

I am against HB 2004 and the current proposals before the legislature allowing rent controls to be imposed, no cause evictions to be eliminated, and relocation expenses to be charged to tenants.

Landlords are not the enemy. Landlords have made the decision to invest their money to provide a home for a tenant instead of investing their money in stocks, bonds, or other businesses. This is a voluntary choice that can be changed. As a result of imposing continuing rigid restrictions on how a landlord can thoughtfully manage their property, one of the unintended consequences of this policy will be that some landlords decide it is better not to invest in rental properties. This will decrease the number of rental homes that are available to the renters that you are working to protect.

The landlords are not the problem. The lack of supply of affordable rental properties is the problem. As a legislature you may be patting yourselves on the back that you are sticking up for tenants, but your proposals are short sighted and will have many unintended consequences, including decreasing the supply of rental homes available for rent. Landlords are supplying the housing that everyone acknowledges is in short supply. Until government is willing to fund, supply, and manage the needed housing, landlords should be supported by government, not over regulated and discouraged from continuing to do the work of renting residential properties.

The tenants who happen to be in an acceptable living situation now will reap a reward. Those looking for housing now, and in the future, will be harmed. Landlords who were doing a tenant a favor by keeping rents low, compared to the market, will potentially be penalized for years to come. When units come up for rent any thoughtful landlord will be forced by the system to charge the highest rate the market will bear, because they know that future rents are out of their control. This gives an ever more valuable bonus to current renters who profit by staying in place, and penalizes any renters looking for a new situation. This subsidy is provided by the legislature to all current renters regardless of their income or need, but all future renters will be penalized by tighter screening criteria, stricter rules and regulations, and higher rents. Low income and marginally qualified renters will be hit the hardest by stricter standards. Landlords will not be able to “take a chance” on a marginally qualified tenant when a no cause eviction is eliminated as a tool that can be used to remedy a bad screening decision.

There are many studies that say that rental control does not work in the long run. I know you have all received emails with reports that substantiate this statement if you take the time to read them. San Francisco is the poster child for this conclusion. They have some of the highest rents in the nation and have had rent control for decades.

There is no such thing as a “no cause eviction”. There is always a reason. Every time a rental property changes from one tenant to another it costs the landlord money, time, and energy. Most “no cause evictions” could be handled as a “for cause” eviction but at a big expense, and often needing testimony from another tenant or neighbor who fear retribution from the tenant who has violated the rental agreement. The legislature has contributed to this problem by making the process of “for cause” evictions so onerous and expensive for landlords that they resort to the use of a “no cause” eviction. The legislature could address this issue by revising and simplifying the process of completing a “for cause” eviction. You will be seriously limiting a needed landlord tool if you eliminate the right to issue a no cause eviction.

Rent control, and getting rid of no cause evictions are not solutions to the current lack of choice in rental housing. Supply and affordability are the issues. The proposed HB2004 legislation is a feel good token, that lets legislators feel like you are making a difference, but without creating even one new housing

unit, and the legislation will likely cause a significant decrease in rental housing units, with a particular decrease in single family rental homes which will most likely be purchased by owner occupants if the houses are put on the market.

The way the legislature can truly make a difference is to implement a strategy to increase supply, and where needed, supplement rents . Create legislation which makes it easier and more cost effective to be a landlord, so individuals and businesses are encouraged to invest their own money in providing housing for other people. Streamline and minimize the costly regulations that increase overhead for landlords. Make it easier and more cost effective to build affordable housing. Actually put some money where your mouth is and subsidize good rental properties to help solve the issues you are concerned about.

Sincerely

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