

May 3, 2017

Senate Committee on Human Services Oregon State Legislature 900 Court Street NE Salem, OR 97301

Re: HB 2004A

Chair Gelser, Vice Chair Olsen, Members of the Committee:

I am writing to you today on behalf of the Oregon Housing Alliance to express our strong support for HB 2004A. HB 2004A would provide basic and needed protection for Oregonians who rent their homes, and would allow local jurisdictions to consider policies to prevent displacement.

The Oregon Housing Alliance is a coalition of more than eighty organizations from all parts of the state. Our members have come together with the knowledge that housing opportunity is the foundation on which all of our success is built – individual success as students, parents, workers, and community members as well as the success of our communities. We represent a diverse set of voices from including residents, local jurisdictions, non-profit housing developers, and organizations working to meet basic needs in every corner of our state.

We believe that all Oregonians need a safe, stable, and affordable place to call home. Today, we simply don't have enough affordable homes for people who need them, and vacancy rates have dropped precipitously towards zero in communities across Oregon. As vacancy rates have decreased, rents have gone up, significantly. For every tenant that gets a no-cause eviction notice, or can no longer afford to pay that rent increase, there are more and more tenants waiting behind them to move in.

Today, I want to share some of the stories we've heard as we've gone across Oregon to meet with members, to identify problems and solutions, and to engage people in discussion about our housing crisis. Every community we visited, we heard stories about tenants struggling to make ends meet, trying to get back on their feet after a no-cause eviction, and people trying desperately to provide what we all want – safety and stability for their families and their children.

Over the past weekend, in Eugene, we heard stories of tenants who received extreme rent increases and no-cause evictions. One tenant told the story of how lucky he felt because when he received a no-cause eviction, he and his wife were looking for a house to buy and were able to purchase. His story is the exception and not the rule – for most families, they spend their thirty or sixty days' notice period desperately seeking any new housing they can afford.

In March, Dr. Matthew Desmond, who wrote the groundbreaking book, *Evicted*, came to speak and shared his central thesis – eviction is a cause, not just a condition, of poverty. His research illuminates how evictions have ripple effects across individuals, families, and communities, with devastating consequences.

In February, we visited with immigrant and refugee elders. We heard stories about the fear they feel in asking for repairs, because their property managers or landlords have threatened them with no-cause evictions. That month, we also sat with tenants from North Portland, and listened to stories about homes covered in mold, infested with cockroaches, mice, and more – because the tenants were terrified to ask for repairs because of the threat of no-cause evictions.

We heard the story of a woman who was afraid to come home from work, for fear of finding a no-cause notice taped to her door.

In January, we read the story of the elderly woman who was one of several tenants who received a no-cause notice in a building in Forest Grove. She said to the reporter that she thought she could have survived experiencing homelessness until she got cancer, and but now she wasn't so sure she could live through it.

Before that, it was the several hundred dollar rent increases in Albany, Eugene, Bend, and Ashland. Before that, it was the building in Tigard that got emptied out thanks to no-cause eviction notices, and that left a teenager worrying about where her family would sleep at night rather than worrying about her homework.

There are two common threads through these stories. The first is that the people who tell them are just like you and I. These are people who work hard every day to make a better life for themselves and their family, and see those dreams put on hold while housing instability wreaks havoc on their lives. Their lives are uprooted from communities they've lived in for years, their whole lives, or even generations. Their kids are moved from school to school. Sometimes the worst happens and they end up experiencing homelessness.

The other common thread, which is both the best and worst part, is that their stories are to a large extent preventable.

Your action can help prevent more of these stories. Today, we are here to ask you to help take action to ensure people don't live in fear of the notice on the door. We are here to ask you to take action to ensure tenants can enjoy the stability and safety of a home knowing that they won't be asked to leave tomorrow simply because the landlord has decided not to rent to them anymore.

As a state, we've allowed the four in ten members of our community to experience arbitrary or economic evictions. We've allowed families and communities to experience this extreme housing instability, and displacement, and we can prevent it. When people aren't worried about displacement or stressed because of an arbitrary eviction, their health does not suffer

and they can focus on work or school. When kids aren't worried about where their family will sleep that night, they can focus on their school work and doing well in school. When seniors have stable housing where they can live without worrying about rent increases consuming more and more of their fixed incomes, they can live healthier lives and be a part of the community they helped to build. Our law today does not provide this to families – instead, we allow people to be displaced from their homes without a reason and without having done anything wrong. We can provide stability for tenants while giving landlords the tools they need to evict tenants who have broken the lease or the law.

