

Thank you, in advance, Senate Committee on Housing and Development, for reading my testimony regarding Senate Bill 799 – Relating to Residential Tenancies and Declaring an emergency.

My name is LuAnne Boettiger and as a longtime housing provider in the Eugene/Springfield, I oppose SB 799 for these reasons:

1. **Increasing Renter Protection rights seems to mean decreasing Housing Providers rights.** Please bring the Landlord-Tenant Coalition back or something like it where stakeholders from both sides worked together in a spirit of compromise to achieve legislation that is balanced and beneficial for both sides. SB799 only punishes the Housing Provider, it does not incentivize the tenant.
2. **Tenants sign leases.** Their rent coming due is not a surprise. Help is needed much sooner than the day rent is due. Encourage proactiveness on the tenant's part. If my tenant calls me before the rent is due, we work out a plan that works for both of us. If a landlord does not have the ability to work out a planned payment method, give the landlord a resource to provide the tenant that they can use in 7 days, not 60 days. I cannot wait 60 days for payment. I must pay the mortgage for the home.
3. **I live on the income.** I have planned, saved, purchased, maintained, and provided affordable housing for low income Oregonians for many years in the Eugene/Springfield area. Now, in my personal retirement, rental income is a key method of paying my personal housing bills, food, gas, insurance, taxes as well as continuing to pay rental home mortgages, taxes, insurance, flooring, appliances, repairing, etc, etc. There has been a lot of effort over many years to be able to provide quality affordable housing.
4. **There are many unintended consequences.** I believe we all want to be a part of the solution and it will take many of us to do it.
Personally, the consequences for my rental business from this Senate Bill 799 as well as the other earlier Rental Protection legislation and city ordinances are:
 - a. **I have had to decrease my risk:**
 - i. I sold ½ of my Oregon rental units and moved the business to Arizona where there is fairness in the legislation and I can still be a kind, helpful landlord.
 - b. **I had to change my business model**
 - i. **I provide affordable housing now.** Our rents, for our 9 Oregon homes, are now and have in the past been below the market level of rent. Presently of the 9 homes, 4 homes are \$400+ under market value, 3 of them are \$150+ under market value – so note 7 out of 9 homes, or 78% of our rentals are under market value, affordable
 - ii. I used to set my rents on the lower side of average so that I could provide housing to lower income individuals. I loved being able to help persons who's credit did not quite meet criteria, or had a family tragedy, or didn't have enough security deposit, or..... Now, when I am able, I raise the rent to just above market level and I am no longer able to give people a break to see if they can manage it or not. I have to stick to my rental criteria because I have no outs if they do not do as they promise.
 - iii. Prior to recent legislation and city ordinances, I have never raised my rent for a present tenant more than 5%. Now I am having to do higher, state limited, raises every year to be able to try to get near market value. I found that when I sold my other 8 Oregon units, I took a \$150,000 lost of my years of hard work, because the new investor could not cover their mortgage with what my tenants were paying in rent. That was a hard hit after of years of providing affordable housing

- iv. **The “pie” is only so big.** If I have to decrease my risk by increasing my reserves to potentially have to pay my mortgages for 60-90 days while we are awaiting the hope of being repaid the lost rent, I have to raise my rents to the maximum, not give a person who doesn't quite meet the legal rental criteria a chance, basically decrease my ability to rent to lower income persons thus increasing the homelessness rate.

5. **Impact to Landlords is very high and this impacts our renters.**

- a. I am just one person, one landlord – I believe I represent many that are providing homes for the people of Oregon.
 - i. A bit of math: One Landlord group I belong to represents about 5000 Oregon small scale landlords.
 - ii. We own anywhere from 1-100 rentals I do not know this number specifically, but knowing many of these landlords, some own one home and some own 40 homes. For example sake - Let's say they each own 3 homes.
 - 1. Three homes x 5000 landlords = 15,000 doors
 - 2. If there is an average of 2 to 3 people in these homes, that is 30,000 – 50,000 people you are impacting their present living situation by impacting the people who are providing them their homes.
- b. **The unintended consequences multiply!**

6. **The Pandemic Era rental assistance did not help tenants for long.**

- a. Twice, I have seen my renters that relied on rental assistance during Covid now unable to pay their rent and move.
- b. Some got used to not having to work and pay rent.
- c. Some bought new vehicles and had fun...didn't save for future months...sad.
- d. Precise process are needed to ensure how rental assistance is dispersed and utilized.

So please:

- 1. Do not pass SB799
- 2. Bring together a Landlord-Tenant Coalition back to achieve legislation that is balanced and beneficial for both sides.
 - a. Please consider all parties in creating or reviewing Legislature.
 - b. Incentivize people to be proactive, give landlords resources to refer their tenants for rental assistance.
- 2. Help us to keep tenants in our homes.
 - a. Keep Landlords from selling their Oregon homes and bringing their businesses to other states
 - i. I learned in your meeting recordings that more people rent in Oregon than buy homes in Oregon.
 - ii. These senate bills and city ordinances are and will continue to have the **unintended consequences** of more people needing housing and/or more housing needing maintenance because the pie is only so big.
 - b. SB799 only requires tenants to provide proof of their application to the landlord at or before their first court appearance -- this is too late! It should be provided before or at the time the rent is due so a landlord understands what has occurred and make other arrangements so they can pay the mortgage, bills, etc

3. Streamline Processes to aid Tenants and Landlords with Rental Assistance
 - a. Streamline the Oregon Housing Choice Voucher (Section 8) Process and decrease the waiting time for rental assistance for tenants from 18 months to 2 weeks.
 - b. Utilize Oregon Housing Choice to manage a quick, efficient system that a tenant that is unable to pay their monthly rent, can call and get help to pay their rent on time.
 - c. Do a Quick Quality Improvement Process, possibly a Cause and Effect Diagram to study how you can help with Rental Assistance For Landlords, immediately, when a tenant cannot pay rent

3. Increase building of more homes!
 - a. Spend efforts on decreasing “red tape”, time and money for Building permits, Inspections, other fees, etc
 - b. improving statewide building plan approvals by providing standardized housing plans for
 - i. Accessory Dwelling Unit (ADU)
 - ii. Single Family Houses
 - iii. Duplexes
 - iv. Multiplexes

If we all pitch in, and not make one group suffer financial losses to accommodate another’s financial difficulties, we will find the solutions needed that Protect Renters **and** the People who Provide them the Homes they live in.

Thank you for considering these issues and voting NO on SB799.

LuAnne Boettiger

Bo & LuAnne’s Rentals

luaboe@aol.com

PO Box 642

Pleasant Hill, OR 97455

541-554-7186 cell for text or call