















#### JANET NEWCOMB -- Landlord for many years - 19 PORTLAND RENTALS

Yesterday, Tyron Poole of OneApp, testified that 60% of rentals in Portland are smaller Mom and Pop operations. By voting in these proposed laws, you will be driving many of us away from Portland. I think you underestimate just how many rental units will be lost. I, for one, will be looking to sell 18 of my 19 Portland rentals.

The proposals are cumbersome to implement and will cost us all time and money. This WILL result in higher rents for the tenants. We can not be expected to absorb the costs for acting as social workers.

We as landlords, expect to be able to verify who is going to live in our units. It is not the fault of the landlords if someone does not have government issued ID — which most of us require. Yesterday, one of your INVITED speakers voiced her concern on this issue. She was then bullied, to the point of tears by congressman Hardesty. SHAME ON YOU !

I can not emphasize enough how important it is to be able to screen ALL prospective tenants, and not just a "designated head of household". I need to know who I have living in my units. As an example, If 3 people move in and a month later, the "designated head of household" moves out, I would have 2 people living in my apartment that I know nothing about. Are they sex offenders — or murderers? Do either of them work? Do they make enough to pay the rent? I won't know. I want to provide a SAFE environment for my tenants. I can't do that if I don't know who is residing in my buildings. Your intent to remove the security measures that I have in place will not benefit tenants.

Your proposal states that I will not be able to turn down someone for a credit score of 500. You say a credit score does not indicate a tenants ability to pay. Although my decision is never made solely on credit score It MAY play a vital role in my denial of the tenant if they have charge off ,after charge off for consumer debt. I look at the reason for the low score and make allowances for student debt and medical bills . You are now removing my ability to turn down someone who simply is not responsible enough to pay their bills. I own rentals in South Carolina. My evictions there always involve tenants who had low credit scores. I make exceptions for them and get burned more often than not.

You are categorizing cleaning as normal wear and tear and we will now NOT be able to charge the tenant for this cleaning. Dirt is NOT wear and tear. It is simply laziness on the part of the tenant. A landlord should not have to be responsible for someone's laziness ! ... Cleaning is not just removing dirt. It can also involve removal of debris left by the tenant. Lots of debris. see photos

You mentioned yesterday that a policy like this does not exist anywhere in the US. Don't you think there might be a reason for that? You have made this hearing about disparate impact and prejudice. From my prospective, it looks like the prejudice is against the owners of rental properties.

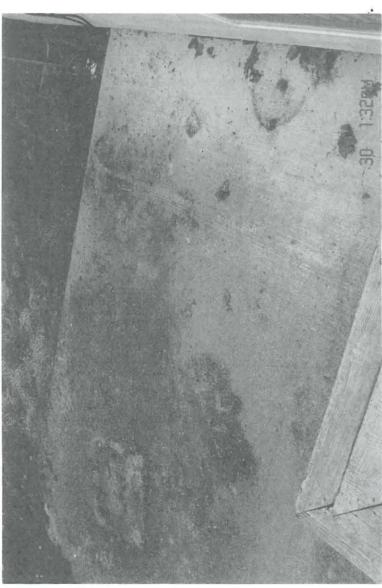
Thank you for your time.

Janet Newcomb roofwallfloor@gmail.com 503 860-6874

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Dirt How is this norma) Wear + tour ? Rents will go up if I Can no longer charge Tenants for this



#### To City Council Members:

I was late to the meeting and could not register to talk because I was attending classes at PSU. I have a story to tell you as to what I ran into to when I first moved here to the Portland area.

My story starts October 1 2010. I was released from a federal correctional facility and arrived here via train. At the time I was in a manual wheel chair. I stayed with City Team Mission paying my way in cash of \$5 a night stay. I also made \$125 in contributions to help them out. I stayed with them for two months while I searched for an apartment. I had plenty of finances from my pension plan. During these two months search I was told by many of landlords that they could not and would not accommodate my in my wheel chair. As soon as they found out I had no rental history they would for the most part laugh at me and tell me to go somewhere else. One landlord told me I had three strikes against me for renting anywhere and I should leave the area. The three strikes were 1) no rental history, 2) they were not equipped to handle an ADA person, 3) I had a felon in my past and they didn't want my kind around. The only place that would even talk to me was Center City Concern. I rented a room in the Henry Building for \$400 a month for one years' time. After one year I started looking to rent an apartment again. I was still in a wheel chair at this time. I spent three weeks looking and found a house that was ADA equipped with a chair ramp. The man that owned the house wanted someone in the house ASAP. He helped me move in with the little bit of things I had. I lived there for over five years. He passed the rental operation to his son seeing how he was eighty-two years young. His son forced me out very rudely over the space of three months. I was paying \$800 a month plus utilities. Once his son forced me out, he has rented it for \$2,300 per month. I was never late or missed a payment on rent or utilities. I feel I have been treated very poorly in the housing market here in Portland.

