

HB 2007 is a Terrible Non-solution to a Complex Affordable Housing Crisis

*Testimony to the Ways and Means Joint Subcommittee on Natural Resources
Public Hearing on HB 2007
June 22, 2017*

Many U.S. cities are facing rapid gentrification, displacement and declining affordability. The effects are huge and a number of states and cities are grappling with how to address these changes. Portland and Oregon are far from alone in this.

The current form of HB 2007 misses the mark in many ways, offering policy changes and concessions that are unlikely to provide the desired outcomes, while creating new opportunities for the demolition of affordable housing and the reshaping of communities and neighborhoods for profit-seeking, and in the process destroying heritage, community, diversity, and opportunity.

HB 2007 seems to be an audacious effort to essentially deregulate development in Oregon cities. It would upend the fundamental logic of residential zoning and local control of urban land use across the state of Oregon to address a Portland metro problem, all in the final hours of a legislative session with little public discussion, for aspirational social and environmental benefits that are very unlikely to result. Developer-driven single-family residential demolition and infill have been shown to actually remove (not increase) affordable housing in Portland, Seattle and elsewhere. Environmentally, expensive replacement housing has negative impacts on urban ecosystem services. Population density improvements (the goal of growth control), if any, are very modest (and very expensive), with the large majority of households now being made up of only one or two persons. New solutions are clearly needed for new realities. Deregulation isn't it.

While deregulation can have some benefits on prices in competitive markets, it has never been a solution to complex social problems. We can learn a lot from the regional history of other deregulation efforts. Back in the early 2000s when states were experiencing strong political push to deregulate their electricity systems, Oregon took a measured and careful approach. Washington and Idaho resisted, and turned out to be the *winners* when history was written. Montana, rushed headlong to deregulate with little or no debate, propelled by overwhelming political forces. The result included bankruptcy of the state's major utility, out-of-state ownership of the grid, and none of the imagined benefits. Montana (the state where I was born) is an embarrassment in this regard, and the debacle has cast a shadow over governance and politics that continue to this day.

If HB 2007 passes in its present form, Oregon will also find itself having made a similarly short-sighted set of choices that will announce to the world an extremely simplistic understanding of the underlying housing, market, community/social, regulatory, and speculative development systems that are all at play and intertwined in the housing problem. We can do better (much better) than that.

This is 2017. There is no reason to fly blind, since there is actually now science and analysis that can support public decision-making. There are better options than gut feelings, good intentions and seat-of-the-pants policy development that looks a lot more like brainstorming than careful and inclusive deliberation. I'm sorry if some may take offense. But this may be a frighteningly accurate description of the process that brought us HB 2007.

Let me try a metaphor to emphasize how important I think it is to get this right: When the dust settles, history could find that this really is like deciding we need to make more sandwiches for some surprise visitors, getting out the chainsaw to slice the bread and cut the butter, slashing holes in the wall and making a hell of a mess, not ending up with any sandwiches, providing a huge free lunch for the crows, and leaving the impossible job of clean up to the next residents (and next generation in the case of HB 2007).

Instead, let's have well-thought-out housing and development policies that might actually have a chance of success because they're based on the best understandings of how cities and communities and housing production actually work—not by enacting hurried and largely symbolic measures that are based more on hope than analysis, and run the real risk of doing permanent damage in unintended ways.

And finally, saying "Well we have to do something ... anything. Something is better doing than nothing, isn't it?" or "Well, nobody really understands the problem" and then after the fact "Who could have imagined it was this complicated?" are not a recipe for good governance. In fact, they strongly suggest quite the opposite.

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