

February 28, 2021

TO: Senate Committee on Housing and Development
Hearing on SB330
March 2, 2021, 1PM

RE: Statement in SUPPORT

My associates and I own and manage over 500 apartments in close-in Portland. Most of our units provide housing to low and middle income people. Many of our residents are first time renters or students.

In the past year over 6% of our residents have had difficulty or have not been able to pay any rent. So far, the outstanding rent amount is over \$150,000. This amount does not include loss of rents due to additional vacancies. Since colleges have not been in session and we rent to many students our vacancy rate is over double our normal rate. While vacancy loss is not part of SB330, I believe that members of the committee should understand that housing provider losses extend well beyond losses incurred by residents that are unable to pay rent.

In addition to income losses, we are experiencing dramatic increases in expenses. For example, water use is up by over 6% because people are spending more time at home. This translates to an expense increase of over \$18,000 per year. The Portland per unit tax of \$60 and the state Corporate Activity Tax have resulted in an additional expense of over \$60,000.

Even with losses in income and increased expenses I am proud that we have been able to keep all of our employees. Everyone on our team is working extra hard to provide additional sanitation and to adhere to special protocols when interacting with residents.

Please pass SB 330.

- It provides immediate protection to renters and relief to housing providers.
- It is workable for the state's budget situation because no "out of pocket" tax money is needed.
- If the state fails to act, housing instability and rent prices will rise while Oregon's rental housing inventory will implode.
- The need for rent assistance goes well beyond the current allocation of \$150M.

Thank you for your support.

Michael Feves
Circum Pacific Properties LLC