

April 1, 2021

House Committee on Housing Oregon Legislature 900 Court St. NE Salem, Oregon 97301

Dear Chair Fahey, Vice-Chair Campos, and Vice-Chair Morgan,

I write to you on behalf of Home Forward in support of tightening the exemption for affordable housing in the State's anti-rent gouging law. Home Forward is a Public Housing Authority (PHA) and the largest provider of affordable housing in the state of Oregon. We serve more than 17,000 households earning low incomes in Multnomah County by developing and operating affordable housing, administrating short and long-term rent assistance, and providing supportive services. Our mission is to assure that the people of the community are sheltered.

When the legislature passed Senate Bill 608 in 2019, it included a blanket exemption for affordable housing because folks believed that other regulations would prevent rent increases above the limit within affordable housing. Although this is generally the case, there are a few specific gaps where affordable housing regulations fell short and residents of unsubsidized affordable housing received rent increases above the limit. We support Speaker Kotek's effort to close this loophole so residents of regulated affordable housing do not receive rent increases that the legislature decided were not reasonable for residents in the private market.

There are two specific cases that we believe should continue to be exempted:

- Cases where a resident of regulated affordable housing experiences a rent increase in response to a change in their income within program eligibility guidelines. For example, this would include public housing where a resident pays a portion of their income towards rent. In compliance with federal regulations, the tenant's rent would change as a result of their change in income.
- 2. Cases where increasing the rent of a regulated affordable unit does not impact the tenant's rent. For example, this would include when Public Housing Authorities convert the subsidy type of a property (e.g., public housing to section 8 project-based type subsidy via the Department of Housing and Urban Developments Rental Assistance Demonstration Program (RAD)). In this case, Public Housing Authorities can increase the contract rents of the property as a way to bring more federal dollars to the building to provide resident services and resources for needed repair and rehabilitation. In this case, the increase to the contract rent would have no impact on the tenant's portion of the rent.

I would also like to note that private landlords renting to households with a tenant-based Section 8 voucher holders are currently covered by the anti-rent gouging provisions of the law and they should continue to be covered.

We would appreciate a forthcoming amendment providing these reasonable exemptions.

Thank you for the opportunity to provide support tightening the exemption for affordable housing and the passage of HB3113. Please contact Taylor Smiley Wolfe, Director of Policy and Planning, Home Forward at 503-957-8760 or taylor.smileywolfe@homeforward.org regarding these comments.

Sincerely,

Taylor Smiley Wolfe Director of Policy and Planning Home Forward