you all that Portland is open for business and is encouraging development and housing production. The development community is ready to build. You see you see the numbers of the housing projects that are ready to go. They're they're designed

they're in permitting. We're all shovel ready. The construction community is shovel ready. Our labor groups are ready to build. We need support from the City Council and from you all to move this forward. So I urge you, please act boldly, approve this waiver, and let's get building and building housing for all. Thank you.

**Speaker:** Thank you all.

**Speaker:** Christy white, gus baum, and anselm fusco, christie's online. Christy, you can go ahead.

**Speaker:** Hello, I am christy white. Can you hear me?

**Speaker:** Thank you.

**Speaker:** I live in district three. I am a land use attorney building housing projects in this city for the past 30 years. This is the only period of time in those 30 years that I don't have a single project in Portland with a crane in the air. And what does that signal? It signals an even bigger hole on the horizon. And here is why. In Portland, it takes, as you saw from the slides, 3 to 4 years to get from project conception to occupancy. That is the timeline for design, land use review, building permit and construction. A project that starts into that queue today will not deliver units for 3 to 4 years. And these badly needed projects are not even in the queue today. Some are, as you saw from the slides, but we need more than those units to climb out of this gaping housing crisis. Some of these projects cannot get past step one. This sdc waiver is a must, a critical city action that will help housing projects advance past step one and add new supply and occupancy as soon as possible. The city does not have boundless options to affect change, but you have one very powerful tool the power of the pen. You can ink a temporary waiver of sdcs and accomplish, or at least incentivize, more units at all income levels. We know that when we increase supply, rents drop, and sale prices drop, the small and temporary decrease in sdc revenue will be offset by permitting fees that are

currently anemic. Increases in property tax revenue, new residents spending, less spending on the housing crisis, positive economic multipliers in the architectural field, contractors, laborers, engineers, national investor interests that will beget more investor interest. Cranes in the air will build momentum and get us moving forward. Please support this temporary waiver and thank you for taking this testimony and moving towards this bold action.

**Speaker:** Thank you sir. You can go right ahead.

**Speaker:** We have gus baum online.

**Speaker:** Okay.

**Speaker:** Gus, you can go ahead.

**Speaker:** Hello, my name is gus baum. I'm a director of development for security properties, a multifamily developer based in the pacific northwest. I have also lived in the same ten block radius of southeast Portland in district three since 1995. In that time, I have seen the full spectrum of Portland's growth and struggles with regards to dense urban housing. I've personally delivered in the past ten years with security properties, 1047 units of market and affordable housing in award winning projects that highlight the best of what Portland wants and needs in urban development. Others have stated that this past year, the city delivered delivered just 818 units of housing, a new low in the past decade in production. 25% of those I personally delivered in my splash apartments, built on a portion of the former pepsi site at 27th and northeast sandy. My 341 unit press box development in goose hollow will deliver in October. And when we took the tower crane down last month, I'm afraid that is the last high rise apartment building that Portland will see for the foreseeable future. The impact of the sdc waiver in front of you today cannot be overstated. And to how our funders, investors, capital and new investments view our city, our region and our pro formas. This is not a giveaway to

developers. We are in a housing crisis and. The fall of the. We are falling far behind our peer and aspirational cities in housing production. My pepsi phase b plan with 160 units of market and affordable housing. Next door to splash on sandy boulevard, is designed and titled and in for permit. But it does not work financially, and my partners have put it on hold until market conditions improve. The 3 to \$4 million in sdc's that pepsi b would incur is a huge barrier to the proforma. When we have seen little relief in construction pricing interest rates, when interest rates remain high and the macroeconomic forces are far from helping us in our endeavors, everything from tariffs to weak job growth and continued reputational damage from the covid pandemic make Portland a risky place to invest for many of our capital partners. A strategy session last week, held at my request, showed that with the sdc waiver, the path for pepsi b has a pathway forward to go without it. It does not. I urge you to support this important ordinance and approve this waiver. Thank you.

