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Chair Keny-Guyer and members of the Committee,
Chair Fagan and members of the Committee,

As you know, the housing crisis is a market-driven problem. From the subprime mortgage crisis in 2008 to speculative investment in high-end apartment buildings, low-income households have borne the brunt of this ongoing crisis.

For these households, the rental market is characterized by low-vacancy rates and increasingly higher rents. But in human terms, this means more seniors forced onto the streets and more children sleeping in cars.

Unfortunately, the responsibility of supporting the Oregonians who slip through the cracks falls to local governments with few tools to regulate a market that has no incentive to build homes for lower-income households.

That's where Inclusionary Housing (IH) comes in.

The City of Portland's IH policy is that rare example of government forcing the market to actually build affordable housing in brand new developments. And it is thanks to the 2016 Legislature that jurisdictions across the state can require affordable units in new residential buildings. To make it work, however, the Multi Unit Limited Tax Exemption (MULTE), is key to its success.

The impact from the housing crisis has left human services departments across the state struggling to keep up with the population's need for assistance. Multnomah County is no exception. I support both HB 2700 and SB 262 — the 10-year extension of MULTE — because this policy incentivizes the private market to assist in solving the problem at the supply end.

Thank you.



Deborah Kafoury