

Dear Senators,

I am a constituent of District 22 and an owner-occupant landlord of a 4-plex. I realize that tenants in Portland are having a hard time keeping up with rent increases. However HB2004 will only make the problem worse.

Basic economics tells us that when certain activities are incentivized they increase but when they are dis-incentivized they decrease.

Basic economics also tells us that supply and demand create market pressures.

The current housing crisis (high price, low availability) in Portland (for renters and home buyers) is due to years of land use and permitting decisions that created a lack of supply. Punitive legislation like HB2004 encourages landlords to no longer be landlords (further decreasing supply) or recoup their costs through deferred maintenance.

If maintenance is deferred, the property is less desirable, the neighborhood then is also less desirable, the property values fall, that means fewer taxes for the local schools and then you have a spiral effect that leads to an undesirable area.

Therefore basic economics tells us that HB2004 results in even higher rents as a result of decreased supply, and downwardly mobile neighborhoods and schools.

It also undermines basic property rights and erodes the ability of two individuals to mutually benefit from their own contracts. But that is a larger argument for another time.

Please oppose HB2004.

Sincerely,

Michaele Armstrong
6867 N Fessenden St #3
Portland OR 97203