How can anyone make a living and rent a home here in Portland without feeling like a secondhand person?

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### 189580

Bill Stevenson statement re: items 294 and 295 Portland City Council, April 4, 2019

My name is Bill Stevenson. My wife and I own a 7 unit apartment in North Portland and for the past nearly 14 years have been providing affordable housing long before it became today's great need and cause celeb.' I challenge anyone to identify any tenant of ours—past or present—who has been treated unfairly or who would be in need of the provisions contained in today's agenda items.

As a former legislator in both the Oregon House and Senate and as a former Oregon Labor Commissioner I understand and appreciate your role and responsibilities in balancing public and private interests. But there is no balance in this package. I'd be willing to bet that no representative of Multifamily NW or any similar group took part in putting it together.

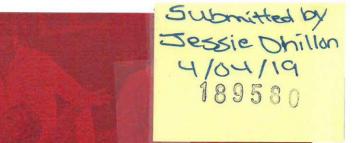
In all my time of public service I've never seen a bigger more misguided ball of red tape rolling around in search of a problem. These items paint with a broad brush and say that all housing providers are not to be trusted to treat tenants fairly, or operate their rentals responsibly.

We think there are many small operators like us who for years have been providing affordable housing who would be severely impacted by 294 and 295. How many? You don't know, you're flying blind, as the inventory requested is due April 15. You may not care how many though it seems prudent to know. But these provisions are a major incentive to stop doing what we do.

Rather than inflicting this Draconian regimen on unknown numbers, why don't you actually DO something to identify problems. Create a city tenant complaint office. You, the city, investigate a complaint. If it has merit, subject the offender to remedies for the tenant but don't penalize everyone absent a need.

This could be part of a "carve out" for small operators and would seem much less expensive than the bureaucracy envisioned to administer 294 and 295. What would be their cost? From a taxpayer's standpoint you should be provided with their fiscal impacts and share that with the public.

294 and 295 represent a full scale assault on housing providers, especially small affordable housing operators. They tell us that you think YOU, rather than WE, know better how to do our work. It smacks of "Big Brother," or in this instance, "Big Sister." Their adoption would result in decreased affordable housing as many owners—including ourselves—seriously consider moving their equities to more receptive less hostile locales than the City of Portland. 294 and 295 should be revised significantly and if not, rejected.





U.S. Department of Housing and Urban Development Office of Fair Housing and Equal Opportunity





Please visit our website: www.hud.gov/fairhousing

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#### FAIR FIULDING Equal Opponumity for All

#### FAIR HOUSING - EQUAL OPPORTUNITY FOR ALL

America, in every way, represents equality of opportunity for all persons. The rich diversity of its citizens and the spirit of unity that binds us all symbolize the principles of freedom and justice upon which this nation was founded. That is why it is extremely disturbing when new immigrants, minorities, families with children, and persons with disabilities are denied the housing of their choice because of illegal discrimination.

The Department of Housing and Urban Development (HUD) enforces the Fair Housing Act, which prohibits discrimination and the intimidation of people in their homes, apartment buildings, and condominium developments – in nearly all housing transactions, including the rental and sale of housing and the provision of mortgage loans.

Equal access to rental housing and homeownership opportunities is the cornerstone of this nation's federal housing policy. Housing providers who refuse to rent or sell homes to people based on race, color, national origin, religion, sex, familial status, or disability are violating federal law, and HUD will vigorously pursue enforcement actions against them.

Housing discrimination is not only illegal, it contradicts in every way the principles of freedom and opportunity we treasure as Americans. HUD is committed to ensuring that everyone is treated equally when searching for a place to call home.

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U.S. Department of Housing and Urban Development (HUD) 451 7<sup>th</sup> Street, S.W., Washington, D.C. 20410-2000



#### THE FAIR HOUSING ACT

The Fair Housing Act prohibits discrimination in housing because of:

- Race or color
- National Origin
- Religion
- Sex
- Familial status (including children under the age of 18 living with parents or legal custodians; pregnant women and people securing custody of children under 18)

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Disability

#### WHAT HOUSING IS COVERED?

The Fair Housing Act covers most housing. In some circumstances, the Act exempts owner-occupied buildings with no more than four units, single-family housing sold or rented without the use of a broker and housing operated by organizations and private clubs that limit occupancy to members.

#### WHAT IS PROHIBITED?

In the Sale and Rental of Housing: No one may take any of the following actions based on race, color, religion, sex, disability, familial status, or national origin:

- Refuse to rent or sell housing
- Refuse to negotiate for housing
- Make housing unavailable
- Otherwise deny a dwelling
- Set different terms, conditions or privileges for sale or rental of a dwelling
- Provide different housing services or facilities
- Falsely deny that housing is available for inspection, sale or rental



- For profit, persuade, or try to persuade homeowners to sell or rent dwellings by suggesting that people of a particular race, etc. have moved, or are about to move into the neighborhood (blockbusting) or
- Deny any person access to, membership or participation in, any organization, facility or service (such as a multiple listing service) related to the sale or rental of dwellings, or discriminate against any person in the terms or conditions of such access, membership or participation.

