

Submitter: Sean Williams

On Behalf Of:

Committee: Senate Committee On Housing and Development

Measure: SB611

I am a regular working person who has invested a very large amount of time and money becoming a housing provider. I have been providing housing to renters since 2016. As a child I was not financially secure, so it was very important to me when I started working that I achieve financial security. I worked very hard in school, got good grades, got a good job when I graduated, and lived like I had very little income for 10 years. I saved everything towards my first down payment. My friends bought houses and new cars, I bought a duplex and lived in one side and kept driving an older car that I worked on myself to save money. I have a lot of pride in my business. I treat my tenants fairly and with respect. I could stomach Oregon's 2019 rent control law because it was flexible enough to allow market forces to work somewhat reasonably. If you were below market rent, you might have 1-2 years of slightly larger increases to catch up to market. The proposed scheme in SB 611 is not reasonable, is not flexible, and if inflation continues as it has, it will put small housing providers like myself out of business. Since 2018, the cost of most plumbing services has doubled or more. The cost to hire a painter is two to four times what it was. Is Oregon going to pass a law to protect me from those rising costs? They have already reduced my profitability vs 2019. 3-4 years of inflation where the most I can increase rent is 8% per year could put me in the red if the cost of labor and materials rises the way it has the last 3 years. If small providers like myself sell, who will buy? Enormous REIT corporations with well staffed legal teams. You can be sure they will push everything right to the legal limit in their dealing with tenants. Some apartment buildings will be broken into condos to net their owners a better sales price, as the price of rentals will be depressed since their income streams are lower and more risky. San Francisco saw a large portion of their rental housing stock converted to condos, which helps high income tech employees and hurts the regular working people they were trying to help. If you want the cost of housing to come down, as I do, the only lever available to you is to increase supply. Figure out what is preventing new construction from happening and remove those roadblocks. If you pass this bill, you will be erecting an enormous barrier to new construction. Please don't hurt me, my business, my tenants, and this state. Do not pass this extreme, unworkable, unreasonable bill.