

To:	Chair Nathanson and Members of the Oregon House Committee on Revenue
From:	Deborah Imse, Executive Director, Multifamily NW
Date:	March 4, 2019
Re:	Please Support HB 2663

Multifamily NW's members provide Oregonians with more than 250,000 rental homes statewide, making us the largest rental provider group in Oregon. We are an independent organization representing rental providers of all sizes, including many who operate affordable housing. Our members include property owners, managers, and vendors, and our industry supports thousands of jobs throughout the state.

Multifamily NW supports HB 2663, which would require the Department of Consumer and Business Services to review the state building code for the purpose of identifying provisions that unnecessarily prohibit, restrict or create disincentives for conversion of single-family dwellings into structures with two to four dwelling units designed primarily for permanent occupancy.

People have been moving to Oregon at an unprecedented rate. And yet, Oregon has been slow to build homes for these newcomers. According to a 2018 report by Up For Growth and ECONorthwest, <sup>1</sup> from 2000 to 2015, Oregon built 155,000 fewer homes than it needed. The report states, "This underproduction has created a supply and demand imbalance that is reflected in the housing and homelessness crisis playing out across the state."<sup>1</sup>

The reasons for low housing supply in Oregon include:

- A recession that stifled construction for several years.<sup>1</sup>
- The fact that building new rental homes in Oregon, especially in the Portland Metro Area, is a complex, costly, and lengthy process. And the fees and requirements associated with new buildings are increasing all the time.<sup>1</sup>
- The price of land and construction continue to increase significantly throughout the state.<sup>1</sup>
- And finally, local organizations like neighborhood associations often block new multi-family units.<sup>1</sup>

We all know that Oregon is facing a housing shortage. HB 2663 is a step in the right direction and will encourage development and increasing housing supply. Thank you for the opportunity to express our support of HB 2663.

<sup>&</sup>lt;sup>1</sup> 2018. ECONorthwest and Up for Growth. https://www.upforgrowth.org/sites/default/files/2018-10/UFGHousingUnderproductionInOregon.pdf