

Submitter: Daniel McClelland

On Behalf Of:

Committee: Senate Committee On Housing and Development

Measure: SB611

My wife and I are residents of Oregon and "mom and pop" housing providers. We remain opposed to the continued attempts by the legislature to implement rent control in a misguided attempt to make housing more affordable.

Decades of data shows housing remains grossly unaffordable in cities using rent control like New York and San Francisco. Economists point out time and again that the challenge of housing affordability is simple: not enough homes for people who want them. Capping prices--something you do not dare to do even with rocketing healthcare prices--whitewashes long-standing housing supply issues caused by NIMBYism, zoning restrictions, and legislative action like SB 611 that discourage builders from adding to the state housing supply. Housing supply issues drive up housing costs and threaten economic growth.

SB 611 will regressively penalize small, "mom and pop" property owners like us who will be blocked by an economic glass ceiling that ignores the reality of unpredictable periods of high inflation like we've seen in the past year. This bill does not promote general welfare by artificially capping prices across all industries and businesses, but rather creates a new inequality with unintended, real-world consequences for average Oregonians who value their investments and are proud to provide a needed service to fellow residents.

As a legislator, would you solve housing assistance by capping the income earned from a senior citizen's retirement account distributions? Why then would you penalize an individual's investment income from rental properties?

As a legislator, would you solve housing assistance by requiring a local business to ignore the costs of inflation past a certain level? Why then would you expect that a similar policy for local, small property owners would be any less financially burdensome or destructive to the economic development of your district?

It is reasonable and good for housing assistance to be a priority for the state. SB 611 is an unreasonable and poor solution that burdens a minority that should be your partners in developing meaningful housing solutions.