



Date: March 27, 2023

To: Senate Committee on Housing and Development
From: Nansi López, Policy Director for Centro Cultural
Re: Support to Reduce Evictions and Prevent Homelessness, SB 611

Chair Jama, Vice-Chair Anderson, Members of the Committee,

Thank you for the opportunity to submit testimony in strong support of SB 611. My name is Nansi López, Policy Director for Centro Cultural. Centro Cultural stands in solidarity with the many Oregonians supporting SB 611.

Centro Cultural is the oldest and longest-serving Latino culturally-specific organization in Oregon. Centro was founded 50 years ago by 14 migrant families who believed in creating a vibrant and cohesive society, shared, valued, and open for community members from different ethnicities and backgrounds. Since then, Centro has served as a safe place for our local Latino community, low-income migrant farmworkers, immigrant refugee communities, and all who come to our doors. Our mission is to be a home for Latino cultures, serving the needs of our diverse community by promoting personal growth and empowerment. To create lasting change for families of color and low-income individuals, stimulate systems change, and work with key stakeholders to reduce barriers and provide essential resources and services for the families we serve. Since our founders decided to begin this journey in 1972, Centro has continued to grow to ensure our community members thrive, working with regional, state, county, and city-wide agencies to advocate for more resources and equitable systems change to support communities of color. Centro's roster of programs seeks to disrupt systemic oppression and racism while converting our clients into agents of change.

Recently, Centro has refocused some of our efforts toward upstream work. This shift ensures that our organization is doing the necessary work to create systems change for our communities. Centro's Policy Department works on upstream issues like criminal justice, consumer justice, economic opportunity, housing laws, etc. Part of the work of the Policy Department is convening the Latino Policy Council (LPC), a coalition of Latino leaders organized to advocate and demand change from local governments.

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.

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.

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 have to 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 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



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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.

Oregon's housing emergency goes beyond lack of supply and the number of people living without homes or shelter. We have a rental emergency as well, with tenants living just one rent increase notice away from displacement and possible homelessness. Without SB 611 to stop runaway and extreme rent increases, we will continue to see people displaced onto the streets more quickly than we can rehouse people. Without passage of SB 611, Oregon's success in addressing the housing crisis is at grave risk.

Please pass SB 611 as soon as possible. Thank you.

Sincerely,

Nansi López, Policy Director for Centro Cultural
1110 N. Adair Street
Cornelius, Oregon 97113