



February 2, 2019

Re: Support for SB 608

Chair Fagan, Vice Chair Girod and Members of the Committee:

My name is Andy Miller, and I serve as the Executive Director of Human Solutions, a nonprofit organization that counters the forces that cause poverty and homelessness in East Multnomah County – a region of Oregon whose families have experienced some of the most devastating impacts of Oregon’s housing crisis. Human Solutions succeeds every day in our support of families achieving housing and economic security against the harsh backdrop of our statewide housing crisis. We provide emergency shelter for families and women experiencing homelessness, we administer state and locally-funded rehousing assistance, develop and operate service-enriched affordable housing communities and provide employment services that help our participants leverage to step back into employment so they can pay their rent. While our impact and success in helping families to thrive is well-documented, our ability to sustain that impact and broaden its reach – to see more families and kids offered an opportunity to thrive - is threatened by the realities of a housing market and system that are in desperate need of reform. If we are to see our way out of our current crisis – we must act swiftly and boldly to address the forces that are destabilizing our kids, our schools and our communities.

I am writing to urge your support for SB 608 as a first step toward enacting fair and reasonable protections for Oregon’s renters. SB 608 provides critical protections that will stem the tide of families and vulnerable individuals who are right now suffering the trauma of homelessness too often and far too easily as a result of no cause evictions and runaway rent increases. Even when we can intervene and quickly rehouse families displaced by rent increases they cannot afford or by evictions without cause, it too frequently means children and their parents are

forced to move quickly during a school year – disrupting their education, their classroom and their still-forming friendships. Schools in East Multnomah County typically have mobility rates of 30% or more, meaning roughly one third of each classroom turns over between October and May every year – most of that disruption and damaging displacement can be traced directly to the aspects of our rental housing laws that SB 608 would begin to address. We are quickly raising a generation of children who will never be able to show their kids the house they grew up in or the school they attended as a child – because they moved so frequently that no one house was home, no one school was the one they attended, no one neighborhood was the one they played in. We are raising a generation of children who know poverty too well and who we are robbing of the single most important antidote to the impacts of poverty – a stable and secure place to call home. This is all solvable, and SB 608 is an important start toward stemming this tide.

As you consider this testimony, roughly 5000 low-income Oregonians, including over 3000 kids, will sleep safely inside tonight - not in our parks and on our streets – as the direct result of what we are able to accomplish at Human Solutions. Tens of thousands more are safe because of what our peer agency partners provide across this state. The State of Oregon has invested in this success for decades. Thank you for that investment – it supports solutions that are working.

But we all know that our public investments cannot keep pace with the need – especially in a housing market that continues to escalate rents at the rent levels most accessible to our lowest-income families. And there are limits to the impact even direct financial support can provide. Rental assistance loses its efficiency and effectiveness in an unregulated market in which families regularly receive rent increases greater than 10%. State and local investments in family stability – a cornerstone of success for every child – are losing critical ground in a runaway housing market. While we believe even more stringent limits on rent escalation than SB 608 provides are needed to truly stabilize low-income renters, this bill provides an important statewide framework to begin to reverse current trends of housing instability and dangerous levels of school mobility.

SB 608 also introduces important limitations to the use of no-cause evictions. No cause evictions are the single most common reason given by families coming into our shelter for the first time as the primary cause of their homelessness. We have no programs or financial assistance we can offer to prevent the trauma and family chaos that no cause evictions deliver. Our public investments and strong Oregon housing programs are no match for the instability these evictions cause – for our families, neighborhoods, schools and safety net systems. In a time of crisis, we must explore more complete solutions that get at the structural failures of the rental market to deliver fairness for families and stable housing for kids. SB 608 sets out a

reasonable start to a framework that can reverse the damage created by the systemic proliferation evictions without cause – a primary cause of family homelessness and one that rental assistance programs and our current pace of affordable housing production simply cannot address.

You will hear testimony from landlords who oppose SB 608 - suggesting it unfairly regulates the landlord tenant relationship or will discourage the development of badly needed new units of rental housing. I urge you to ask – is our current system fair to our kids? Is it fair to our communities of color who disproportionately experience the impact of homelessness and displacement? I submit that our system – as it stands - is inequitable and unfair to the thousands of Oregon renters who pay their rent, comply with their leases and are deprived of a stable home from a no-cause eviction or catastrophic increase in rent. Homeowners do not have to face these random events, and yet we must acknowledge that homeownership is simply out of reach for many hard working and disabled Oregonians. SB 608 restores some critical balance to our system by providing to renters a level of housing stability, predictability and fairness that more economically empowered homeowners experience. We cannot make every renter a homeowner in our current market system – and we needn't do that to provide them with stable housing. But we can and should deliver a parallel level of housing stability for those who lack the economic means to procure a mortgage – a system that provides for some reasonable control over monthly costs and a long term right to count on their home as a home – so long as they comply with the basic expectations their rental agreements require.

As the owner of over 700 rental units, Human Solutions understands the challenges and economic risks landlords face every day - we face them as well. We recognize that the relationship between landlords and tenants can transcend the pure economic and legal frameworks in which they must function. We expect you will hear anecdotes about why landlords should retain the right to evict without cause. Many have argued that retaining that right actually can protect tenants of their buildings who may be reluctant to participate as witnesses in for-cause eviction cases.

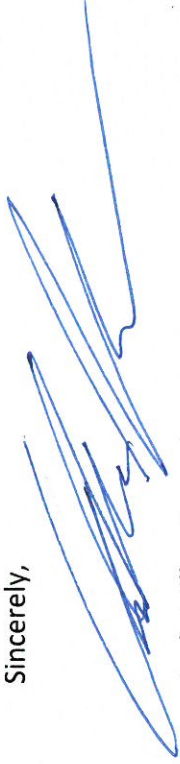
As a provider of housing, we respectfully disagree. Human Solutions has successfully operated our hundreds of units of rental housing for years using only a just cause standard for lease terminations and with rent increases that are stabilized at levels below what SB 608 would allow. We have adopted an internal rental increase policy that limits our ability to raise rents to only 5% annually (except in extraordinary circumstances) - a more stringent standard than even what most of our financing agreements apply. This framework functions quite well for us and for the families who call our apartments home – providing years of stable, secure housing at rents well below market with modest rent increases to keep pace with rising operating costs and evictions only for cause – a rare occurrence in the housing we operate and a remedy we

only undertake as a last resort in extreme cases to protect our apartment communities. We are able to operate our housing safely and successfully with limits more extreme and protective of tenants than SB 608 would provide.

SB 608 is a sensible step toward balancing the rights and interests at play between landlords and tenants in Oregon. SB 608 will improve housing security for Oregonians while leaving landlords all of the remedies they need to maintain the value of their properties and to secure the safety and security of the rental housing they own. We urge passage of SB 608 and continued work by the Oregon Legislature to increase fairness and improve outcomes for Oregon's renters.

Thank you for your efforts to improve the lives of Oregon's families.

Sincerely,



Andy Miller, Executive Director
Human Solutions