WILLIAM / KAVEN

March 21st, 2023

Dear Senate Committee,

My name is Daniel Kaven and I am an architect and housing producer in Portland. I have been in the architecture and development industry for 20 years, and I can say with confidence that Oregon Senate Bill 611 would prove to be disastrous for business owners, developers, and individual property owners alike, which in turn would have dire consequences for Portland's housing market. The already-compromised urban fabric of Portland would be further imperiled by the passage of this bill. Please vote NO on SB 611.

Recently, I was interviewed by KGW about the state of housing production (<u>LINK</u>) and specifically my thoughts on City Commissioner Carmen Rubio's survey of the professional community regarding how to vastly increase the supply of housing in Portland. Simply put, the first step in the creation of housing is to remove or mitigate unnecessary barriers to planners, architects, and developers so as to speed up the process.

The state's expressed goal is to generate 36,000 new housing units per year -- yet as a business owner, property owner, and architect, I have seen nothing but increasingly restrictive policies and higher barriers to the creation of housing. Tighter rent control will greatly disincentivize new development and drive rental owners out of the market. SB 611 leads in the opposite direction of the state's housing goals.

Rent prices are dependent on several variables, such as rising utility and insurance costs, inflation, increases in the cost of maintenance and payroll, and property taxes. As these costs continue in an upward trend and state government continues to place more strict controls on property owners, landlords, and developers, the creation of new housing -- affordable, middle market, and otherwise -- will become significantly less viable, thereby making the city even more unaffordable. Investment will be harder to secure, causing much-needed multifamily projects to languish or fall through altogether.

Rather than focusing on measures that block potential investment, we need to focus on the root causes of housing instability by establishing permanent rent assistance and increasing housing supply. SB 611 is not the solution.

Sincerely,

Kaven

Daniel Kaven Partner, William / Kaven Architecture

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