

Submitter: Tom Gustafson

On Behalf Of:

Committee: Senate Committee On Housing and Development

Measure: SB611

Dear Committee, I've lived in Portland my entire life and have raised my family here. Our community is short of many kinds of housing units: single family residences, multi-family apartments, and affordable or subsidized apartments. It is beyond the scope of our State or City government to make a significant dent, let alone solve, any of these housing shortages. It is essential that private developers have market incentives to build housing units in our city. The plan that rent increases will be capped at 3pct will drive many investors elsewhere. The very bad idea that this 3pct plus CPI cannot exceed 8pct is simply hubris. Who on this committee can accurately speculate what inflation and interest rates will be in the future? No one. To impose an artificial limit of 8pct will only further drive development and investors elsewhere. The decrease from 15 years to 3 years for new properties to be excluded from these restrictions will only add to our problem of not enough housing units being developed as it is a disincentive to build.

I beseech the Committee to search for ways to incentivize developers to build or remodel existing underutilized buildings (Lloyd Center, downtown office buildings now nearly vacant) so we can have a meaningful increase in our housing stock. Restricting landlords and developers will only decrease the number of potential units that are being planned for development. Respectfully Submitted, Tom Gustafson