**Speaker:** Thank you gus. Go right ahead, sir. Hi. Good evening council. Good afternoon. Good morning.

**Speaker:** My name.

**Speaker:** Is anselm fusco. I am managing director with the holland partner group. We build apartment buildings up and down the west coast and have been active in this market, delivering over 5000 units over the past 15 or so years. I also live in northeast Portland, and in my capacity as a board member of Oregon smart growth was a part of the recently convened governor's multifamily task force, where we looked at a lot of a lot of ways to try and stimulate the production of larger scale and smaller scale, but of multifamily housing in in the market. We're here, I'm here to testify in support, obviously, and I think you've heard a lot about why. And I agree with pretty much everything that's been said. But to say there are two basic

things that this does, one of which is it makes projects more affordable. Ours, our business, a lot of things involved. But unfortunately a pretty dispassionate financial analysis underpins what we and our investment partners see and how we view the world. And the reality is reducing project costs changes how we are able to see and advocate for projects, and it changes the appetite of investors to participate. The other thing that this does related to this notion of investors is it sends a strong signal to what is a national investment community, whom we need in order to build more of our apartment buildings in Portland. This action by council sends a signal to that community that you appreciate the complexity and, frankly, the severity of the challenges that we face and that you are partners in finding a way for all of us to get the multifamily sector moving forward. Again, I can't overstate the importance of this. One thing that was mentioned, which I would like to reiterate a little bit on this notion of fOregone revenue. It's important for everyone to keep in mind that sdc fees are only paid when a project moves forward. And as you've heard from several folks, you know, the cranes are all down and they don't come back until we can make things pencil. There will be no sdc fees. In the absence of math that works. And so the intent of this, which we fully laud, is to create an opportunity for all of us to work together to get things started again. So the last thing I would say is this the other thing that I really appreciate about this is that it represents a collaborative spirit of problem solving. And, you know, I would like to think that this is sufficient to kind of get everything going again. I don't know that it will be, but it's a great first step, and it's indicative of the kind of working together that I think is going to help us all get to the point where we see the cranes up again. Thank you.

**Speaker:** Thanks for coming today. Appreciate it.



**Speaker:** Shawn hayworth, todd littlefield and holloway huntley sean is online.  
Sean, you can go ahead.

**Speaker:** Council members, thank you for hearing my testimony today. I'm sean hayworth with Portland house works. We're a small infill builder and developer building between 25 and 30 detached middle housing cottage community units per year for sale. I think the most concerning statistic for me in all of this was that over the past year, 818 market rate housing units were constructed, the lowest in ten years. I don't believe that anyone can argue that that number is dismal for a city of our size. We are woefully under producing housing, and we've got to incentivize builders to come back to Portland, I ask, I ask the question why? Where are the builders? I know there's a number that are on this, this, this call and sitting here before council, but I think there's a lot that have left the city to it's simply a really challenging town to build in. And we need to create incentives that motivate people to come back to Portland to build. This is a huge step in the right direction, I believe financially incentivizing builders to come back will will encourage just that. And I think we can't stop there. We've got to take a look at the permit review process. We've got we've got to investigate expediting permit reviews and simply ease the burdens that are placed on developers and builders in this town. This is a great place. It's the only town that we at Portland house works, build and develop in. We believe in it, and we'd like to like to continue to build here. Personally speaking, we have four projects that this would dramatically affect affect. Three of them are detached single family home projects and one of them is a 12 plex that's been in the permit hopper for a couple of years. It's ready to issue as soon as this gets approved. We will go ahead and pull that permit and begin construction on that 12 plex. Lastly, the one thing I want to add is I know it's not slated to be approved or to go into effect until October. If there's any way to expedite that, I'd love to see that

happen sooner. We have a number of projects that we could pull tomorrow if this were if this were ready to go. Thank you council, appreciate your time.

**Speaker:** Thank you. Sean todd, you want to go ahead?

**Speaker:** Todd littlefield, district one I just came here to basically do a 15 second support this. But from what I heard, the presentation from the city is lacking a few things. First of all, we've got 7300 units in the pipeline, and this is capped out of 5000. So you're going to exclude 2300 plus any two units that could be built in the next three years. So I'm asking for that 5000 cap to be removed. And i'll explain why later. Also, the 2500 expected over the next three years. I think that's pretty rosy. I don't see that happening. I think that's unrealistic. And so why so also what's missing from the presentation is, and I think would be extremely helpful is to know the break even from if we do nothing to if we do something. And I'm guessing that break even is about six years. And after six years, the revenue that the city will get from this proposal is huge. I mean, we're talking about millions and millions of dollars a year after about six years. So I think that's important. And I'm not sure why those statistics are not we're not part of that. And those benefits will last for 70 to 80, 90 years, 100 plus years, as long as those projects are still standing. So developers do not pay sdcs renters and homeowners pay them. Sdcs are an impediment to developing for new starts. Let's see please. So this is top of the list for what you what can be done to spur housing? No question about it. There's other things that can be done. This is top of the list. This is most important. This is a no brainer. I definitely support it. Thank you.

