

Submitter: John Marasco  
On Behalf Of: Security Properties  
Committee: Senate Committee On Housing and Development  
Measure: SB611

Hi,

I grew up in Portland and in my 30 plus years career as a real estate developer, i've had the pleasure to develop both office and housing in the City of Portland. In fact, currently we have 560 new housing units under construction and are planning another 160 units to follow. Rent control is not the answer to affordable housing and the model has clearly not worked in other markets across the country that have implemented such programs. In fact, this bill will make things even worse and doesn't address the root cause of housing instability. 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 affordability, it will only exacerbate an already bad situation. With respect to rental housing, we need to focus on programs that provide some form of permanent rent assistance and ways to increase the housing supply. Rental rates are set by several factors including rapidly escalating land and construction costs, rising utility and insurance costs, inflation, increases in the cost of maintenance and payroll, and the ever increasing local tax burdens.

If the state wants to achieve the goal of 36,000 new housing units per year, we cannot pass this bill. 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 new multifamily developments to offset the existing housing demand. Shackling Rental Rates will drive institutional investment out of Oregonian and the resultant lack of housing supply makes it harder for local businesses to grow and new businesses to enter the market which negatively impacts local governments to have a solid tax base. A housing constrained market will also make it difficult for Oregonians to stay in their own communities as you can already see with the significant flight to washington thats happening right now.

We implore you, please do not pass this bill. Thank you.

JM