



Cooperative Management Solutions

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House Committee on Human Services and Housing
Oregon State Capitol
900 Court St NE Room 453
Salem, OR 97301

Hhs.exhibits@oregonlegislature.gov

RE: HB 2004

To the Honorable Representatives, Keny-Guyer, Sanchez, Stark, Gorsek, Heard, Meek, Nearman, Noble and Piluso:

I am a property manager by trade, a city councilor by election, a former planning commission member and I am aware of the housing crisis we have in Oregon. I want to clarify, that the type of property management I do today, will not be impacted at all by this bill. My work involves helping cooperative manufactured home parks self-manage their property. These properties are primarily regulated by ORS 62 and not part of the changes proposed in HB 2004. However, I am aware of the problems that this bill will create based on my experience.

First, the law of supply and demand determines the cost and availability of products and services. During the recession, Oregon developers/investors did not build enough units to handle the today's demand. Economically, this will sort itself out in a few years. In fact, I believe that the new "smart units" will create a new niche market that will open the moderate priced units today to the lower income individuals because those residents will move to the new smart units leaving an opening. In other words, many will see an upgrade. Affordable housing for the lowest income residents will normally require some type of government subsidy. If you continue with the tax credit incentives and your will continue to resolve that problem.

Second, the notice of termination of tenancy is NOT an eviction notice. It is a "no stated cause" request to move out. An eviction is what happens in a court of law. It is preferable to both landlords and tenants (and the courts) to not need to get to the "eviction" portion. This tool is used all over Oregon to handle situations that for whatever reason is not working out. This notice is the same time frame that a resident gives the landlord if they choose to go elsewhere. (After the first year, the 30 days becomes 60 days for the landlord, but not the resident).

I have in the past used this tool to deal with difficult situations. A landlord must consider the other residents and neighbors when deciding what type of notice to send. I used to manage a small apartment complex that had anywhere from one to four domestic violence survivors as occupants. They were literally fresh out of the shelter and were dealing with a history of traumatic situations and deserved a new start on life in a safe environment. When a loud,

obnoxious and threatening tenant became their neighbor the complaints rolled in. These survivors were being traumatized over and over by this tenant. We started talking with him, then sending notices to correct the behavior. The situation got worse and we had to end the relationship. We used a 30 day no cause for two reasons, first, there would be no risk of having the survivors needing to be traumatized again by having to testify to the behaviors, and second, this person would probably be a reasonable tenant in a single-family dwelling, but was not apartment friendly. Imagine if we had to document and create enough witnesses to prove to a court that the violations were worthy of a "For cause" notice, or as in this bill, be forced to pay his moving costs. It is his behavior that made it unsafe for the other residents.

This notice is really a tool in the landlord's chest to deal with issues when the relationship does not work out. Please do not take this tool away because a small number of investors are using it in an abusive way. Most Oregon Landlords are not abusing the tool, but are instead using it to help other tenants have a safe place to live. Is it not fair that the resident and the landlord give the same notice time frame for termination? A resident is only required a 30-day notice, but the landlord is required to give a 60-day notice and pay the moving expenses? That is very one sided legislation.

Third, if the cost of moving is now the burden of the landlord, the price of rental housing will go up. Additionally, less small time landlords will exist and more investor groups will take over. This is the opposite of what you want to have happen with HB 2004. (In my community, more rental units will be converted to vacation homes and the supply will go down further).

Fourth, as a city councilor and a member of the League of Oregon Cities, I do believe in local control. However, most cities do not have the staffing or funds to regulate rental housing. Regulating landlord/tenant law is best done consistently throughout the state. If separation is required, I suggest a similar boundary line like the minimum wage law, allow the highly dense populations the ability to have more regulation.

In conclusion, the added provisions that are clearly in the favor of the tenant and punitive to the landlord, will make the relationship extremely regulated by the state. This is not a relationship that needs to be skewed in favor of the resident. A balance is the most appropriate type of legislation, not one sided. I encourage this committee to kick this bill to the landlord/tenant coalition and ask them to bring a reasonable agreement to you in 45-60 days. Good policy is done with collaboration, not because there is an economic shift creating a change. Please do not pass this bill "as is." Modify it to make it fair, send it to the coalition, or simply round file it.

On a final note, this is not an emergency, and the emergency clause is not appropriate. If passed, the landlords will need time to learn the new law, adjust policy and procedure, and the emergency clause prevents that.

Sincerely,

Tamie Kaufman