



Friday, March 24, 2023

*Sheila Stiley, Board
chair – NW Coastal
Housing*

*Kymerly Horner,
Vice-chair - Portland
Community
Reinvestment Inc.*

*Rachael Duke,
Secretary -
Community Partners
for Affordable
Housing*

*Kristy Rodriguez,
Treasurer - Housing
Authority of Malheur
& Harney Counties*

*Trell Anderson –
Northwest Housing
Alternatives*

*David Brandt -
Housing Works*

*Wakan Alferes -
Homes for Good*

*Rita Grady – Polk
CDC*

*Maria Elena Guerra -
Farmworker Housing
Development Corp*

*Nkenge Harmon
Johnson – Urban
League of Portland*

*Brad Ketch –
Rockwood CDC &
Community Dev.
Corp. of Oregon*

*Erica Mills –
NeighborWorks
Umpqua*

*Shannon Vilhauer –
Habitat for Humanity
Oregon*

Senator Kayse Jama
Chair, Senate Housing and Development Committee
900 Court St NE, S-409
Salem, OR 97301

Dear Honorable Chair Jama and members of the Committee:

We strongly urge you to pass SB 611 as a critical homelessness prevention strategy, to protect seniors, families, individuals and communities across the state from extreme rent increases and displacement.

Affordable housing and tenant protections are not an “either/or” issue; it’s “yes and.” Yes, there is a lack of affordable housing available to rent. And it is still important to advocate for tenant rights. Renter protections bring dignity and justice to the landlord-tenant relationship.

Housing Oregon is a membership-based statewide association of affordable housing community development corporations (CDCs) committed to serving and supporting low-income Oregonians across the housing needs spectrum – from homeless to homeowner.

Housing Oregon had over three dozen developers vote on this proposal, and we had only one “no” vote. As a coalition of both nonprofit and for-profit housing developers, we stand ready and willing to help Gov. Kotek meet her 36,000 units / year goal for new construction.

Four in 10 Oregonians rent their homes and they already pay the ninth highest rent in the nation. The statewide stories of massive rent increases in communities large and small show that we have a rent crisis that must be addressed. Whether these increases are hitting entire buildings or mobile home parks or individuals, each and every one puts people at risk of displacement and homelessness.

SB 611 is an action that the legislature can take now to have an immediate impact on our state’s housing crisis as we also work on the longer-term solutions of increasing supply and providing support to rehouse our currently homeless neighbors.

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Here is the problem we are facing. Under current law:

- 2023 rent increases for properties 15 or more years old can be as high as 14.6%. That is too high for anyone to afford, outpacing wages and Social Security.
- There are no limits at all on rent increases in buildings 15 years or newer. Reports of extreme increases such as 32%, 47%, 50% are becoming more common. These increases are the functional equivalent of an eviction.
- When people must vacate due to no fault of their own, Oregon's tight and expensive rental market makes it hard to quickly find a new home.

SB 611 would:

- Limit rent increases to 3% + inflation with a maximum increase of 8% during a calendar year.
- Narrow the loophole, applying rent stabilization to buildings older than 3 years, which increases the number of people protected while exempting new construction.
- Increase relocation assistance to three-months' rent to help tenants displaced through no fault of their own avoid homelessness. Landlords with four units or less are exempt from this provision.
- Set no limits on rent resets between tenants.

The rent increase reports from across Oregon show the great need for SB 611. Studies show that just a \$100 increase in median rents in a community is tied to a 9% increase in homelessness in that community. At a time when Oregon is experiencing some of the highest rates of homelessness in the nation, we cannot afford to let rent spikes go unchecked. A reasonable rent limit will help prevent high-rent home loss and prevent our state's homeless crisis from getting worse just as we are all pulling together to treat it as the emergency that it is. The legislature did the right thing in passing the first rent limit in 2019, but as we have all learned now, the limit did not account for runaway inflation.

We know these extreme rent increases are not isolated incidents. There are so many that the results are playing out in eviction court and in media headlines. More than 86% of all eviction filings are due to unaffordable rent. This reasonable proposal prevents extreme rent increases and displacements, while allowing landlords to take inflation into account and preserving the ability to reset rents to market rates in between tenancies.

Please pass SB 611 as soon as possible and help ensure that all Oregonians have access to safe and affordable housing. Thank you very much for your consideration of our comments and for your service to our state. You can reach me at 971-347-8503 or kevin@housingoregon.org.
Sincerely,

Kevin Cronin

Director of Member Relations and Industry Support
Housing Oregon