



MULTIFAMILY NW

The Association Promoting Quality Rental Housing

March 29, 2023

Oregon House Committee on Housing & Homelessness
RE: Opposition to HB 3503
Chair Dexter, members of the committee,

Multifamily NW is the largest association of housing providers in the state, with more than 1,000 members collectively managing more than 275,000 units throughout Oregon and southwest Washington. Respectfully, we feel compelled to raise significant concerns about the serious risks that HB 3503 poses to rental housing development in our state.

First and foremost, this legislation opens the door for 417 municipalities to enact their own rent control¹. That is 417 different sets of requirements that not only do nothing to address the underlying cause of rising rents, but create a regulatory hellscape for housing providers in every corner of the state. That is arguably irresponsible state policy and simply not sustainable for any housing provider, large or small.

This law would unnecessarily compound the patchwork of local regulations that are already disincentivizing rental housing providers from entering or remaining in the market – local policies like those passed in Eugene² and proposed in Tigard³ last year, or the strict rental policies in Portland that have contributed to a decrease of nearly 4,000 single-family units in the city⁴.

Secondly, Oregon is already enforcing a statewide rent control law that limits housing providers' ability to set competitive rates for their own units. Since that law was passed in 2019, on average, rents have not increased anywhere close to the maximum amount allowed. In fact, according to both third-party CoStar data and a Fall 2022 survey of Multifamily NW members, rent increases were typically in the range of 4-5%⁵, roughly half of the allowed amount in 2022.

We are not advocating for any changes to the existing rent control law, but respectfully ask that our Legislature refrain from yet again singling out the rental housing industry when the reality is that many of the factors that contribute to rising rents – inflation, wage increases, local tax burdens, utility increases, maintenance costs, etc. – are completely outside our control. Policies that aim to keep Oregonians housed at the expense of those providing their housing will have the opposite effect.

Multifamily NW has been grateful to Gov. Kotek and the leadership of this committee for bringing bold ideas and goals to address Oregon's housing crisis. We unequivocally support the state's goal to build 36,000 new units of housing each year and we are ready to work with all stakeholders to implement practical policy solutions that help the state achieve that goal.

Thank you,

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¹United States Census Bureau. B01001 SEX BY AGE, 2021 American Community Survey 5-Year Estimates. U.S. Census Bureau, American Community Survey Office. Web. 8 December 2022. <http://www.census.gov/>.

²<https://www.eugene-or.gov/4885/Renter-Protections-Process>

³https://public.destinyhosted.com/agenda_publish.cfm?id=84427&mt=ALL&get_month=10&get_year=2022&dsp=agm&seq=5039&rev=0&aq=2123&ln=33685&nseq=&nrev=&pseq=5020&prev=0#ReturnTo33685

⁴<https://www.multifamilynw.org/news/portland-region-hemorrhaging-rental-properties>

⁵<https://www.multifamilynw.org/news/fall-2022-apartment-report-from-multifamily-nw>