

March 19, 2019

Senate Committee on Finance and Revenue  
Oregon 2019 Legislative Session

**Subject: Testimony in Favor of SB 595**

Dear Chair Hass, Vice-Chair Bentz and Members of the Committee:

Thank you for the opportunity to testify today. As Commissioners from Lane, Lincoln, Multnomah and Tillamook counties, we strongly support HB 595.

During our collective work of more than 25 years as elected County Commissioners, the “aha” moments are constant as we witness the intersection of so many issues related to housing challenges that play out at the local level. This relates to seniors, workforce development, children’s homelessness, veterans, working single parent families, individuals suffering from mental illness and/or addictions, domestic violence, as well as to housing for individuals involved in our criminal justice system.

Oregon is in the midst of a once-in-a-generation housing crisis that demands action. In 2016, 53% of all Oregon renter households were cost-burdened, paying more than 30% of their incomes on housing. More than 13,200 people were homeless across the state.

There are three overarching reasons why we so strongly support SB 595:

1. The basic housing supply and demand conditions have changed since the current transient lodging tax (“TLT”) statute was created in 2003. In the last 16 years, the on-the-ground housing conditions faced by our constituents has become dramatically different. The housing market collapse of 2008, which led to a severe contraction of housing supply, combined with the more recent strength of the economy, has fueled a statewide housing deficit of 155,000 units.
2. There is a particular workforce housing crisis today that did not exist in 2003. The “housing burden” (ratio of income to rent) of our residents who work in the service industry, tourism and other sectors has soared in recent years. Wages simply have not kept pace with skyrocketing rents. On many areas of the Oregon coast, for example, there has even been a net decrease in housing supply because of a reduction in existing housing stock as long term rental units shift to short term rentals.
3. SB 595 is permissive and gives local jurisdictions the option of adjusting their current TLT allocation. It allows, but doesn’t dictate, any particular change in the current TLT framework. If a

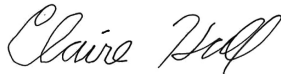
community wants to shift more revenue toward addressing their housing problems, then there has to be a vote by their locally elected officials to change the current ratio of TLT proceeds.

In summary, SB 595 is exactly the kind of tool we need as local communities to take real action to meet the needs of our constituents, including young families, seniors, people coping with mental illness, and many others who are the most vulnerable. SB 595 provides local jurisdictions with the option to tap into additional local resources in order to bring an “all hands on deck” approach to the very real, daily and serious problem of housing. We urge you to pass SB 595.

Sincerely,



Pat Farr, Lane County Commissioner, Co-Chair of AOC Veterans Committee; Member, Lane County Poverty and Homelessness Board



Claire Hall, Lincoln County Commissioner, Past President, Association of Oregon Counties



Bill Baertlein, Tillamook County Commissioner; Board Member, Columbia Pacific Coordinated Care Organization



Sharon Meieran, Multnomah County Commissioner; Vice Chair of AOC Health and Human Services Committee