

Submitter: Andrew Fields
On Behalf Of: Andrew Fields
Committee: Senate Committee On Housing and Development
Measure: SB611

My name is Andrew Fields and I have a home in Salem. My family and I have worked in the rental housing industry for 50+ yrs. Please vote NO on SB 611.

* Rent Control hasn't worked and will never work. [<https://bit.ly/409wN8A>]

* Rent Control causes a misallocation of resources and hurts the very people it purports to help, and I'm sure you are aware that the VAST MAJORITY of Economists think Rent Control makes housing problems worse [<http://bit.ly/3FHNT5k>]

* Even Stanford (certainly not an institution that loves Landlords) had to admit that the only "winners" in Rent Control scenarios, are those few people who get a place "before Rent Control went into affect". Everyone else, saw fewer housing opportunities, or higher rents. [<http://bit.ly/3yYbpHv>]

* 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 hamstringing 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 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.

However, because I'm a realist, I have no doubt you will receive 100s of letters like mine, and you will ignore ALL of the evidence that says what you are doing is bad, so will vote for it anyway, and force Landlords like me to live under it, so here is my prediction, because in EVERY PLACE where Rent Control is tried, this is the result:

- Rents will peg to the maximum allowed each year [forced collusion, never a good thing]
- Housing starts will plummet [reduced inventory]
- Housing quality will go down, as Landlords must cut maintenance/service costs to fit under the rent controlled caps [reduced quality]
- The poorest among us will suffer the worst, as they are forced to live in

infrastructure starved neighborhoods, created by fleeing developers [harms the poor]
- Quality developers and Landlords will flee the State, selling their assets to Landlords who will find ways to legally exploit their Tenants [more dishonest "slumlords"]

These are the realities.

I'm not a heartless Landlord; I sit on the board of an organization that provides transitional housing at a GREATLY REDUCED RATE (usually 25-35% of FMV) to homeless people with a 90+% success rate at getting them out of our homes, and into their own stable home, where they can get one with their lives.

I also know that "one size fits all" is a terrible way to look at housing. That's WHY I'm on that Board. Putting those same people in my apartments was NOT working; they broke the rules, violated the rights of their neighbors, and ended up evicted or worse. That was bad for them, their neighbors, and my business. We needed another solution, so we found one and it works.

Rent Control IS a one-size-fits-all solution, and it DOES NOT work.

If you want solutions, as a developer, here are some:

- * Reduce barriers to new development (reduced SDCs, non-fire/life/safety codes, repeal inclusionary zoning)
- * Repeal MOST of the restrictive contract provisions in ORS.90
- * Allow more timber to be cut reducing construction costs.
- * Repeal the Minimum Wage law

[Notice I didn't say create programs to give Dev's \$millions. That hurts housing. Lenders are betting at risk analysis than the State. Let them do it.]

In other words, repeal most of what the Legislature has done to "fix housing" (and failed) since 2014.

I'm also aware if you did all of the above, my properties would LOSE value, as more competition came to our State, but I care about people first.

Have a great day.

Andrew D. Fields