# In Mortgage Lending: No one may take any of the following actions based on race, color, religion, sex, disability, familial status, or national origin:

- Refuse to make a mortgage loan
- Refuse to provide information regarding loans
- Impose different terms or conditions on a loan, such as different interest rates, points, or fees
- Discriminate in appraising property
- Refuse to purchase a loan or
- Set different terms or conditions for purchasing a loan.
- In addition, it is a violation of the Fair Housing Act to:
- Threaten, coerce, intimidate or interfere with anyone exercising a fair housing right or assisting others who exercise the right
- Make, print, or publish any statement, in connection with the sale or rental of a dwelling, which indicates a preference, limitation, or discrimination based on race, color, religion, sex, disability, familial status, or national origin. This prohibition against discriminatory advertising applies to single-family and owner-occupied housing that is otherwise exempt from the Fair Housing Act
- Refuse to provide homeowners insurance coverage for a dwelling because of the race, color, religion, sex, disability, familial status, or national origin of the owner and/or occupants of a dwelling
- Discriminate in the terms or conditions of homeowners insurance coverage because of the race, color, religion, sex, disability, familial status, or national origin of the owner and/or occupants of a dwelling



- Refuse to provide available information on the full range of homeowners insurance coverage options available because of the race, etc. of the owner and/or occupants of a dwelling
- Make print or publish any statement, in connection with the provision of homeowners insurance coverage, that indicates a preference, limitation or discrimination based on race, color, religion, sex, disability, familial status or national origin.

#### ADDITIONAL PROTECTION IF YOU HAVE A DISABILITY

#### If you or someone associated with you:

- Have a physical or mental disability (including hearing, mobility and visual impairments, cancer, chronic mental illness, HIV/ AIDS, or mental retardation) that substantially limits one or more major life activities
- Have a record of such a disability or
- Are regarded as having such a disability, a housing provider may not:
  - Refuse to let you make reasonable modifications to your dwelling or common use areas, at your expense, if it may be necessary for you to fully use the housing. (Where reasonable, a landlord may permit changes only if you agree to restore the property to its original condition when you move.)
  - Refuse to make reasonable accommodations in rules, policies, practices or services if it may be necessary for you to use the housing on an equal basis with nondisabled persons.
- **Example:** A building with a "no pets" policy must allow a visually impaired tenant to keep a guide dog.
- **Example:** An apartment complex that offers tenants ample, unassigned parking must honor a request from a mobility-impaired tenant for a reserved space near her apartment if it may be necessary to assure that she can have access to her apartment.



However, the Fair Housing Act does not protect a person who is a direct threat to the health or safety of others or who currently uses illegal drugs.

Accessibility Requirements for New Multifamily Buildings: In buildings with four or more units that were first occupied after March 13, 1991, and that have an elevator:

- Public and common use areas must be accessible to persons with disabilities
- All doors and hallways must be wide enough for wheelchairs
- All units must have:
  - An accessible route into and through the unit
  - Accessible light switches, electrical outlets, thermostats and other environmental controls
  - Reinforced bathroom walls to allow later installation of grab bars and
  - Kitchens and bathrooms that can be used by people in wheelchairs.

If a building with four or more units has no elevator and was first occupied after March 13, 1991, these standards apply to ground floor units only.

These accessibility requirements for new multifamily buildings do not replace more stringent accessibility standards required under State or local law.

#### HOUSING PROTECTION FOR FAMILIES WITH CHILDREN



The Fair Housing Act makes it unlawful to discriminate against a person whose household includes one or more children who are under 18 years of age (familial status). Familial status protection covers households in which one or more minor children live with:

- A parent;
- A person who has legal custody (including guardianship) of a minor child or children; or
- The designee of a parent or legal custodian, with the written permission of the parent or legal custodian.

Familial status protection also extends to pregnant women and any person in the process of securing legal custody of a minor child (including adoptive or foster parents).

- The "Housing for Older Persons" Exemption: The Fair Housing Act specifically exempts some senior housing facilities and communities from liability for familial status discrimination. Exempt senior housing facilities or communities can lawfully refuse to sell or rent dwellings to families with minor children. In order to qualify for the "housing for older persons" exemption, a facility or community must prove that its housing is:
  - Provided under any State or Federal program that HUD has determined to be specifically designed and operated to assist elderly persons (as defined in the State or Federal program); or
  - Intended for, and solely occupied by persons 62 years of age or older; or
  - Intended and operated for occupancy by persons 55 years of age or older.

