

Oregon House Committee on Housing and Homelessness

Dear Representatives,

I'm a relatively well-informed advocate for alleviating the true housing "crisis," which is among those households that are truly housing-cost-burdened. Here are some facts:

- A truly housing-cost-burdened household is one in which the household does not have adequate, stable financial resources (income and assets) to pay for basic human needs (e.g., food, medical care, etc.) after paying for housing costs (rent, utilities, etc.)

*The "30% of Income" rule is not actually a valid rule for "burdened" and was never intended as such. See:*

[Why the 30 Percent of Income Standard for Housing Affordability](https://www.basicknowledge101.com/pdf/housing/who-can-afford.pdf)

<https://www.basicknowledge101.com/pdf/housing/who-can-afford.pdf> and

[Burden – Eugene Housing Facts](https://housing-facts.org/burden)

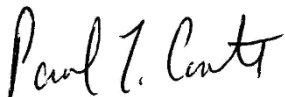
<https://housing-facts.org/burden>

- Almost all truly housing-cost-burdened household are among the HUD "Very Low Income" ("VLI," at or below 50% of Area Median Income) and "Extremely Low Income" ("ELI," at or below 30% of AMI).
- In general, new housing that is "affordable" to VLI and ELI households cannot be built without some form of subsidy. No program that incentivizes new "market rate" housing would produce housing that is "affordable" to VLI and ELI households.
- Deregulation of housing standards, including maximum density, lot size, etc., for market-rate housing will not lower the cost of housing that is affordable to VLI and ELI households. Instead, such programs at best address only the issue of "housing choice" for households in the mid- and upper-income categories.
- Reducing the accountability for defective construction by condominium developers will in no way address the true housing crisis among VLI and ELI households.
- Reducing the accountability for defective construction by condominium developers will simply shift liability *and* costs for defective construction from the responsible parties (investors, developers, and contractors) to owners and renters.

This bill is one of the dumbest proposals that can be imagined.

But it will thrill developers and virtue-signaling advocates who care about performative actions, rather than sound economics and housing policy.

Respectfully submitted,



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