

To the Senate Housing Committee and the House Committee on Urban Services and Housing,

Re: SB 10 and HB 2001

Another study, this time by Professor Michael Storper of UCLA and the same conclusions-more supply does not produce affordability; and that blanket up zoning is a meat hammer, simplistic approach to a complicated problem, which increases the value of land, a prime determinate of affordability.

We already have the MIT study in Chicago that showed that up zoning in Chicago served to increase land values, but what up zoning did not do in Chicago, and is not likely to do anywhere, is create incentives for housing construction in the areas where middle-class and lower-income people most need it for the prices at which they need it.

SB 10 and HB 2001 are simple solutions to complex problems that will almost certainly have significant and foreseeable unintended consequences. These two bills will turn an elephant (read homebuilders and their investors) loose in urban single family neighborhoods of Oregon cities and Oregon counties based on a hope and a prayer that affordable multi-plex housing will magically appear in the right areas with the right prices/rents, and will not otherwise cause too much damage in terms of demolitions and displacements.

A foreseeable, unintended consequence of HB 2001 is the betrayal that many people who have supported land use planning will feel in having this simplistic mandate forced upon them by Salem. We do not need this legislation, we have alternatives.

Statewide Planning Goal 10 and its administrative rule make a good platform for taking measured, well thought out actions to address housing affordability. And that platform is still there. Some communities have actually used it effectively and others could do so if they were given the appropriate incentives to do so. As an alternative to SB 10 and HB 2001, DLCD could be directed to adopt new administrative rules to provide incentives designed to facilitate construction of multi-plex housing in ways that are likely to produce affordable multi-plex housing without increasing demolitions and displacement problems. Of course that approach requires some thought, likely will require tough choices and tradeoffs, and perhaps will require some creative financing.

SB 10 and HB 2001 will do a great deal more harm than good. So you can let the elephant loose in a bunch of single family zoned and developed neighborhoods and hope it turns out well, or you can actually get the stakeholders together and go to work on the tough policy choices that will need to be confronted to actually produce more affordable housing.

Do not vote SB 10 or HB 2001 out of committee. Thanks for your consideration.

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