

From:
To: [Exhibits SHOUS](#)
Subject: SB 608 Rent control
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To our Senators

I have lived here all my life. I bought my first property, an SRO, in 1980. We have traded that up in 1999 and now have a 20 unit building. This property represents most of our retirement income. SB 608 will make this property much more expensive to run and much harder to maintain and eventually sell.

Rent control has the effect reducing affordable housing and of creating lots of run down properties. The best way to help struggling renters is through subsidies and tax incentives, not rent control/stabilization. Also consider ideas like Kevin Cavanaugh's (Gurerrilla Development), who has found a way to subsidize affordable units without government subsidy.

My understanding too is that some of the large rental provider organizations, such as Multi Family NW, have not been involved in this legislation. That seems pretty one-sided. Lets involve more sides on this discussion.

Also rent control laws are not income-targeted. Anyone can take advantage. I think IF this happens, it should be need-based. That's more fair.

I take pride in ownership and in creating clean, safe, liveable communities. I don't think that is possible with Rent Control. And if we sell, we would take a hit as well; the sale would be for less, because investors won't pay as much for Rent Controlled properties.

I am not sure how many senators own property; but I assure you, money is not made by running them. The profits happen only if you have held on to the property and managed it well for many years. And during those many years, you have paid all the loans on time, all the interest, all the taxes, repairs (huge and small), replacement of everything from carpets and appliances to windows, doors and stairs. And done everything regards tenant law correctly. Especially these days and especially in Portland, threats of law suits are very real. There are so many gotchas that now we have an attorney as an added expense. And I still will lose sleep worrying. Did we do this right? that right? Was that notice perfect? Count the days right? Did we get everyone in the right order, calculate rent right, etc.

Some tenants now know to shop, or help create vulnerability in a landlord. They can get in on some of the huge fines. The fines for landlords doing something wrong, like not dating applications can be huge. If you want some one to move out, after their lease expires, expect to pony up \$4500. That is unless you can come up with a "for cause" reason. And who wants that on their record??! If we want to raise rent more than the State says we can, we have to pay 3xrent plus damages. It's very scary for us. As a landlord I always try to work with my tenants, now it's all about being very legal and strict. And that costs money. Court costs, attorneys, fines etc.

Hence you can see that this bill will affect my business in many ways and for many years to come. It is complicated, intrusive, constraining, expensive and burdensome.

Overwhelmingly economists agree that rent control simply doesn't work; nor does it help provide more affordable housing. Housing simply gets more run down. Why would Oregon want to be the first State in the union to go there ? Certainly doesn't make us look smart or attractive to investors.

Below are some solutions that i would stand behind. These were put together by MFNW; I hope you will consider them:

What does work? How can we help low-income residents in the short term *and* the long term? All of the examples below are used successfully in cities and states around the U.S.

Short-term solutions can help residents pay their rent:

Local public-private partnerships that connect low- and middle-income residents to vacant, market-rate units and subsidize/reimburse the gap between the market-rate rent and the participant's rent payment through funds provided by the city, foundations, and employers.

Direct, resident-based rental assistance programs for low-income individuals.

Housing grants for rental assistance to low-income residents.

Emergency rental assistance programs for people with past-due rent or who need help paying their first month's rent or security deposits.

Property tax credits to cover the difference between the actual rent amount and what the renter is responsible for paying.

Property tax abatement for the development of new rental housing, or rehabilitation of existing rental housing that is occupied by low and moderate-income individuals.

State tax credits for those who contribute to a dedicated fund for the development of low- to moderate-income housing.

Long-term solutions will ensure there are enough rental homes to keep prices down:

Reduce regulatory impediments at the state and local level that stifle the development of affordable rental housing. These include:

- o Creating tax incentives for developers building affordable housing,
- o Streamlining the permitting process, and
- o Getting the zoning right in each community so permitting is clear and quick.

All the best, I know yours is a tough job; mine though is too, and so I am wanting to you my perspective.

Sue Scott

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