In order to qualify for the "55 or older" housing exemption, a facility or community must satisfy each of the following requirements:

 at least 80 percent of the units must have at least one occupant who is 55 years of age or older; and



- the facility or community must publish and adhere to policies and procedures that demonstrate the intent to operate as "55 or older" housing; and
- the facility or community must comply with HUD's regulatory requirements for age verification of residents.

The "housing for older persons" exemption does not protect senior housing facilities or communities from liability for housing discrimination based on race, color, religion, sex, disability, or national origin.

HUD is ready to help with any problem of housing discrimination. If you think your rights have been violated, you may file a complaint online, write a letter or telephone the HUD office nearest you. You have one year after the alleged discrimination occurred or ended to file a complaint with HUD, but you should file it as soon as possible.

#### IF YOU THINK YOUR RIGHTS HAVE BEEN VIOLATED

What to Tell HUD:

- Your name and address
- The name and address of the person your complaint is against (the respondent)
- · The address or other identification of the housing involved
- A short description of the alleged violation (the event that caused you to believe your rights were violated)
- The date(s) of the alleged violation.

Where to Write or Call: File a complaint online, send a letter to the HUD office nearest you, or if you wish, you may call that office directly. Persons who are deaf or hard of hearing and use a TTY, may call those offices through the toll-free Federal Information Relay Service at 1-800-877-8339.

For Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont:



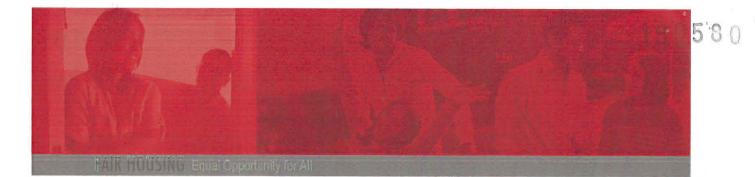
#### **BOSTON REGIONAL OFFICE**

(Complaints\_office\_01@hud.gov) U.S. Department of Housing and Urban Development Thomas P. O'Neill Jr. Federal Building 10 Causeway Street, Room 321 Boston, MA 02222-1092 Telephone (617) 994-8300 or 1-800-827-5005 Fax (617) 565-7313 \* TTY (617) 565-5453

For New Jersey, New York, Puerto Rico and the U.S. Virgin Islands: **NEW YORK REGIONAL OFFICE** (Complaints\_office\_02@hud.gov) U.S. Department of Housing and Urban Development 26 Federal Plaza, Room 3532 New York, NY 10278-0068 Telephone (212) 542-7519 or 1-800-496-4294 Fax (212) 264-9829 \* TTY (212) 264-0927

For Delaware, District of Columbia, Maryland, Pennsylvania, Virginia and West Virginia: PHILADELPHIA REGIONAL OFFICE (Complaints\_office\_03@hud.gov) U.S. Department of Housing and Urban Development The Wanamaker Building 100 Penn Square East Philadelphia, PA 19107-9344 Telephone (215) 861-7646 or 1-888-799-2085 Fax (215) 656-3449 \* TTY (215) 656-3450

For Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, and Tennessee:



#### ATLANTA REGIONAL OFFICE

(Complaints\_office\_04@hud.gov) U.S. Department of Housing and Urban Development Five Points Plaza 40 Marietta Street, 16th Floor Atlanta, GA 30303-2808 Telephone (404) 331-5140 or 1-800-440-8091 x2493 Fax (404) 331-1021 \* TTY (404) 730-2654

For Illinois, Indiana, Michigan, Minnesota, Ohio and Wisconsin: **CHICAGO REGIONAL OFFICE** (Complaints\_office\_05@hud.gov) U.S. Department of Housing and Urban Development Ralph H. Metcalfe Federal Building 77 West Jackson Boulevard, Room 2101 Chicago, IL 60604-3507 Telephone 1-800-765-9372 Fax (312) 886-2837 \* TTY (312) 353-7143

For Arkansas, Louisiana, New Mexico, Oklahoma and Texas: FORT WORTH REGIONAL OFFICE (Complaints\_office\_06@hud.gov) U.S. Department of Housing and Urban Development 801 Cherry Street Suite 2500, Unit #45 Fort Worth, TX 76102-6803 Telephone (817) 978-5900 or 1-888-560-8913 Fax (817) 978-5876/5851 \* TTY (817) 978-5595

For Iowa, Kansas, Missouri and Nebraska: KANSAS CITY REGIONAL OFFICE



(Complaints\_office\_07@hud.gov) U.S. Department of Housing and Urban Development Gateway Tower II 400 State Avenue, Room 200, 4th Floor Kansas City, KS 66101-2406 Telephone (913) 551-6958 or 1-800-743-5323 Fax (913) 551-6856 \* TTY (913) 551-6972

