

Submitter: Renee Larsen

On Behalf Of:

Committee: Senate Committee On Housing and Development

Measure: SB611

March 23, 2023

To: Chair Jama, Vice-Chair Anderson and Committee Members,

RE: SB 611

As you consider the upcoming vote on SB 611, I would encourage you to remember that we are only 3 years into operating under SB 608 and haven't seen the true ramifications at this point - particularly when you consider that we were operating under other pandemic emergency orders during much of the time period that it's been in effect. There are already signals that the original regulation is causing investors to leave the market, worsening the outlook on housing development and putting a damper on the governor's goal of 36,000 new units per year.

I don't disagree that Portland has an affordability issue, but the rising cost of housing can be directly linked to basic supply and demand. We have underdeveloped and we are living with the consequences. We desperately need legislation that will incentivize development so supply can meet demand. SB 611 will move investor and development money to other states, exacerbating the existing shortage and ensuring we will never have enough housing for Oregonians.

Beyond just the development problems, we're also seeing mom and pop landlords leave at an incredible rate. Our company, Capital Property Management, manages vintage buildings in Portland - these are units that are truly affordable for the working class. Our clients are seeing property taxes, utilities and general expenses rise at rates that rents are already not keeping up with. They are looking to move their investment money to other states or simply not reinvest in maintaining their buildings because there's no money for that - these buildings are their retirement plans.

We need effective solutions and SB 611 is not one. It's the end to investment and development in our state and we need look no further than our neighbor to the south, San Francisco, to see how badly these policies play out.

I urge you to vote no on SB 611. Rent control has been a well-documented failure everywhere that it's been tried, please do not double down on bad policy that has already been passed in SB 608.

Thank you for your time and consideration,

Renee Larsen  
Vice President  
Capital Property Management