**Speaker:** Thank you. Go right ahead please.

**Speaker:** Hello counselors I'm holloway huntley, district four resident. I also am a general contractor. I've had a design build firm here in Portland called environs for 15 years. So very much the little guy out of everyone else who's testified, there are

a lot of related items that, when compiled, do tell the full story of how high development costs are here. But I'm going to just focus on this particular topic. Additionally, I did serve on a track the development review advisory committee for three years, testified on rip several years ago, and I'm also the board chair at the rebuilding center. Just to give a shout out to one of our favorite places here. So I wanted to touch on three experiences that I have with and am having with the impact of sdc fees. One is I built a lot of adus, and when we waive those sdc fees for adus, I mean, my phone started ringing twice as much. So it seems like a proven success. Measure two I had a potential client call me who wanted to buy a new lot in southwest Portland, and I told her how much my permit was for my property that I just built a couple years ago there, which was \$143,000, about 35 of which was sdc fees. But the call dropped. So that was she hung up on me after I told her that, no, she didn't. She just was completely speechless because she's coming from texas and pays \$2,000 for, you know, a 4000 square foot house for permits. And the third item is that I am I have three permits in review right now. Approved issue. I submitted them in 2022 and then was like, how am I going to afford to build these? So I it was also an went through. And so it was just a little bit of a complicated time. But I picked them back up once I heard rumors that that this might happen. Two of them are under the Portland housing bureau affordable housing program, and I'm not going to move those out of that program because of this. So that came up earlier as something that people might do. I'm not going to do that. It's important to me to keep them designed as they are and as an offering to people in that program. But but the one which isn't is sitting there with a \$32,000 sdc fee waiting for me to pay. And I just don't I just don't know if it's going to work out. So I'm interested in council supporting and passing this and doing it before October 1st,

because who likes digging in the fall or the winter, which lasts for eight months here. Thank you very much.

**Speaker:** Thank you.

**Speaker:** That concludes testimony.

**Speaker:** Thanks to everybody who came. I appreciate you taking the time. With that. I'll invite you and christina back up and colleagues. I will look for conversation up here and questions. Counselor green, your first in the queue.

**Speaker:** Thank you chair, and thanks for everyone who gave their perspective. I'm curious if one of the developers could come back up and answer a question on labor costs and budget. If anyone's comfortable doing that, my understanding.

**Speaker:** Pose the question and see who wants to take that.

**Speaker:** So. There is to doing this. And one of the benefits is you induce labor income because you have jobs. My understanding is that the hard costs of a building for a smaller one are about 50% labor. And I'm wondering if anyone would be willing to kind of give me a sense of how many, how many guys might be on one of those jobs. So we can kind of calculate some of those benefits. Come on up.

**Speaker:** I see a taker.

**Speaker:** Yeah.

**Speaker:** Sort of. Anselm fusco again. So a couple of things. First, if we think about our typical, you know, let's say it's a 200 plus unit building that's around \$100 million of total project cost. Of that, around 75% is reliably spent locally. Architects and engineers, construction, the contractor that you hire, as well as the various fees permitting, permitting fees, sdc fees. Et. Swagging I would say that of that \$100 million, you know, maybe somewhere on the order of 60 million of that is construction cost plus or minus. A rule of thumb is that about half of that number is labor. So if you have a construction contract in this varies across a lot of different

things. But as a as a fat pencil rule, if you take your total hard cost, which is just the cost to actually build the building outside of architects and engineers, etc, you know that about 50% of that is the labor, and about 50% of that is the materials.

**Speaker:** Thank you. That's kind of what I thought. And so we it's not just about jumpstarting housing production and getting more units. It's about doing something with a lever that we have right now at a very low cost to potentially induce a bunch of labor income, of which the dollars would flow in our community.

**Speaker:** It's labor, it's property taxes. It's all all of the things that come with getting that getting our sector going again.

**Speaker:** Thank you. And colleagues. I think you guys understand that I support this one. I would be interested in a conversation about moving the effective date up forward. If that's the road we're going to go down. Thanks.

**Speaker:** Thanks. Councilor greenwood council pirtle-guiney.

**Speaker:** Thank you. You know, as you were giving the presentation, it's clear that there are enough or almost enough if we discount the units that might not be affected by this proposal, permits in the pipeline to meet that 5000 unit cap. And yet we're talking about a timeline that was intentionally built to be long enough, it looks like, for new things to come into the pipeline. And I'm wondering if you can speak to that timeline a little bit and help me understand if we have almost as many units in the pipeline as we'd like to see built, why we have a long enough timeline to account for new things coming in as well.

**Speaker:** Please go for it. Go.

**Speaker:** Yeah, i'll just start by saying councilor. Thank you for the question. I think I alluded to earlier, we don't we acknowledge that there are a number of projects that have much bigger financial feasibility gaps than this alone can fill. And so of course, we hope that broader market conditions improve and interest rates fall.