For Colorado, Montana, North Dakota, South Dakota, Utah and Wyoming: **DENVER REGIONAL OFFICE** (Complaints\_office\_08@hud.gov) U.S. Department of Housing and Urban Development 1670 Broadway Denver, CO 80202-4801 Telephone (303) 672-5437 or 1-800-877-7353 Fax (303) 672-5026 \* TTY (303) 672-5248

For Arizona, California, Hawaii and Nevada: **SAN FRANCISCO REGIONAL OFFICE** (Complaints\_office\_09@hud.gov) U.S. Department of Housing and Urban Development 600 Harrison Street, Third Floor San Francisco, CA 94107-1387 Telephone 1-800-347-3739 Fax (415) 489-6558 \* TTY (415) 489-6564

For Alaska, Idaho, Oregon and Washington: **SEATTLE REGIONAL OFFICE** (Complaints\_office\_10@hud.gov) U.S. Department of Housing and Urban Development Seattle Federal Office Building 909 First Avenue, Room 205 Seattle, WA 98104-1000 Telephone (206) 220-5170 or 1-800-877-0246 Fax (206) 220-5447 \* TTY (206) 220-5185



If after contacting the local office nearest you, you still have questions – you may contact HUD further at:

U.S. Department of Housing and Urban Development Office of Fair Housing and Equal Opportunity 451 7th Street, S.W., Room 5204 Washington, DC 20410-2000 Telephone 1-800-669-9777 Fax (202) 708-1425 \* TTY 1-800-927-9275 www.hud.gov/fairhousing

#### If You Are Disabled: HUD also provides:

- A TTY phone for the deaf/hard of hearing users (see above list for the nearest HUD office)
- Interpreters, Tapes and Braille materials
- Assistance in reading and completing forms

#### WHAT HAPPENS WHEN YOU FILE A COMPLAINT?

## HUD will notify you in writing when your complaint is accepted for filing under the Fair Housing Act. HUD also will:

- Notify the alleged violator (respondent) of the filing of your complaint, and allow the respondent time to submit a written answer to the complaint.
- Investigate your complaint, and determine whether or not there is reasonable cause to believe that the respondent violated the Fair Housing Act.
- Notify you and the respondent if HUD cannot complete its investigation within 100 days of filing your complaint, and provide reason for the delay.

# **Fair Housing Act Conciliation:** During the complaint investigation, HUD is required to offer you and the respondent the opportunity to voluntarily resolve your complaint with a Conciliation Agreement.

A Conciliation Agreement provides individual relief to you, and protects the public interest by deterring future discrimination by the respondent. Once you and the respondent sign a Conciliation Agreement, and HUD approves the Agreement, HUD will cease investigating your complaint. If you believe that the respondent has violated breached your Conciliation Agreement, you should promptly notify the HUD Office that investigated your complaint. If HUD determines that there is reasonable cause to believe that the respondent violated the Agreement, HUD will ask the U.S. Department of Justice to file suit against the respondent in Federal District Court to enforce the terms of the Agreement. 580

Complaint Referrals to State or Local Public Fair Housing Agencies: If HUD has certified that your State or local public fair housing agency enforces a civil rights law or ordinance that provides rights, remedies and protections that are "substantially equivalent" to the Fair Housing Act, HUD must promptly refer your complaint to that agency for investigation, and must promptly notify you of the referral. The State or local agency will investigate your complaint under the "substantially equivalent" State or local civil rights law or ordinance. The State or local public fair housing agency must start investigating your complaint within 30 days of HUD's referral, or HUD may retrieve ("reactivate") the complaint for investigation under the Fair Housing Act.

#### WHAT HAPPENS IF I'M GOING TO LOSE MY HOUSING THROUGH EVICTION OR SALE?

If you need immediate help to stop or prevent a severe problem caused by a Fair Housing Act violation, HUD may be able to assist you as soon as you file a complaint. HUD may authorize the U.S. Department of Justice to file a Motion in Federal District Court for a Temporary Restraining Order (TRO) against the respondent, followed by a Preliminary Injunction pending the outcome of HUD's investigation. A Federal Judge may grant a TRO or a Preliminary Injunction against a respondent in cases where:



- Irreparable (irreversible) harm or injury to housing rights is likely to occur without HUD's intervention; and
- There is substantial evidence that the respondent has violated the Fair Housing Act.

**Example:** An owner agrees to sell a house, but, after discovering that the buyers are black, pulls the house off the market, then promptly lists it for sale again. The buyers file a discrimination complaint with HUD. HUD may authorize the U.S. Department of Justice to seek an injunction in Federal District Court to prevent the owner from selling the house to anyone else until HUD investigates the complaint.

