



Testimony in Support of House Bill 4006  
House Committee on Human Services and Housing

Speaker of the House Tina Kotek  
February 8, 2018

Thank you for the opportunity to testify this morning in support of House Bill 4006.

Oregon's housing crisis is hitting low- and middle-income renters the hardest. More than one in four renters in Oregon pay over 50 percent of their household income on rent. Let me say that again: one in four Oregonians who rent their homes are paying more than half of their household income on rent. Each month, many of these families are making the choice between buying groceries, school supplies, and clothes for their kids, or paying the rent. Too many families who are severely rent burdened are just one rent increase away from homelessness.

Since 2015, the number of people experiencing homelessness in Oregon increased by six percent, to 13,953 people in 2017. This crisis is having a detrimental impact on kids and is undermining their ability to thrive in school. We can't have an honest conversation about ensuring student success when, according to Oregon Department of Education data released this year, more than 21,340 students don't have a safe and warm place to sleep at night.

The causes of homelessness are not a mystery. The root cause of homelessness is a lack of affordable housing. Last year, I championed a bill to remove local barriers to housing development. I also supported the investment of \$80M in the Local Innovation and Fast Track Program (LIFT) to increase the supply of subsidized affordable housing statewide. Despite these steps in the right direction, we have so much work to do. The changes that we made on the supply side will help in the long run, but it will take time for the market to catch up. As legislators, we failed to pass the needed tenant protections in 2017. In the meantime, one quarter of renters in Oregon are vulnerable to becoming homeless with the next rent increase.

Oregonians cannot afford to wait for years while the supply improves and rent increases begin to slow down. They are being pushed out of their housing now. As elected leaders, we cannot stand by while people's lives are unfairly disrupted, and we should not let other elected leaders stand

by either. The housing crisis is everyone's responsibility. Every legislator, every Mayor, every City Council member.

House Bill 4006 is about asking local elected leaders around the state to do their fair share to address severe rent burden, and recognizing that we need to step up as a state to support local governments if they don't have the capacity to address this crisis on their own. House Bill 4006 will:

- Require Oregon Housing and Community Services to send every city and county data on the number of renters in their communities who are severely rent burdened every year.
- Require cities with a population greater than 10,000 and with more than 25 percent of their renter households experiencing severe rent burden to:
  - Hold a public meeting to discuss the causes and consequences of severe rent burden in their community, and
  - Submit a plan to OHCS and the Department of Land Conservation and Development on how they plan to reduce severe rent burden in their communities.

I understand that many jurisdictions with a high share of renters experiencing severe rent burden don't have the capacity to update their housing needs analysis or zoning code to plan for needed housing – let alone develop incentives to facilitate the development of subsidized affordable housing in their communities.

For this reason, I have also brought a -6 amendment for your consideration that includes a budget ask for \$2 million in Technical Assistance grants to help local jurisdictions address the housing crisis in their communities.

The -6 Amendment also:

- Clarifies how severe rent burden is defined,
- Changes who is subject to the meeting and reporting requirements of the bill to include only cities with a population above 10,000 that meet the severe rent burden threshold.
- Clarifies the section that asks for a "plan" from qualifying jurisdictions by specifying that OHCS and DLCDC come up with a joint survey that will include actions the jurisdiction has taken to increase the affordability of housing and reduce severe rent burden, and the additional actions that they intend to take.
- Apart from the severe rent burden requirements, the bill requires all cities with more than 10,000 people to annually report data on residential permitting. Jurisdictions already collect this data, we are just asking that they send it to DLCDC so we have better information on how much housing is being permitted and produced in the state.

This bill is a simple way to ensure that local communities with a high share of renters who are severely rent burdened have a plan to reduce severe rent burden. It also helps us know, at the

state level, what resources local communities need to stabilize renters and prevent homelessness. The housing crisis is everyone's responsibility and we all need to do our fair share to address it. House Bill 4006 is a straight-forward bill to make sure that local communities with the most severe manifestation of the housing crisis are working, and getting the help that they need, to keep their residents from ending up on the street or living out of their car this month.

Thank you for the opportunity to testify in support of HB4006 with the -6 amendment this morning. I am happy to take any questions.