

Submitter: Jack Finn

On Behalf Of:

Committee: Senate Committee On Housing and Development

Measure: SB611

I am an Oregonian and work for a small Oregon firm active in producing and renovating housing in Oregon, Washington and other states. Placing a 3% cap on rent growth in Oregon will reduce housing production and maintenance investment, instead redirecting activity to states where such a cap doesn't exist, such as Clark County, Washington. That is happening now, in fact.

Oregon has an existing state rent control which is unlike that of any other state. It was generally working until the inflation registered 7.6% in October 2022, which was unexpected. Don't throw the baby out with the bathwater....instead maintain the existing 7% + inflation formula, but place a cap of 10% on rent growth in a 12 month period.

Housing Oregonians at the sole expense of those providing their housing is not sound public policy and is not a sustainable way to address housing instability. We need to focus on permanent rent assistance and increasing supply. State investment such as that discussed by the Governor would also be beneficial.

If the state wants to achieve the goal of 36,000 new housing units per year, we cannot pass this bill. More rent control will only disincentivize new development and ownership of rental units. This bill leads us further away from our housing goals.

SB 611 will drive small and large rental owners out of the market and hamstring much needed multifamily developments. Lack of housing supply makes it harder for businesses to grow, for local governments to have a solid tax base, and for Oregonians to stay in their own communities.

Rent prices are set by several factors like labor (in)availability, construction costs, rising utility and insurance costs, inflation, increases in the cost of maintenance and payroll, and local tax burdens. All of these costs are only increasing, most at a rate far above the 3% proposed rent cap. Please don't hold housing providers accountable for decades of underproduction in housing which are a result of the state's UGB program and policy deficiencies....this will only redirect them to avoid Oregon....that is not what we need to solve these problems.