#### WHAT HAPPENS AFTER A COMPLAINT INVESTIGATION?

- Determination of Reasonable Cause, Charge of Discrimination, and Election: When your complaint investigation is complete, HUD will prepare a Final Investigative Report summarizing the evidence gathered during the investigation. If HUD determines that there is reasonable cause to believe that the respondent(s) discriminated against you, HUD will issue a Determination of Reasonable Cause and a Charge of Discrimination against the respondent(s). You and the respondent(s) have twenty (20) days after receiving notice of the Charge to decide whether to have your case heard by a HUD Administrative Law Judge (ALJ) or to have a civil trial in Federal District Court.
- HUD Administrative Law Judge Hearing: If neither you nor the respondent elects to have a Federal civil trial before the 20-day Election Period expires, HUD will promptly schedule a Hearing for your case before a HUD ALJ. The ALJ Hearing will be conducted in the locality where the discrimination allegedly occurred. During the ALJ Hearing, you and the respondent(s) have the right to appear in person, to be represented by legal counsel, to present evidence, to cross-examine witnesses and to request subpoenas in aid of discovery of evidence. HUD attorneys will represent you during the ALJ Hearing at no cost to you; however, you may also



choose to intervene in the case and retain your own attorney. At the conclusion of the Hearing, the HUD ALJ will issue a Decision based on findings of fact and conclusions of law. If the HUD ALJ concludes that the respondent(s) violated the Fair Housing Act, the respondent(s) can be ordered to:

- Compensate you for actual damages, including out-of-pocket expenses and emotional distress damages
- Provide permanent injunctive relief.
- Provide appropriate equitable relief (for example, make the housing available to you).
- Pay your reasonable attorney's fees.
- Pay a civil penalty to HUD to vindicate the public interest. The maximum civil penalties are: \$16,000, for a first violation of the Act; \$37,500 if a previous violation has occurred within the preceding five-year period; and \$65,000 if two or more previous violations have occurred within the preceding seven-year period.
- **Civil Trial in Federal District Court:** If either you or the respondent elects to have a Federal civil trial for your complaint, HUD must refer your case to the U.S. Department of Justice for enforcement. The U.S. Department of Justice will file a civil lawsuit on your behalf in the U.S. District Court in the district in which the discrimination allegedly occurred. You also may choose to intervene in the case and retain your own attorney. Either you or the respondent may request a jury trial, and you each have the right to appear in person, to be represented by legal counsel, to present evidence, to cross-examine witnesses, and to request subpoenas in aid of discovery of evidence. If the Federal Court decides in your favor, a Judge or jury may order the respondent(s) to:
  - Compensate you for actual damages, including out-of-pocket expenses and emotional distress damages
  - Provide permanent injunctive relief.
  - Provide appropriate equitable relief (for example, make the housing available to you).
  - Pay your reasonable attorney's fees.
  - Pay punitive damages to you.



- Determination of No Reasonable Cause and Dismissal: If HUD finds that there is no reasonable cause to believe that the respondent(s) violated the Act, HUD will dismiss your complaint with a Determination of No Reasonable Cause. HUD will notify you and the respondent(s) of the dismissal by mail, and you may request a copy of the Final Investigative Report.
- Reconsiderations of No Reasonable Cause Determinations: The Fair Housing Act provides no formal appeal process for complaints dismissed by HUD. However, if your complaint is dismissed with a Determination of No Reasonable Cause, you may submit a written request for a reconsideration review to: Director, FHEO Office of Enforcement, U.S. Department of Housing and Urban Development, 451 7th Street, SW, Room 5206, Washington, DC 20410-2000.

#### IN ADDITION

You May File a Private Lawsuit: You may file a private civil lawsuit without first filing a complaint with HUD. You must file your lawsuit within two (2) years of the most recent date of alleged discriminatory action.

> If you do file a complaint with HUD and even if HUD dismisses your complaint, the Fair Housing Act gives you the right to file a private civil lawsuit against the respondent(s) in Federal District Court. The time during which HUD was processing your complaint is not counted in the 2-year filing period. You must file your lawsuit at your own expense; however, if you cannot afford an attorney, the Court may appoint one for you.

> Even if HUD is still processing your complaint, you may file a private civil lawsuit against the respondent, unless (1) you have already signed a HUD Conciliation Agreement to resolve your HUD complaint; or (2) a HUD Administrative Law Judge has commenced an Administrative Hearing for your complaint.



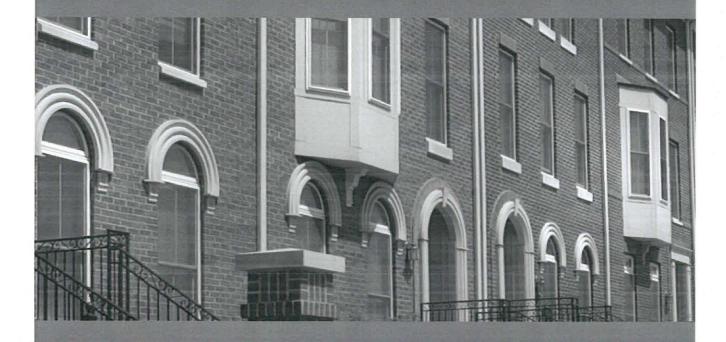
### Other Tools to Combat Housing Discrimination:

- If there is noncompliance with the order of an Administrative Law Judge, HUD may seek temporary relief, enforcement of the order or a restraining order in a United States Court of Appeals.
- The Attorney General may file a suit in Federal District Court if there is reasonable cause to believe a pattern or practice of housing discrimination is occurring.