And there are concerns from tariffs and all the things that will allow the full 7000 units in our pipeline to move forward. We didn't know that that was a reasonable assumption to make, and so we did not expect, as part of this change, that all those 7000 units would actually come into fruition. And so that left room for both a portion of those to move forward, as well as some space for new demand to come in.

**Speaker:** Thanks for the question, council president. I might offer this as well, along with the projects that are in the pipeline that you heard from today, that would this would get from red to green as far as go with this also is doing is sending a signal to potential investors that now even though the projects are a little bit larger, that take a little bit more time to build. You heard this as well. You know, 3 to 4 years. It's not that the sdc waiver alone is going to get them to feasibility, it's that that's a signal to other potential investors and lenders that, okay, this project is likely to pencil out, and the city is also actually working to bridge that gap. And that's really important. That's a signal to the marketplace that we don't want to lose by just keeping it really to a tight three year construction window. So this extension that you're seeing is going to give our development partners and builders an opportunity to sort of essentially pick up the phone and say, hey, Portland's doing this. Can you meet us halfway to bridge this gap that we're experiencing our feasibility? The last thing i'll just offer on this is that some of the higher density units we're going to be looking for in Portland to hit our goals require a little bit more runway to do everything from design to, to land the properties, of course, but frankly ensure that they're penciling out. So this is just an example of us trying to meet our housing producers where they're at. And this is for certain product type, this is what they need.

**Speaker:** And on the executed construction agreement that you talked about as an option, how long do those usually state construction timeline will take? I'm trying to get a sense of how long the tail is on construction before we actually see these units come online.

**Speaker:** And thank you for the question, councilor. So you're referring to that second option that we alluded to in the ordinance. Those admittedly can vary in length, but frankly, most most lenders aren't going to want to have their dollars out in the wild without a return quickly. But I would just say to your point, I guess to the questions going that can be open ended and we don't see them last longer than ten years. But I mean, I would say that, you know, a 3 to 5 window seems, you know, can be reasonable.

**Speaker:** Okay. I saw some vigorous head shaking. No. When you said ten years and yes, when you said 3 to 5 from the back of the room as well. Chair, I have another question, but it's a very different direction. Do you want me to wait and give others a chance first or.

**Speaker:** Yeah. Let's go to councilor avalos first and i'll come back to you. Thank you.

**Speaker:** All right. I have a.

**Speaker:** Couple questions. And so I guess maybe we're taking turns and i'll come back around. But let me start here. Can you talk about how we're measuring success? Is it simply the number of houses that were are going to get built? And what will we do to pivot if we're not as successful as we hope in spurring the development? Is there some kind of process for reevaluation within these next three years? Like, how are we going to be measuring this and documenting its success and having discussions or checkpoints if it's not as successful?

**Speaker:** Yeah. Thank you for the question. Councilor. So the goal is 5000 units. And, you know, in the issuance in three years, I would say that that is the target because and even then we are going to be below our target for this for the city as guided by the housing needs analysis that the state compelled us to produce. I think we're talking about outcomes. We're looking for projects that have been sort of in this kind of purgatory of getting out the door because the financing to go out the door. So things in the pipeline get permitted that we wouldn't normally see. And you heard a few of those today. A second is projects that are going to be new that wouldn't have been considered. So we're going to start seeing more projects coming into the city that have stalled out, or frankly, just weren't even of interest to and to investors and builders. But this isn't the only thing that we are going to be doing to spur housing production. Later this summer, council will be looking at an alignment project that many bureaus have been working on to address some of the inconsistencies in our code. We're going continue to implement our housing production strategy. These are all in concert working together. So I think we'll be able to see who's taking advantage of the sdc as a as a measure of if this particular intervention was effective. But hopefully we're doing a lot of things that that are going to start to blend that general housing production. The city goes up and we have goals for the city. So getting back on track is going to be the larger goal. And the last thing i'll say about the calibration, in the event that this spurs incredible housing production and we hit, for some reason, 5000 units in a short amount of time, I think that's a good problem to contemplate, and we look forward to coming back in front of this body to figure out what we do next if that happens. So let's hope that we are wildly successful.

**Speaker:** Okay, so let's talk a little bit about when this waiver ends, whether it's at the 5000 or the three year mark, what do we think is going to happen. And let me



suss this out a little bit. So what do we foresee being the conversations that we have with developers ahead of the waiver ending? What other conditions do we need to change within these next three years, so that the waiver ending doesn't result in just a sudden halt in construction if this is successful? So talk me through, you know, what goes on with, you know, approaching that waiver limit and how we are what are the other conditions. Right. Because as we've heard, it's not just the sec waivers. So I guess I'm trying to see how we're coupling this kind of policy with the other things that developers are saying. Are there roadblocks and are we prepared to discuss those ahead of the waiver ending?

