



RHA
RENTAL HOUSING ASSOCIATION
Of Greater Portland
www.rhaqp.org

TO: House Human Resources and Housing Committee
FROM: Elizabeth Carpenter, President RHAGP
RE: HB 2639
DATE: March 6, 2013

On behalf of more than 1,500 small businesses in Oregon, I ask you not to support HB 2639. Referred to as a "Housing Choice" bill, it provides no choice for the landlord.

The Rental Housing Association of Greater Portland (RHAGP) is a nonprofit organization serving the needs of individuals and companies who own, manage or provide services and products to rental property members. We have a strong record of accomplishments including education on fair housing issues for all of our members.

We appreciate Speaker Kotek including us in the conversations about her proposed legislation. In conjunction with those discussions, RHAGP did a survey of its members, and I attach a summary of those responses. Please understand that RHAGP does not condone discrimination on any basis in housing and we consistently work with our members to achieve fairness and equity for all, abide by the law and build good relationships with tenants.

Our membership overwhelmingly believe in the importance of the Section 8 program maintaining its integrity as the *voluntary* program Congress intended it to be. Many of our members participate willingly in the program and have established long term successful relationships with program participants. But for others, especially the landlords with less than ten units, the lack of property managers, lawyers and staff makes involvement with a government agency known for delays and hurdles, a very daunting idea. For these small business people, it is not about discriminating against an individual tenant, it is about entering into a contract with an agency. We offer *private* housing, not *public* housing, and our property owners should have a right to make such a contractual decision.

Some of the requirements of the Section 8 housing program are simply not ones that all landlords can accommodate. Length of lease, extended inspection periods (where units remain empty), expensive upgrades, and copious paperwork are simply too much for the small landlord to absorb. They cannot spread the cost of delays, vacancies, upgrades and damages to other tenants within a large facility – they do not have that kind of cushion.

Finally, it is important to note that federal housing vouchers do not go unused due to lack of units. All vouchers are put to use, some with my members, so there is no problem to be solved. There is an *ideal* in play in this legislation, the thought that people should be able to live anywhere they want and not be restricted from doing so based on use of a federal subsidy – but that is a vision that has barriers based on the market and the way the program works, not on unfair decisions made by property owners.

We ask that you consider the business owner's *choice* and not support HB 2639.

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RHAGP

The Rental Housing Association of Greater Portland (RHAGP) was founded in 1927 in Portland, Oregon. The RHAGP is a nonprofit organization of residential rental owners and managers. The RHAGP members (currently over 1500) have joined together for the purpose of improving the success of the rental housing industry, to enhance the reputation of "landlords" by promoting professional management practices, and assisting local public officials in various community endeavors relating to public and/or private housing.

SURVEY

5% of members responded.

46% of respondents have had a section 8 tenant.

25% currently have a Section 8 program participant as a tenant.

Average length of tenancy is 4.35 years (low 2, high 10 years)

Reason for no longer taking Section 8 participants - in order of frequency:

- Damages to unit
- Too much paperwork/too many rules
- Market rent too high
- Non-payment
- Inability to evict if bad tenant
- No applications
- Other applicant disqualifications
- Non-compliance of rules/bad neighbors

What would make landlord change mind about renting to section 8 participants – in order of frequency:

- Nothing (16%)
- Guaranteed full payment of damages
- If voucher program covered full rent amount
- Quicker turn around - no delays for paperwork and inspections
- Less regulation
- Ability to require renter's insurance
- More landlord friendly program
- Equal expectations of both landlords and tenants
- If tenants were treated like any other tenant
- Month-to-month tenancy
- Ability to restrict to seniors

Concerns about making acceptance mandatory – in order of frequency:

- Damages that landlord can't afford / higher maintenance costs
- Ability to cover rent and fees/tenant pay their share
- Delays/paperwork/bureaucracy
- Unreasonable compliance requirements
- Participants seem to have more problems than most
- Being unjustifiably sued for discrimination
- Harder to evict participants
- Neighbor discontent/quality of life
- I will get out of business/sell units
- Property values will go down
- Additional occupants in units
- Compromises existing tenant screening criteria
- Section 8 was created as voluntary program
- I will be forced to hold units for program

Quotable:

"We are giving serious thought to discontinuing acceptance. The benefit to landlords is offset by frequent problems."

"I do not wish to participate in the cumbersome federal program."

"My experience is that people do not appreciate what they do not pay for."

"We prefer to rent to individual citizens, not the government."

"We have never had a section 8 tenant who could or would pay their share on time."

"Our choices on how to run our business being eroded."

"If forced to participate, Oregon should provide us indemnification against all losses associated with program tenants including rent, delays in processing, damages, and fair housing claims."

"I have a philosophical problem with the government providing for one group of individuals at the expense of others."