

Cristina Palacios Testimony for HB 3503

Hello Chair and Members of the Committee,

My name is Cristina Palacios and I have been a Community Organizer for 14 plus years. During my years of work, I have been working for and with BIPOC communities in Washington, Clackamas, Rogue Valley and Multnomah Counties. For years, many community members have shared their housing concerns with me. Some are Fair Housing violations, lack of repairs, cost of utilities, but most of all they all carry a huge concern about rent increases. It sometimes only takes one rent increase to destabilize our community, especially when the rent increase is subject to market rate and no controls are in place to assure community members do not get priced out.

While Oregon has statewide rent control it has not provided the relief for renters needed in the current economic situation. Rents have continued to rise often at the maximally allowed amount while wages are relatively flat and all other costs continue to rise due to massive inflation. It is time to allow localities to institute stronger rent control especially in areas with the highest rent and homeless populations.

Currently 3 out 4 Oregonians with extremely low incomes spend more than 50% of their incomes on rent. In some areas such as Washington county where I have worked on housing issues for many years that number is 5 out 6 extremely low income renters who spend more than 50% of their income on rent.¹

These families need immediate relief from increasing rents. The current law allows up to 7% increase every year plus inflation and workers' incomes are not going up anywhere near enough to cover that let alone other rising costs. This results in renters effectively being double charged for inflation first while buying needed goods and services, and again in their increasing rents. Localities should be allowed to create much stronger limitations on how fast rents can rise if/when appropriate.

We know according to the GAO that for every \$100 increase in rents in a community, there is a 9% increase in homelessness.² I have seen this firsthand in my work. Rents increases should not be driving people into homelessness. Allowing urban localities to adjust rent control to their needs allows urban areas to create the policies they need to limit the impact of rampant inflation on renters.

In this time of massive inflation with more and more people experiencing poverty and housing instability, it is time for us to lift the ban on local rent control and allow local governments all tools at their disposal to solve the housing crisis. I urge to protect families by allowing local jurisdictions to institute stronger rent control.

Sincerely,
Cristina Palacios
Community Organizer

¹ http://www.oregonhousingalliance.org/wp-content/uploads/2021/02/Oregon_2020.pdf

² <https://www.gao.gov/products/gao-20-433>