**Speaker:** Yeah. Great question, councilor. Again, let's start with the things that are directly in our control. Right. So we'll continue to improve our permitting processes. We're going to continue to evaluate and improve our code, get rid of those redundancies and those conflicts. I think you're going to start seeing, you know, with recap. And as I alluded to, our central city project, there's going to be code alignment that comes in that you all have to contemplate on how to improve to the best of, you know, ability that we have today and the brightest minds going forward, what are we doing to improve our our regulations, essentially. And then you start to take a step out and say, well, what comes up next with financing? So we're we're currently we're done with our two housing bonds. But tiff comes online. And so we have our community action plans that are starting to form. And those are going to shape housing production in the in the six districts. So you'll start to see a little bit more there. And then lastly, there are things outside of our direct control, larger market factors, labor costs, etc. And what are we doing to partner and with the state to think about how we ensure that we have that activation continually happening? The sdc moratorium is just to get this engine going. But the reality is there's a lot of larger factors outside of sdc that we're going to need to

work with external partners on to, to realize it's not just the cities, you know, in fact, outside of affordable housing production, we really are creating tools in the toolkit for people to use. The people have to use them, and if they're not, then we have to continue to reevaluate those.

**Speaker:** And then a quick follow up to that, I mean, what happens in a scenario where maybe one project beats another one like beats to the punch? As far as like they are the project that's going to get to the last 5000 and we're ahead of the three year timeline, you know, is it your expectation that after that, like it's very first come, first serve? I don't know what first come, first serve means in this route because there's so many different layers to the process. But would you foresee then that that person that maybe didn't make the cut would just simply have to revert back to paying the fees, or how what happens in that kind of scenario?

**Speaker:** So this is to be clear that councilor the question is what happens if you have two projects at the end and they're like units 4995?

**Speaker:** And I guess I'm just like, what's going to if you encounter this scenario where now you're at that 5000, there are other people still in the pipeline. It kind of speaks to my earlier question, but I guess I'm just trying to see what the scenario, how that would play out.

**Speaker:** We've contemplated that. So the in the code, the hard let's say target isn't the 5000, it's the it's the deadline. So there is a scenario we're going to be approaching currently codified as September 30th, 2028, that if we get to that point that we're already at 5000 units, we be able to communicate that out. We've actually discussed the potential of having a dashboard. So people come in and can see where we're at in issuance. Because remember the moratorium starts with you getting issued a permit, but it doesn't lock until you hit that one year marker. Right. So we'll be we'll need to be able to communicate to potential builders the

availability of that capacity. But the reality is, is the deadline that really matters that September 30th. So is there a scenario where we get to 5000 and it spills over to 5100? Perhaps we can contemplate that in admin roles which we've been targeting. But the reality is, is that if we get to that scenario where we're actually at the cap, that's probably a good signal that we're starting to build back housing faster.

**Speaker:** To be clear, you're saying that the three year deadline is the harder deadline than the 5000. So there's potential that and what what is that process? Is that something we need to re-approve to say 5001 needs a new sec I don't understand.

**Speaker:** Yeah. The in the code it's the date is the hard. It's like the ordinance that's codified is the date.

**Speaker:** The three years.

**Speaker:** The three years.

**Speaker:** I'm just noting that that was not what was communicated to me, that it was one it was like whichever one is first. So that tells me something different. I'm not necessarily against it, but I'm just saying that's not clear in how it's been communicated.

**Speaker:** 5000 units is really hard to implement from a from a practical perspective, from a just a code how the planning or excuse me the permitting bureau and the manages projects. So from a like assurance of implementation, the date was the most sound way to do that.

**Speaker:** It just gives me pause because for me, I think that the moratorium is important, that there is a clear line of when it ends. And to me, that sounds like there isn't one as clear as I thought. So I'm going to ponder that for a minute.

**Speaker:** But September, September 30th, right now in the code, September 30th, 2028 is the is the hard stop of issuance. And again, it's only guaranteed if those if

those qualifiers are hit. So even if somebody pulls a permit, if they don't hit the one year, you know, foundation or have that agreement in place, then those moratorium is not applied.

**Speaker:** Yeah. I mean, I'm supporting this waiver. It's just my support really does hinge on the moratorium factor. So that's why I'm asking these detailed questions. So I don't know that I feel answered right now. But I'm going to ponder that for a minute. Thanks.

