

To: Senate Committee on Housing and Development  
From: Pamela and Gregory Hayden, owners of low-income apartment rentals  
Date: March 22, 2023  
Summary: Please vote **NO on Bill 611**

- No on tripling eviction assistance costs
- No on unjustifiable cap of 3% rental increases for existing and new multifamily construction

This bill provides only disincentives for owners and developers to provide multifamily housing. It places an undue burden on persons who provide low-income rental apartment housing and does not solve the tragic problem of homelessness. It only exacerbates the problem by providing disincentives to property owners who provide multifamily housing.

We are respectfully submitting this testimony in hopes that you will better understand the burden Bill 611 would impose on hard working citizens in our State. We own 80 low-income apartment units in the Portland area. This has been our business for the last 45 years. Since Covid we have lost tens of thousands of dollars in rent, even while working with complicated State subsidized rental assistance agencies. The rules that were imposed regulating no evictions allowed many persons to take advantage of the system, and the owners who provide housing and utilities were the ones to bear the burden and subsidize them.

Over our 45 years in this business, we have established ongoing positive relationships with most our tenants. Our policy is to remain flexible and give allowances to our well-intentioned renters who have difficulty making their rent payments on time or at all. We work earnestly with them with the goal of continuing our rental relationship to keep them housed.

Landlords provide housing, many utilities, maintenance, and ongoing assistance to renters. We are sometimes confronted with the challenge of difficult renters who do not pay their rent because they are in and out of work due to drug addiction, family problems, abuse and violence, and other issues. We try to understand and work with them, allowing them flexibility on payment plans and at times reduced rents. When it is no longer financially possible to retain difficult renters and provide free housing, eviction is unfortunately the result. Eviction is our last resort.

Bill 611 is intended to provide a strong Disincentive to the eviction of non-paying tenants. This is certainly a LOSE LOSE proposition for property owners. It backs us into a corner where we either provide free housing to non-paying renters or pay exorbitant costs for relocation. To expect the housing provider to pay triple the relocation assistance is unfair and an undue burden on those making a living providing housing to renters.

It should not be the premise of our governing body that land lords are the bad guys. We are just hard-working normal citizens making an honest living providing rental housing, and in our case low-income rental housing. Bill 611 would place a 3% cap on rental increases. This does not take into account rising utility and insurance costs, increases in maintenance costs and local tax burdens.

Placing an artificial cap on rental increases reduces the housing providers ability to increased rents to keep up with increased costs in the marketplace. It also negates our system of market-based service provision, setting a false, ingenuine and unreasonable cap that has no relation to those of us who follow a tenable business model to provide rental housing.

It is well understood State and nationwide the tragedy that homeless people face. **The question is:** Should the solution to provide housing to homeless people fall unfairly on the owners of low-income multifamily housing units ... OR ... Should the State of Oregon seek a solution to homelessness that does not transfer the financial burden onto hardworking citizens who make a living as housing providers of low income rental apartment units and multifamily housing?