

Submitter: Katherine Fredricks

On Behalf Of:

Committee: Senate Committee On Housing and Development

Measure: SB1537

Chair Jama and Committee,

Yesterday I listened to the discussion of SB 1537 and submitted testimony on behalf of Climate Reality Project Portland. The comments below are my personal opinion.

First, I agree with about 80% of those who testified, in opposing Urban Growth Boundary expansion.

Second, I work in a factory. I have heard my co-workers discuss the fact that they could not buy a home in today's market. The price point of @ \$375 thousand may be cheap by "market" standards, but it does not make it affordable for low income working people, let alone the homeless. So I strongly agree with Climate Reality Portland that when SB 1537 says low "or" moderate income housing, that word "or" could result in little or no actual low income housing being built. Low income housing is the greatest need. The figure of 130% AMI, which is currently in Section 55, is too high.

Factory workers in Portland often work two jobs to make ends meet. They get bad backs from heavy lifting. Some work mandatory overtime. Spending their tax dollars on housing they will never be able to afford does not improve their lives.

Third, Senator Merkley is working on legislation at the Federal level, to get Wall Street out of the housing market. According to the Urban Institute, Twenty-seven percent of single-family homes sold during the first three months of 2023 were purchased by large financial groups. This has to be driving up housing prices!

I realize that national laws are not your jurisdiction. I ask, what steps does SB 1537 take to make sure that Oregon incentives intended to house low income people are not diverted to make large corporations richer? And that low income housing remains low income, when it is resold?

Finally, to quote the FACT Coalition, "The roughly \$50 trillion U.S. real estate sector has long been a favorite hiding place for the proceeds of corruption, drug trafficking, and other transnational crimes." From the same source, "There is evidence that the harms associated with money laundering through real estate purchases go far beyond enabling corruption and other crimes. Increased demand for high-value properties – driven in part by an influx of dirty cash into the sector – can both directly contribute to rising home prices and disincentivize development of new affordable

housing."

There is now legislation before the US Congress to finalize strong rules to keep dirty money out of US real estate. How can Oregon make sure SB 1537 follows the transparency guide lines set by this pending legislation?

Thank you for your hard work towards making affordable housing available in Oregon. As Plato said, "Writing laws is hard, because they inconvenience honest people, and crooks just find ways to get around them." SB 1537 is well-intentioned. Please keep working to make sure it actually serves the citizens it is marketed as benefitting.