#### For Further Information

The purpose of this brochure is to summarize your right to fair housing. The Fair Housing Act and HUD's regulations contain more detail and technical information. If you need a copy of the law or regulations, contact the HUD Fair Housing Office nearest you. See the list of HUD Fair Housing Offices on pages 7-10.



#### **CONNECT WITH HUD**



Department of Housing and Urban Development Room 5204 Washington, DC 20410-2000







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Please visit our website: www.hud.gov/fairhousing

HUD-1686-1-FHEO 2011



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT WASHINGTON, DC 20410-0500

#### April 4, 2016

#### Office of General Counsel Guidance on Application of Fair Housing Act Standards to the Use of Criminal Records by Providers of Housing and Real Estate-Related Transactions

#### I. Introduction

The Fair Housing Act (or Act) prohibits discrimination in the sale, rental, or financing of dwellings and in other housing-related activities on the basis of race, color, religion, sex, disability, familial status or national origin.<sup>1</sup> HUD's Office of General Counsel issues this guidance concerning how the Fair Housing Act applies to the use of criminal history by providers or operators of housing and real-estate related transactions. Specifically, this guidance addresses how the discriminatory effects and disparate treatment methods of proof apply in Fair Housing Act cases in which a housing provider justifies an adverse housing action – such as a refusal to rent or renew a lease – based on an individual's criminal history.

#### II. Background

As many as 100 million U.S. adults – or nearly one-third of the population – have a criminal record of some sort.<sup>2</sup> The United States prison population of 2.2 million adults is by far the largest in the world.<sup>3</sup> As of 2012, the United States accounted for only about five percent of the world's population, yet almost one quarter of the world's prisoners were held in American prisons.<sup>4</sup> Since 2004, an average of over 650,000 individuals have been released annually from federal and state prisons,<sup>5</sup> and over 95 percent of current inmates will be released at some point.<sup>6</sup> When individuals are released from prisons and jails, their ability to access safe, secure and affordable housing is critical to their successful reentry to society.<sup>7</sup> Yet many formerly incarcerated individuals, as well as individuals who were convicted but not incarcerated, encounter significant barriers to securing housing, including public and other federally-subsidized housing,

<sup>&</sup>lt;sup>1</sup> 42 U.S.C. § 3601 et seq.

<sup>&</sup>lt;sup>2</sup> Bureau of Justice Statistics, U.S. Dep't of Justice, *Survey of State Criminal History Information Systems*, 2012, 3 (Jan. 2014), *available at <u>https://www.ncjrs.gov/pdffiles1/bjs/grants/244563.pdf</u>.* 

<sup>&</sup>lt;sup>3</sup> Nat'l Acad. Sci., Nat'l Res. Couns., *The Growth of Incarceration in the United States: Exploring Causes and Consequences* 2 (Jeremy Travis, et al. eds., 2014), *available at:* <u>http://www.nap.edu/catalog/18613/the-growth-of-incarceration-in-the-united-states-exploring-causes</u>.

<sup>&</sup>lt;sup>4</sup> Id.

<sup>&</sup>lt;sup>5</sup> E. Ann Carson, Bureau of Justice Statistics, U.S. Dep't of Justice, *Prisoners in 2014* (Sept. 2015) at 29, appendix tbls. 1 and 2, *available at <u>http://www.bjs.gov/index.cfm?ty=pbdetail&iid=5387</u>.* 

<sup>&</sup>lt;sup>6</sup> Bureau of Justice Statistics, U.S. Dep't of Justice, *Reentry Trends in the United States, available at* <u>http://www.bjs.gov/content/pub/pdf/reentry.pdf</u>.

<sup>&</sup>lt;sup>7</sup> See, e.g., S. Metraux, et al. "Incarceration and Homelessness," in *Toward Understanding Homelessness: The 2007* National Symposium on Homelessness Research, #9 (D. Dennis, et al. eds., 2007), available at:

<sup>&</sup>lt;u>https://www.huduser.gov/portal//publications/pdf/p9.pdf</u> (explaining "how the increasing numbers of people leaving carceral institutions face an increased risk for homelessness and, conversely, how persons experiencing homelessness are vulnerable to incarceration.").

because of their criminal history. In some cases, even individuals who were arrested but not convicted face difficulty in securing housing based on their prior arrest.

