

Submitter: Mitch Green

On Behalf Of:

Committee: Senate Committee On Housing and Development

Measure, Appointment or Topic: SB684

Thank you, Chair Pham, Vice Chair Anderson and members of the Senate Committee on Housing and Development. My name is Mitch Green and I am a member of Portland City Council representing District 4 and Co-Chair of the Arts & Economy Committee. I am speaking today in my own capacity as an elected official, in my capacity as a trained economist and on behalf of all Portlanders desperate for relief from a housing market that extracts more than half of their income from rent, and has placed the dream of home ownership out of reach for so many.

On February 25th my committee heard a presentation on the state of the regional economy that identified the lack of affordable housing is a key threat to the fiscal viability of our city. If we want to avoid falling into an urban doom loop, then we have an obligation to move swiftly and take decision action to speed the rate of housing production in the state and take meaningful action to clear our bottlenecks to development.

That's why I'm so excited about SB 684: establishment of a revolving loan fund for mixed income public development creates a powerful tool to lower the cost of housing production, which means that more projects will pencil out than in its absence and it provides a necessary relief for the interest rate risk associated with conventional subordinate finance. And I'll note that a revolving loan fund is akin to sowing a crop instead of eating the seed corn: due to its revolving nature we will continue to reap the benefits with each project it finances.

We're facing serious cost pressure across industry, so having the public sector step in and provide a low cost, low risk option for bridge finance delivers a win for our communities at a time when they need it the most. It will deliver homes, jobs, incomes and much needed revenues for our cities.

This one small piece of the policy landscape has the potential of making all the difference in kickstarting the economic engines in our cities that will steer us safely to prosperity. Please pass this bill – mixed income public development is a good idea whose time as come for Oregon.