Today, we are asking to you to take action on HB 2004A and to adopt some modest changes to landlord-tenant law. Those changes are:

- First, to limit the ability of landlords to evict tenants without a reason. HB 2004A allows landlords to evict without cause during the first six months of tenancy. After that, it asks landlords to evict for a cause, and proposes to leave all the existing for-cause statutes. HB 2004 A adds four landlord business reasons. Those reasons are: to allow the landlord or a family member in; to sell the unit to someone who intends to occupy it as their primary residence; to remove the unit from residential use; and to make substantial repairs and the tenant could no longer live in the unit while the work is being done.
- Second, when a landlord uses one of those four landlord business reasons, HB 2004A asks the landlord to give a tenant 90 days' notice, and if they are a larger landlord who owns five or more units, it requires relocation assistance equivalent to one month's rent.
- Third, the bill removes the state preemption on rent stabilization. It does not impose any rent regulation on any community but instead returns this option to local governments who best know their local housing markets. This section of the bill as amended also provides several sideboards to ensure local jurisdictions craft a modern rent stabilization proposal. Those include:
  - Requiring local jurisdictions to allow landlords to make a fair rate of return;
  - Requiring local jurisdictions to provide an appeals process to ensure landlords can continue to operate and maintain their units and receive the fair rate of return; and
  - Exempts new development from rent regulation for a minimum of five years from the certificate of occupancy date.

I want to emphasize that rent stabilization is a tool that is primarily designed to prevent displacement, and to slow the rate and speed of rent increases. Rent stabilization is not intended to create affordable units, and it is not intended to make units affordable. We have different tools for that. This tool will simply slow the rate and speed of rent increases so that families can stay in their homes. Today, over 150 local jurisdictions around the country use some form of rent stabilization, and these policies are incredibly diverse and varied. Communities in Oregon should be able to consider this option.

I also want to reiterate that new development and rent stabilization are complementary strategies – we can both incentivize new development and create an environment in which new units are being built, and protect the people who live in existing rental homes. These are not

mutually exclusive, and we should allow local jurisdictions to best craft policies to respond to their local markets.

Since May, the Housing Alliance has spent months working in workgroups, discussing problems facing our communities, and arriving at agreement around solutions. We have an agenda that is built to address three major problems:

- First, to address emergencies such as homelessness, rent increases, and evictions;
- Second, to help build more affordable homes both rental and homeownership units across Oregon; and
- Third, to keep the existing affordable housing we have.

We know we can solve the housing problems faced by our communities. We also know that trying just one strategy will not work – we need to address immediate needs like evictions and out of control rent increases, while we work to build more supply. We cannot simply look for the easy way out of this housing crisis – we need to provide basic protections to people in our communities while we act to build more homes. It is not an either-or situation.

We know what home, and what stable housing, means to all of us. When people have safe and stable housing, it has important and significant benefits. Children are stable in school and able to focus on the things that matter – being kids, doing their homework – and not worrying about where their families will sleep at night. Parents are able to focus on work and taking care of kids. Everyone's stress decreases and health improves. Safe and stable housing that people can afford is key to accessing opportunity.

Thank you very much for your time this morning, and we are looking forward to working with you this session as you seek ways to address our housing crisis across Oregon, and to create opportunity through safe and stable homes.

Sincerely,

Alison McIntosh

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On Behalf of the Oregon Housing Alliance

## **Housing Alliance Members**

1000 Friends of Oregon

211info

A Community Together (Lane County)

Aging in the Gorge

Benton County Health Department

Benton Habitat for Humanity

Bienestar Bradley Angle CASA of Oregon Central City Concern

Church Women United of Lane County

City of Beaverton
City of Eugene
City of Hillsboro
City of Portland
City of Tigard
Clackamas County

Coalition of Community Health Clinics

Coalition of Housing Advocates
Common Ground OR-WA

Community Action Partnership of Oregon

Community Alliance of Tenants Community Energy Project Community Housing Fund

Community Partners for Affordable Housing

Community Vision

Cornerstone Community Housing Ecumenical Ministries of Oregon Enterprise Community Partners Evolve Property Management Fair Housing Council of Oregon

Farmworker Housing Development Corp.

FOOD for Lane County

Habitat for Humanity of Lincoln County

Habitat for Humanity of Oregon

Habitat for Humanity Portland/Metro East

Hacienda CDC

Housing Authority of Clackamas County

Housing Development Center

**Human Solutions** 

Immigrant & Refugee Community Organization

Impact Northwest

JOIN

Lane County Health and Human Services League of Women Voters of Oregon

Lincoln County

Mainstream Housing Inc.

Metro

Momentum Alliance NAYA Family Center

Neighborhood Economic Development Corp.

Neighborhood Partnerships

NeighborImpact

NeighborWorks Umpqua

Network for Oregon Affordable Housing Nightingale Public Advocacy Project Northwest Housing Alternatives

Northwest Pilot Project
Oregon AFSCME Council 75
Oregon Center for Christian Voices
Oregon Center for Public Policy

Oregon Coalition on Housing & Homelessness Oregon Council on Developmental Disabilities

Oregon Food Bank

Oregon Housing Authorities

Oregon Law Center

Oregon Opportunity Network
Partners for a Hunger-Free Oregon

Portland Community Reinvestment Initiatives

Portland Homeless Family Solutions

Portland Tenants United

Proud Ground Raphael House REACH CDC

St. Vincent de Paul of Lane County, Inc.

ShelterCare

Sisters Habitat for Humanity

Sponsors, Inc. SquareOne Villages Street Roots

Transition Projects

Urban League of Portland Washington County Welcome Home Coalition

Willamette Neighborhood Housing Services