From:
 aldo alesii

 To:
 SHS Exhibits

 Subject:
 Vote NO on HB 2004

Date: Thursday, May 04, 2017 7:01:20 PM

Dear Oregon Legislators,

As an owner of a small apt complex in Newport, I'm extremely concerned about the draconian provisions of House Bill 2004 now before the Senate.

I strongly urge you to vote against that bill. Adding all these onerous provision to the providers of rental housing will only result in a decline in the amount of affordable housing and of its quality, as it is a huge disincentive for anyone wanting to go into this business.

Instituting a law that requires the landlord to provide a cause to end a month to month contract after 6 months, while allowing the tenant to terminate that same contract with no cause indefinitely is patently unjust. A tenant under a month to month rental agreement can terminate that agreement with a 30 day notice without providing any reason for doing so, other than wanting to end the agreement. It is only fair and just that a landlord have the same option without stating a cause other than wanting to end the agreement.

The argument that 6 months is enough time to see if someone is a problem is fallacious for a couple of reasons. One, knowing that, the tenants will be on their best behavior the first six months and then they will feel they have more latitude to "misbehave". Two, situations change, just because someone may behave good for a while it doesn't mean they will remain that way.

The ability for a landlord to end a month to month agreement with a 30 day notice is an important tool for landlords to eliminate tenants that are a nuisance to other tenants (too much noise, verbal threats, drugs, etc) without having to go to court with witnesses that more often than not don't want to testify for fear of retaliation. Eliminating this tool would only reward the bad tenants at the expense of the good tenants. So what ends up happening is the good tenants leave and the place quickly deteriorates.

As for the proposals to control rents, it's been proven throughout the US that those laws if anything have the opposite effects. Invariably cities with the highest rents are the ones that have had rent controls for many years. The reason is obvious - fewer people want to invest in housing with rent control, thus fewer apartments are built and the law of supply and demand causes rents to go up. Also setting a restriction on how much the rent can go up, almost guarantees that it will go up by that amount each year, because the investor knows that he won't be able to catch up if he doesn't raise the rent each year. In my own case I had not raised rents on existing tenants for years, but with rent control coming in, I will have no choice but to do it or else I will be stuck.

Another reason to vote against these proposals is that they are statewide. Local governments are much better suited in determining what housing policies are best for their communities. The needs of a Portland can't possibly be the same as those of say Baker, Klamath Falls, or Newport. If anything should be done, it should be at the local level. But by far the best solution is to provide a regulatory environment that encourages investors to build more housing. This bill will only do the opposite, and the housing shortage will be a permanent problem. Would you yourself want to invest in rental housing with these onerous shackles around your neck?

For all these reasons, I strongly urge you to vote no on this measure. It's a bad deal for the tenants it purports to help, the investors and the communities. Please don't turn a short term problem into a permanent debacle for all involved.

Sincerely,