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January 24, 2023

House Committee on Housing & Homelessness
Oregon State Legislature
900 Court Street NE
Salem, OR 97301

RE: Opposition to HB 2653

Good morning Chair Dexter, members of the committee,

My name is Alli Sayre and I'm the elected organizing coordinator for Portland Tenants United, the Portland city-wide tenant union. Through organizing, direct action, coalition building, and civic engagement, Portland Tenants United fights to keep people in their homes, and to achieve dignity and security for all tenants. I am here to testify in opposition to House Bill 2653, which would give a tax credit to landlords who sell their properties to buyers willing to maintain "affordability" for 30 additional years.

Firstly, if anyone actually understood what this bill says upon first reading, congratulations are in order. This is one of the most confusing bills I've ever read. It took me several read-throughs to understand the meaning of the proposed language.

Representative Grayber pointed out in her testimony that the goal of this bill is to prevent another situation like what happened at Woodspring in Tigard, where LIHTC tenants saw a massive rent increase when their landlord sold the complex.

While the goal is admirable, this bill will do literally nothing to prevent another Woodspring. This bill is simply another giveaway to the rich under the guise of protecting affordable housing; frankly, I'm beginning to see a theme here. You see, text buried in the bill on page 1 line 21 defines affordability as affordable to up to 80% MFI. What kind of neoliberal nonsense is a bill that considers housing affordable to 80% MFI as affordable?

HUD publishes a list of affordable rents for each metropolitan statistical area annually. They publish two numbers - one affordable to 50% MFI, and one affordable to 65% MFI. In 2022 in the Portland MSA, affordable rent on a 2br unit was \$1198 for 50% MFI and \$1537 for 65% MFI. According to HUD, market rent in the Portland MSA was \$1735. If you take the first two numbers and do a little algebra, you can extrapolate the rent that is considered affordable to 80% MFI. That number is about \$1915 a month.



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As it turns out, \$1915 per month is higher than \$1735 per month. By almost \$200. So what will this bill actually do? It would have been of no help to Woodspring, where their rents were around \$1100, affordable for 60% MFI, going to market rate, and it could actually have a harmful effect by pushing rents upward to meet that 80% limit. Either amend this bill to reflect numbers that are actually affordable to low-income Oregonians or vote **against** moving this bill forward. Let's come together and put forward policies that will make real change, not just put more money in the pockets of the rich while using buzzwords like affordable housing to make people think it's a good thing.

Sincerely,

Alli Sayre
Portland Tenants United Organizing Committee