**Speaker:** Councilor novick. Thanks.

**Speaker:** I'm with councilor green. I mean, yes, and I'm curious as to whether we can move up the effective date, particularly as I've heard some concerns that people might delay pulling their permits for the next few months waiting for October 1st to kick in. Is there any reason why we couldn't move it up to August 1st? For example?

**Speaker:** Thank you, councilor, for the question.

**Speaker:** I think that depends in part on the schedule for full council meetings for the summer and how quickly y'all decide to take action on this and when the next available opportunity is for it to go to full council. Typically, legislation goes into effect 30 days after adoption. So, you know, you could imagine a couple different scenarios for that. I would.

**Speaker:** Yes, council answer the question. So kristina alluded to this right now for simplicity and clarity for everybody. October 1st and March 1st are planning implementation dates for code, right. For this particular case, we are contemplating a way to speed that up. So it's not October 1st, and we've been throwing out August 1st as a commitment that the bureau has been making to. We could have something in place, given the city code that requires a 30 day implementation. We could put something in the code. In the ordinance that sits sits August 1st is the

target date, and figure out a way to bridge that gap between the effective date and our. Whether it be like a hold harmless commitment some way. So we've been and staff have been looking at how we might be able to implement it. But I guess the commitment we're making here is if council is interested in us being the date, we're we're already actively looking at how to do that. Thank you.

**Speaker:** I'm going to go back to councilor pirtle-guiney thinks on this topic as well.

**Speaker:** I.

**Speaker:** I actually wanted to ask the question about what councilor novak councilor novick just presupposed, which is are you seeing permit pulls delayed now, as we're talking about this from builders who are waiting to see if this goes into effect or not?

**Speaker:** Yeah. I don't think we have a paddy in the room today, but I've anecdotally, I've heard that there are some people that are I would say two things. One is that some folks are starting to apply now because they're excited. They heard and they want to they want to get their projects started. And then also some anecdotes that people might be waiting to see what happens.

**Speaker:** And councilor councilor also offer that prior to even the announcement, the trickle of projects being issued was already starting. So this is a causality correlation moment. Where was it already starting before that? Or and now we're just exacerbating that that pause because it was someone mentioned it earlier. We saw it in our data. We're getting a lot of permits for alterations. We're getting a lot of commercial permits, not a lot of multifamily housing production. That's something that we can articulate going back into the early spring. Still single family homes, multifamily or, excuse me, middle housing. So correlation and causality is sort of difficult. But then to the point that kristina made, yeah, people definitely said

great. Can't wait to see this waiver go into effect. I'll take advantage of it. You know, effective date, whatever.

**Speaker:** I appreciate you not making assumptions about correlation and causation. Thank you. I know we too often do. I know we too often in policymaking make those assumptions. So I appreciate you being cautious there. I do think that waiting until October 1st feels a little bit dangerous to me, that we might slow things down even more. And I'm wondering, chair, about moving forward something that would rather than the implementation deadline that's currently here, which I believe says a building permit has not been issued before October 1st is a qualification. If we were to change that and say something about has not been issued by the effective date, which would make this go into effect 30 days after passage.

**Speaker:** Yeah, I'm going to ask a couple questions, but I'll just say, I think you guys should work on some language and propose that amendment here. And I think we should pass it that way out of committee, which is under paragraph j, paragraph two, section a two, and getting rid of the October 1st deadline. So I would be in favor as well of going just in a normal 30 days after it gets passed from from council, putting myself in the queue. Going along a little bit to I want to unpack some of the stuff that councilor avalos was was bringing up that September 30th, 2028 is the deadline in the most true, underlined, bolded way we can say deadline like the moratorium deadline. If that's the case, why? Why not? Or what would be the risk of saying that there is no limit to the number of units who could get in under that deadline? I feel like if you came back in three years and said, gee golly, we had 15,000 units get built in this, three that we'd be cheering. So to some of the testimonies point, I know we had a little bit, but why not just eliminate the number

and keep the moratorium deadline of three years? We're in an arms race for housing.

**Speaker:** I thank you for the question, councilor. Frankly, it's the burden it would put on our infrastructure bureaus. Those development charges are real. We feel like the commitment that the bureaus have made to this point is, is very generous. And we're going to sort that out still in terms of the impacts. But I want to just flag this if we get to a point that within the, say, in 27, sometime in September of 2027, we're already at 5000 units issued out the door. We'll probably be back here having a conversation about what we do next. Do we extend the number or do we do? Does council call it? Then that will be a good problem to have councilor. So I just want to say that we've already contemplated this scenario, that in the event that 5000 hits sooner than anticipated, we would be back in front of you saying, what do we do? Okay, what's your plan?

