

To: House Committee on Human Services & Housing

From: Russell A. Dondero

Re: Testimony for Hearing on HB 2004, March 2, 2017

Dear Chair Alissa Keny-Guyer and members of the committee

I support **HB 2004** as part of a package of bills to address our housing crisis in Oregon, not just in Portland. My own community faces a 600 unit gap in needed affordable housing that the market has not met, this is part of a 40,000 gap in the Metro area as you know. A similar gap exists on the Oregon Coast, in Southern Oregon and in Bend.

So while HB 2004 is part of the solution it is not the only solution. Hopefully it will help mitigate forces of gentrification.

In listening this morning February 27th to OPB's Think Out Loud program, to paraphrase host Dave Miller's question – "is housing such a basic need that it should be considered a 'public' need" not market driven need?" I couldn't agree more with the implication of that question.

After WW II the Greatest Generation came home with the GI Bill which helped them get a college education and to buy a home with VA or FHA loans. At the same time we had a robust public housing program which built subsidized housing for those who couldn't find market based housing within their income limits.

This federal assistance continued through the '60s to the '80s. It help create the greatest economic boom in US history and enabled those who were raised in inner cities to move into the suburbs where they could pursue the American Dream of a home of their own and job security. Sadly after the '80s all of that changed which has led us to an increasingly marginalized middle and working class.

That program worked well in Oregon in my home county of Douglas County. I saw this up front since my father was the Executive Director of the Douglas County Housing Authority from 1952-1977. The projects he managed, renovated or saw built still provide affordable housing. But since the 1980s the federal government has retreated from such investments.

There are no easy solutions to this problem, especially with a new administration dedicated to ending regulations and programs which have been a mainstay of protecting the middle class and the most vulnerable of the poor – the homeless. Oregon has done much to mitigate this issue but more needs to be done as you know.

House Bill 2004 is a small step in the right direction but ultimately it will take action at the federal level to create a mix of public/private partnerships which will provide a supply of affordable housing to meet the need here in Oregon and the nation. This will require our Congressional delegation to resist the backward changes being considered by the new administration.

But as former Speaker Tip O'Neill once said "all politics is local." So let's work here in Oregon while hoping Congress will do similarly. But as we do let's acknowledge the market will never solve our affordable housing crisis only some type of public or public/private investment will do the job. Like food housing is a basic need and to meet the needs of many Oregonians it must be seen as a "public" good.

Respectfully,

Russ Dondero

Professor Emeritus/Citizen Advocate