

Dear Co-Chairs Beyer & Fahey, Vice-Chairs Knopp & Wallan, and Members of the Committee,

Thank you for the opportunity to share my experiences with you today. My name is Michele Gila and I live Senate District 23 and House District 46. I am a small business housing provider in Portland, where I own or co-own a total of 8 residential units. I'm also the lobbyist for the Portland Metropolitan Association of Realtors®, but I am speaking today as a housing provider. I was co-owner of 3 other residential units, but as the laws became too complicated and difficult to run as business as a housing provider, I have sold 3 of those units.

I initially became a housing provider after I achieved my real estate license in 1995. Prior to doing that, I was actually a person who was homeless on & off for 5 years in San Francisco, Santa Barbara, Seattle, Eugene & Portland. I learned about real estate (at the urging of my mother) and decided to make the choice to work hard and provide for myself long-term through investments in housing, all within in a few miles of my home. This plan was not to have cash flow, in fact I don't earn a profit with my rental units. Instead I have held them long-term, so that one day when I can no longer work, I have the means to support myself as a senior citizen, in hopes that I don't have to rely on government services to survive. At this rate, I often doubt that it make sense. Then came COVID.

Here at my home, I have an ADU. I rented that to a retired woman who receives 100% government support for income. Once COVID hit and the eviction moratorium was in place, she chose to stop paying her rent. She was not impacted by COVID. As the owner of the home, I saw her checks arrive on time each and every month. She was allowed to stop paying rent, no questions asked. We began applying for the landlord compensation fund when those funds finally became available. That was a nightmare. And we are pretty adept at filling out forms and understanding how to navigate complex systems. I truly feel for the housing providers and tenants who are challenged by doing so. It was nearly a full time endeavor to try to receive any support. My partner spent endless hours in that portal, only to have the system crash time after time. With luck, our resident gave notice and moved to Washington. Leaving the usual mess behind. We still hadn't received a dime of the compensation when she vacated, and worried that because she no longer lived here, we wouldn't qualify for compensation. Then one day we finally received a check. Then another. We had to hire a lawyer when she initially stopped paying rent, because we weren't certain if we had rights to our very home that we own. Turns out we had very few rights. We knew she was lying and we were not able to do a thing about it. I am eternally grateful all of our other residents have been able to continue paying their rent. BTW, we keep rents at or about 60% AMI ***by choice***. You can only imagine how tense it was to live with a resident who refused to pay rent, knowing that she was lying about her ability to pay. "Tense" wouldn't even begin to describe it.

Now both of my parents also own a rental home each. They are no longer married. They both rely on that income to support themselves, so that they don't have to receive benefits. They are nearly 80 years old. Had either of their residents stopped paying rent, that would have been a significant hardship on all of us. They don't have the wherewithal to navigate the complex disaster that is the Oregon Landlord Compensation Fund. My dad's residents are farm workers with English as a second language. Imagine if they had to attempt to apply for support. Oh, you don't have to imagine that because it's also one of the issues. Why aren't all hands on deck at every agency, getting the funds into the most vulnerable amongst us?

I have many colleagues who are facing the same situation. Some have gone 1.5 years with no rental income. I heard one of them finally received the compensation last week. He was out \$60,000. That's a year's salary for most of Oregon. We know the money exists. Where is it? We continue to endure the

disaster. Why isn't the money going out to the residents who need rental assistance? Why the delay? If this is truly the housing emergency we are told about, why isn't the government taking action to fix it? We have been asked to provide the critical service of housing without compensation for more than 18 months. AND THERE IS NO GUARANTEE of compensation because of the problems at our state agency. Instead the can continues to get kicked down the road. You are relying on the housing providers to endure a major problem, with little to no support. Most of us aren't social workers. Most of us work full time jobs, if not more. Delaying, or rather extending this moratorium gets us nowhere. It increases uncertainty. I am choosing to lose money than put residents in my vacant units until this storm has passed. It consumes a significant portion of my income and I'm relieved that I can choose that and still keep the heat on and food on the table. In the meantime, Portland has lost more rental units. Is that the future you will be proud to have been a part of? I sure hope not.

In short: The State Needs To Keep Its Promise And Deliver Rental Assistance Immediately. Renters and housing providers have done their part. CUT THE CHECKS NOW.

Sincerely,
Michele Gila