**Speaker:** That's really helpful because what what you didn't say is that you just move the deadline. The deadline stays. September 2028. And if we find ourselves in a situation where we have a good problem to solve, let's have that conversation. But that wasn't a deadline once. The moratorium always has an ending date, and I appreciate that. Having come from your chair before and having an understanding of the importance of sdc's. But I also appreciate some of the testimony and others of why why limit. So what I'm hearing there is this is more about capacity. And if we if we see ourselves succeeding so well, we're open to more capacity. Colleagues. I mean, I'm, I'm obviously quite supportive. It's not often you get to, in the first six months of a term, get to work on something you campaigned on. And I appreciate from a staff perspective, the mayor's perspective, the housing groups perspective and the governor's perspective that a lot of us talked about sdc's are a problem, but you all have put the meat on the bones and that that has really come together in a

good package. And I appreciate the versions of this as it's gone through the pipeline. So I just want to say thank you very much on that. And also for a few folks and councilor green, your line of questions about the labor, 75% of what gets built on a project generally finds itself in local people local business, local work, local, local, local. And I think that's important to considering how much of this equation involves national finance. Right? Housing is built with national finance, but it's put up by local workers. And I think that you all have done enough uncovering of the different wrinkles that has helped us tell that story in a really great way. So I'm quite supportive. Councilor green, do you have another question or amendment?

**Speaker:** I think there's an amendment being drafted now that I'm going to support that moves the timeline earlier, but I but I want to say that this summer is really, really important, I think not just for our city but our region. There's a lot of cost risk with every day. It seems like there's new tariff announced and repealed or announced repealed, you know, and so the more certainty we can give to the lenders on this, I think that we're going to increase the likelihood we hear from the gentleman that got a term sheet because of the speculation that council might take this up based upon an October 1st deadline. And so just want to reinforce that this is probably the for less than \$100 million in fOregone sdc's. We're we're going to unlock my staff just calculated over \$400 million in labor income across these projects. That's that's a huge piece of the recovery that we have. So I'm going to support an amendment that comes forward that has an earlier date on this.

**Speaker:** Thanks, vice chair.

**Speaker:** Thank you. I want to just put a finer point on some of the questioning that councilor avalos was going down the line of and that you chair brought up as well, around the 5000 new units, because I didn't campaign on waiving sdc's. I in fact am a very strong supporter of sdc's and part of my support has been based on this



being time limited and the fact that the need right now is so great that I think it justifies a waiver that at other points in time I probably would not support. And I just want to make sure that we are all clear about what the language is here, because the ordinance very clearly states that the purpose of the subsection is to create 5000 new units of housing, but 5000 new units of housing is not listed as any sort of cap or time that we stop, or time that we are asking our bureaus to come back to us and ask us to reconsider this, as far as I can tell. And while I'd love to have you all come back and check in with us partway through, as far as I can tell, there is no requirement to that and what we are approving. I just want to make sure we all know this and I'm willing to support this, but I want to go into it. Eyes wide open is a three year moratorium period, with no caveats or exceptions to that, other than those that are around the types of units being built. So I it still sounded like there was some confusion in how that answer was coming in. And I want to make sure that we're really clear. I would like to propose an amendment. Please, chair, I would propose that we amend section j two, a two of the code or of the proposed code to say a building permit has not been issued before the effective date of this ordinance and will not be issued after September 30th, 2028. Rebecca, I'm sending that to you right now.

**Speaker:** Thanks. Doing a staff check, does that seem implementable? Oh, and here comes an attorney. So we've already already ruffled some feathers. Let's do it.

**Speaker:** No, no, just to linly reese. For the record, chief deputy city attorney, because the ordinance itself is not part of the code for implementation purposes, for staff, it might be easier to say the effective date of this subsection j, rather than the effective date of the ordinance. If that works.

**Speaker:** I would be happy.

**Speaker:** To change my amendment. If my seconder is willing to say a building permit has not been issued before the effective date of subsection j of this section of the code, and will not be issued after September 30th, 2028.

**Speaker:** Couldn't be happier to accommodate this.

**Speaker:** Okay, rebecca and chris, do you need me to resend that to you or did you capture that difference? Resend? Okay.

**Speaker:** So the intent because this will matter in our record, the intent is that this is treated like any other ordinance change, which is 30 days after its adoption by the City Council. Is that correct, councilor?

**Speaker:** Correct.

**Speaker:** Okay. While you send that, I will note as our city attorney came up, the I asked the staff if that was implementable and they both agreed that it was. So I appreciate that.

**Speaker:** Yeah. Thank you. Yeah. Pad will need a little bit of time to kind of get prepped to launch this, but that standard period should be fine.

