

Testimony Submission Form

Committee Name: Hous Inc, etc.
Meeting Date: FEB. 8, 2024

Bill #: 1537

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(Administrative Use Only – Will not be published)

Organization or City of Residence: Salem

On behalf of (if applicable): MYSELF, AS ONE OF AUTHORS OF SB 160

Position on this bill: Support Oppose Neutral

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Testimony Summary

February 8, 2024

Oregon Legislative Assembly

I understand the purpose of the proposed legislation is to offer an assist to the acknowledged housing crisis in Oregon – specifically in housing affordability. Stimulating housing construction by expanding the supply of buildable land now outside Urban Growth Boundaries (UGBs) will not have the desired effect. In fact, it will most likely have the reverse effect.

The immediate effect will almost certainly be efforts to create more single family dwellings. The building industry readily contends that a new single family dwelling on a separate (admittedly very small) lot cannot be produced below a \$300K to \$350K range, or even more depending on exact location in Oregon. The needed other infrastructure, urban services and transportation networks, etc., are simply not there to support multi-family, apartment and/or condominium dwellings. Even the provision of the necessary infrastructure for lower-density single-family tract housing is likely to prove back-breaking expensive.

The result is that substantial housing construction resources will be allocated to production of housing only available to those in higher income ranges, and these will not be at all substitutable for the necessary products in the lower income ranges. Indeed, it will siphon resources away from that.

Be clear: The necessary construction to have an effect on the affordability crisis is multi-family (cluster) type housing, whether rentable (apartment) or owned (e.g., condominium). Single family will not help, and public policy efforts promoting affordability should reflect that. In fact, current costs dictate that the private construction sector alone cannot meet affordability goals, even with multi-unit construction, without substantial involvement on the part of the public sector. Government must be seriously involved, and in as many creative and incentive-based ways as possible.

What should happen is that strong government incentives for multi-family development inside UGBs (where land is available) should be created. This should include the likes of community land trusts and even direct government ownership of the land, to reduce the effects of land appreciation over time. This necessarily shifts emphasis in meeting the crisis to other infrastructure needs, largely transportation, and mainly public transit. As a side effect, this implies focus away from the private automobile, at least in urban areas, and would be powerfully compatible with climate change mitigation efforts. Car-related single family development clearly does the opposite.

Thank you for your time, and I would be pleased and honored to discuss further the difficult housing affordability challenges which in my view are wrought largely by the widely acknowledged income and wealth disparity of the last few decades. Solutions to this and the many related thorny issues, such as homelessness, will not come easily.



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