

2017

Senators;

I would like to provide my opinion/position concerning proposed changes to the Oregon rental housing market that are being considered during the 2017 Legislative session.

By way of introduction, I am a professional Property Manager in Corvallis Oregon. I have deep concerns that the proposed legislative changes (HB 2004-A) are originating from only one side of the housing issue, and will produce unintended negative consequences on the rental housing industry. I want to provide you with my opinion/recommendation.

- **Penalize Property Mangers.** HB 2004-A, as amended, penalizes Landlords/Managers who have five or more rental units. The original legislation was supposedly written to provide more affordable housing and protect tenants from unscrupulous Landlords, yet the amended House Bill now exempts those Landlords/Mangers of four or less rental units. **How does this amended House Bill meet the goals of the original proposed legislation?** This poorly amended house bill (HB 2004-A):
  - DOES NOT provide more affordable housing
  - DOES NOT protect a large percentage of the intended individuals (tenants)
  - PENALIZES property management businesses throughout Oregon
- **Loss of My Property Management Income.** I am concerned at the manner in which the House Bill has been amended to exempt those landlords who own four or less rental units. I manage rental units for ten clients and seven of them own four or less rental units. I have heard from five of those clients that, if HB 2004-A passes, they intend to take over the management of their properties so as to remain exempt from the over-reaching measures of the proposed amended house bill. **This amended house bill will have the unintended consequences of reducing the management income for my property management business.** My management company employs five maintenance/management employees and loss of client properties will require me to downsize my business and terminate employment of some of my employees.
- **Rent Control/Rent Stabilization.** I am concerned that the rent control/rent stabilization initiative does not have a corresponding initiative to control/freeze property taxes, property insurance, utilities, maintenance cost and other costs of owning rental property that I am expected to pay every year. Though the wording of amended House Bill does not specifically implement rent control/rent stabilization, it in fact does by inserting wording that permits cities/counties to implement rent control/rent stabilization. Why are landlords being made responsible for absorbing such freeze initiatives? What other industries in Oregon have been targeted with such limits or regulation?
- **No Cause Notice of Termination.** I am concerned about the unintended consequences that any regulation/prohibition of No-Cause termination/eviction process will

create. Any legislation that regulates, or prohibits, No-Cause process will force landlords to use For-Cause FED eviction process which will follow the tenant for several years. FED eviction processes will clog an already slow judicial process and will financially cost tenants in the end.

- **Tenant Relocation Costs.** Any proposed legislation that establishes a “Relocation Cost” for tenants is a non-starter. What other industry is forced to provide a relocation benefit to employees who are legally terminated? Why am I being held hostage in order to get my rental property back?

The vacancy rates in the Corvallis/Albany/Philomath areas are very low and we need to have more rental units built. I believe the proposed House Bills would be a disaster for the rental industry in Oregon and have a negative impact on *affordable housing*. The proposed House Bills are the wrong thing to do and will not address the real problem, which is a lack of affordable rental housing. The Oregon Legislators should look at measures that incentive new, affordable rental housing construction, and not disincentive the current rental housing business.

Please vote in opposition of the subject House Bill 2004-A.

Very Respectfully;

Carl Carpenter  
5925 NW Rosewood Dr  
Corvallis, OR 97330