**Speaker:** Could I ask our attorney a question before we move to a vote? Are we cleaner to say subsection j of this section of the code, or are we cleaner to just say effective date of this subsection of the code, since it's within subsection j.

**Speaker:** I would I mean, I think what I'd said of this subsection j. So it's very clear and it doesn't need. So it would read a building permit has not been issued before the effective date of this subsection j.

**Speaker:** And will not be issued correct.

**Speaker:** After September 30th.

**Speaker:** Okay.

**Speaker:** I also think a little cleanup falls in a scrivener's authority as well, so you'll be fine. Your intent is very clear here. Okay. We have an amendment. It's been

seconded. I'm going to look to colleagues if there's any discussion on the amendment. Okay. That will go to a vote. And if we could do a roll call vote, please.

**Speaker:** Clerk pirtle-guiney i.

**Speaker:** Novick I green.

**Speaker:** Let's build some housing.

**Speaker:** I avalos.

**Speaker:** On the amendment. Yes.

**Speaker:** I zimmerman.

**Speaker:** I the amendment carries 5 to 0 okay. We're going to continue to have discussion on the over arching code change. I'm not seeing anybody in the queue. Thank you. Which feels good. We've had a lot of practice of being in the queue for hours in the last few weeks. So okay. All right. I think we're ready to go to a vote. Well, do I need to get a motion from a colleague for a vote of this? Amended one to go to the full council with the. Requested to be passed by council. Council.

**Speaker:** So moved.

**Speaker:** Okay.

**Speaker:** Second.

**Speaker:** All right. Councilor novick moves and councilor green seconds. The ordinance with that clerk. If we could have a roll call vote.

**Speaker:** Pirtle-guiney i.

**Speaker:** Novick really appreciate the mayor bringing this forward.

**Speaker:** I green. I avalos.

**Speaker:** I'm going to be voting yes, because I think that this exemption could help move some housing projects that are stuck due to the financing gaps. But I just have to say on the record that 63 million in lost infrastructure revenue is serious, especially for my district that is still waiting on basics. I as I stated in my comments,

I believe we need to be tracking who's using the exemption, what kind of housing it builds, make sure the benefits are shared and I would like to see some more midpoint evaluation checks. I would like to discuss that further as far as how we're tracking it before this expires. But this and I believe that this tool has a lot of potential if we stay accountable. So I vote aye.

**Speaker:** Zimmerman.

**Speaker:** Thank you. I appreciate those comments and everybody's work on this. Again, a deep appreciation to mayor wilson, to governor kotek, to everybody who sat on the panel to come up with these these suggestions. It was mentioned that we are in I don't even remember how many times the city has declared a housing emergency. And in my own estimation, we haven't done a lot with it. And so I am deeply appreciative of this. I don't know when you represent downtown Portland and some of the most densely populated areas. I don't know that there's a tower high enough for me to balk at. I think it should all be built all the time, everywhere i, I and that's my position. I've always felt that way. And in a world where finance stops good projects, I think we have something that we can do. So for those that came out and testified, also appreciate it. I appreciate the variety of faces that we saw. Right. I think somebody mentioned it. I don't like to call myself a developer because on a lot of scales, that word gets used to describe everything from a thousand units to a single adu. And I don't think it captures everybody and why they're in the market in terms of creating community, as was said. I also am really proud of this committee and of the staff. I think this is the first example in this form of government. And ian mckenzie mentioned it and he took my first talking point away, which is I don't think this happens in the old form of government. I just don't think it would have. And so this is a great example, moving into a new fiscal year

that we're all all wings, all arms, all things work for the same boss. And you put together a good plan and I appreciate it. And we're going to pass it. I vote i.

**Speaker:** With five ayes. The ordinance will be referred to full council as amended.

**Speaker:** Great.

**Speaker:** Thank you colleagues, I am getting an updated script about my closing comments here about something that's changed. Let me review it quickly.

**Speaker:** Clap or go for it.

**Speaker:** Yeah, the council president is furious with me for letting you clap, because now I've set a bad precedent for her meetings. You can take it up to her when she's in this chair. Okay, so. Chris, help me out if I get it wrong. But in terms of previewing next meeting, we have a discussion coming up on cip and the finance development options that might exist. So, colleagues, I'm going to ask you to both bring your ideas and take the mindset of providing direction for our city finance teams so they can return to us with some recommendations on how best to deliver on the cip resolution. And. We'll also be taking a look at some surplus property. And with that, now turning to the rest of my script, looking to my colleagues for any further comments. Seeing none, this meeting is adjourned. Thanks, everybody.