

From: [Elizabeth Jacobi](#)
To: [LRO](#)
Subject: Support for SB 595 - Bend, Oregon
Date: Tuesday, March 19, 2019 10:29:42 AM

To Oregon Legislature,

Please support SB 595. I recently wrote a report about the housing crisis in Central Oregon. A section covers SB 595. I just spoke with a Bend City Councilor three days ago. She was thrilled to hear about this bill. It would provide a useful option to the City of Bend. Here are some excerpts from my report:

Beth Jacobi

Bend, Oregon is one of the nation's ten fastest growing cities^[i] and has experienced some of the nation's greatest rises in rent and housing costs.^[ii] This rapid growth has been encouraged by a city funded advertising campaign....

The City of Bend allocates over \$3 million a year of tax money to a private marketing firm called Visit Bend. Visit Bend promotes tourism and also includes a "Moving to Bend" section on their website, which includes access to a free "Relocation Packet" and links to realtors and builders. This marketing campaign has led to feature stories in Outside Magazine, CNN Travel, The New York Times, The Wall Street Journal, The Seattle Times and other media outlets.^[i] Much of the marketing effort is directed to California, Seattle, and other areas that have higher real estate markets than Bend. While tourism has boomed, this marketing has also increased population growth and real estate investments (many of which are vacant investment homes) by non-resident buyers. While tourism jobs have increased, most service industry wages aren't enough for workers to afford housing.

1) Support Oregon Senate Bill 595

Passage of Oregon Senate Bill 595 would allow a percentage of transient room tax (also known as a hotel tax) to be used to support affordable housing programs. State law currently requires 70% of transient room taxes (TRT) to be used to promote tourism and to build tourism infrastructure. This bill would allow cities to divert up to 30 percent of the resources set aside for tourism promotion to instead fund workforce affordable housing for people earning up to 120 % of their area median income (AMI). This bill is endorsed by the Oregon Housing Alliance. If implemented, this policy would greatly increase funding for the City of Bend's Affordable Housing Program. Thus far, this program has converted \$7 million dollars of funding into the development of 770 housing units for lower income residents. With additional funding, more individuals and families of Deschutes County could have access to the stability and security that comes with an affordable home.^[i]

(Since 1985 housing prices have increased 277% while average job earnings have increased 24%. Portland State University Population Research projects 60% growth by 2050 in Central Oregon. i.e. Central Oregon needs to direct funding to accommodate housing needs for local workers and residents. Population growth and tourism will continue).

^[i] Williams, Timothy. Feb. 25, 2019. The New York Times. *Oregon to Become First State to Impose Statewide Rent Control*. <https://www.nytimes.com/2019/02/25/us/oregon-rent-control-bill.html>

^[ii] Regional Housing Needs Assessment. March 2019. Mosaic Community Planning. Draft Edition.

^[iii] Regional Housing Needs Assessment. March 2019. Mosaic Community Planning. Draft Edition.

^[i]

Williams, Timothy. Feb. 25, 2019. The New York Times. *Oregon to Become First State to Impose Statewide Rent Control*. <https://www.nytimes.com/2019/02/25/us/oregon-rent-control-bill.html>

[ii] Regional Housing Needs Assessment. March 2019. Mosaic Community Planning. Draft Edition.

[iii] Regional Housing Needs Assessment. March 2019. Mosaic Community Planning. Draft Edition.

[i] City of Bend Affordable Housing Program. 2019.
<https://www.bendoregon.gov/government/departments/economic-development/affordable-housing-program>

[i] Visit Bend Plan and Budget 2015-2016. 2015. <https://www.visitbend.com/wp-content/uploads/2018/03/FY2016-Business-Plan-April-9-WEBRES.pdf>

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