

Jan. 30, 2023
Senate Committee on Housing and Development
900 Court St NE
Salem, OR 97301



Chair Jama, members of the committee,

I have spent the last decade working with developers, builders, and investors to create more and improve the existing multifamily housing in Central Oregon. I'm a real estate investor, broker and my wife and I own a property management company that manages over 400 units across Central Oregon.

We have a housing shortage, and the only way out is to build more housing. I would encourage this Senate committee to incentivize the building of multifamily housing units both large and small. Focus on increasing the supply side of the equation without penalizing those providing the housing. SB0799 will have a direct and large negative impact on creating more housing in Oregon. SB0799 puts too much of the burden and risk on the landlord (especially the small landlords) to further invest in rental housing.

No landlord that I know ever wants an eviction. Our company does everything possible to connect tenants with resources to avoid eviction. We consider this as part of our duty to not only the tenant but to the property owner / investor as well. Sometimes though an eviction is unavoidable and it's in everybody's best interest to process it as quickly as possible. As written, it will take 90-120 days to perform an eviction if this becomes law. This will create large balances in collections for those tenants unable to pay or get assistance as their rent will continue to accrue.

Below are some specific problems I see with the proposed legislation when applied in the real world:

- 1) The 10 day notice to vacate once rent is 8 days late. It takes 2-3 weeks to get a court date after the notice term. The initial the court date would not be until sometime the following month.
- 2) The 60 day stay with proof of rental assistance application. Allowing this proof of application to be delivered up to the initial court date is much too long, the tenant would be over 30 days late at this point. The proof of application for assistance if required should be delivered to the landlord before the 10-day period has expired.
- 3) Unlimited guest occupancy without requirements to notify the landlord. A landlord that can't properly screen and add the guest to the rental agreement takes all control of the dwelling away from the landlord and will likely expose them to liability.
- 4) The sealing of records prevents landlords from properly screening. Just as a bank screens me for creditworthiness before loaning money landlords need to screen tenants before renting expensive assets. A check for prior evictions is one of the most important tools we use to screen tenants. A prior eviction isn't always an automatic denial but they are a higher risk and may have a larger deposit requirement.
- 5) Where is all the funding going to come from for rental assistance? Over the last year the fund has been chronically out of money and that is after \$400M+ in Federal money. Without the huge amounts of Federal money this is not a sustainable model.

- 6) The rental assistance program is / was horribly run even with all the funding they had. There is no way they will be able to process all these additional applications in a timely manner. This will cause those that truly need the assistance to miss out on help.

To summarize SB0799 will actually hurt tenants in the long run by restricting supply. I implore you to direct your attention at ways to increase the supply of housing rather than further burden those that provide it.

Sincerely,

Ian Berg

Co-owner - Mt Bachelor Property Management

Principal Broker – Keller Williams Central Oregon Realty