

Submitter: Gerald Sylvester

On Behalf Of:

Committee: Senate Committee On Housing and Development

Measure: SB611

This bill, while sounds good on paper and with good intentions, will have detrimental impact to your intentions of protecting the renter. In order for property owners to recoup a fair return on investment, owners jack up the prices (upon next vacancy), forego any upgrades to the property and increase the conversion of older units to new condos/townhomes. All this decreases the number of units available further jacking up prices. This has reliably happened across the country countless times already despite the warnings of property owners. Use the failure of the other cities as a learning experience and avoid ultimately causing harm to the renter.

I suggest changing Section 3 - 90.324 to the "higher" of 8% or (3% + CPI). This allows for a reasonable fair return on investment while still reasonably protecting the renter from exorbitant price hikes.