Across the United States, African Americans and Hispanics are arrested, convicted and incarcerated at rates disproportionate to their share of the general population.<sup>8</sup> Consequently, criminal records-based barriers to housing are likely to have a disproportionate impact on minority home seekers. While having a criminal record is not a protected characteristic under the Fair Housing Act, criminal history-based restrictions on housing opportunities violate the Act if, without justification, their burden falls more often on renters or other housing market participants of one race or national origin over another (i.e., discriminatory effects liability).<sup>9</sup> Additionally, intentional discrimination in violation of the Act occurs if a housing provider treats individuals with comparable criminal history differently because of their race, national origin or other protected characteristic (i.e., disparate treatment liability).

#### III. Discriminatory Effects Liability and Use of Criminal History to Make Housing Decisions

A housing provider violates the Fair Housing Act when the provider's policy or practice has an unjustified discriminatory effect, even when the provider had no intent to discriminate.<sup>10</sup> Under this standard, a facially-neutral policy or practice that has a discriminatory effect violates the Act if it is not supported by a legally sufficient justification. Thus, where a policy or practice that restricts access to housing on the basis of criminal history has a disparate impact on individuals of a particular race, national origin, or other protected class, such policy or practice is unlawful under the Fair Housing Act if it is not necessary to serve a substantial, legitimate, nondiscriminatory interest of the housing provider, or if such interest could be served by another practice that has a less discriminatory effect.<sup>11</sup> Discriminatory effects liability is assessed under a three-step burden-shifting standard requiring a fact-specific analysis.<sup>12</sup>

The following sections discuss the three steps used to analyze claims that a housing provider's use of criminal history to deny housing opportunities results in a discriminatory effect in violation of the Act. As explained in Section IV, below, a different analytical framework is used to evaluate claims of intentional discrimination.

<sup>&</sup>lt;sup>8</sup> See infra nn. 16-20 and accompanying text.

<sup>&</sup>lt;sup>9</sup> The Fair Housing Act prohibits discrimination based on race, color, religion, sex, disability, familial status, and national origin. This memorandum focuses on race and national origin discrimination, although criminal history policies may result in discrimination against other protected classes.
<sup>10</sup> 24 C.F.R. § 100.500; accord Texas Dep't of Hous. & Cmty. Affairs v. Inclusive Cmtys. Project, Inc., U.S. \_\_\_\_,

<sup>&</sup>lt;sup>10</sup> 24 C.F.R. § 100.500; accord Texas Dep't of Hous. & Cmty. Affairs v. Inclusive Cmtys. Project, Inc., \_\_\_\_U.S. \_\_\_\_ 135 S. Ct. 2507 (2015).

<sup>&</sup>lt;sup>11</sup> 24 C.F.R. § 100.500; *see also Inclusive Cmtys. Project*, 135 S. Ct. at 2514-15 (summarizing HUD's Discriminatory Effects Standard in 24 C.F.R. § 100.500); *id.* at 2523 (explaining that housing providers may maintain a policy that causes a disparate impact "if they can prove [the policy] is necessary to achieve a valid interest.").

<sup>&</sup>lt;sup>12</sup> See 24 C.F.R. § 100.500.

#### A. Evaluating Whether the Criminal History Policy or Practice Has a Discriminatory Effect

In the first step of the analysis, a plaintiff (or HUD in an administrative adjudication) must prove that the criminal history policy has a discriminatory effect, that is, that the policy results in a disparate impact on a group of persons because of their race or national origin.<sup>13</sup> This burden is satisfied by presenting evidence proving that the challenged practice actually or predictably results in a disparate impact.

Whether national or local statistical evidence should be used to evaluate a discriminatory effects claim at the first step of the analysis depends on the nature of the claim alleged and the facts of that case. While state or local statistics should be presented where available and appropriate based on a housing provider's market area or other facts particular to a given case, national statistics on racial and ethnic disparities in the criminal justice system may be used where, for example, state or local statistics are not readily available and there is no reason to believe they would differ markedly from the national statistics.<sup>14</sup>

National statistics provide grounds for HUD to investigate complaints challenging criminal history policies.<sup>15</sup> Nationally, racial and ethnic minorities face disproportionately high rates of arrest and incarceration. For example, in 2013, African Americans were arrested at a rate more than double their proportion of the general population.<sup>16</sup> Moreover, in 2014, African Americans comprised approximately 36 percent of the total prison population in the United States, but only about 12 percent of the country's total population.<sup>17</sup> In other words, African Americans were incarcerated at a rate nearly three times their proportion of the general population. Hispanics were similarly incarcerated at a rate disproportionate to their share of the

<sup>&</sup>lt;sup>13</sup> 24 C.F.R. § 100.500(c)(1); *accord Inclusive Cmtys. Project*, 135 S. Ct. at 2522-23. A discriminatory effect can also be proven with evidence that the policy or practice creates, increases, reinforces, or perpetuates segregated housing patterns. *See* 24 C.F.R. § 100.500(a). This guidance addresses only the method for analyzing disparate impact claims, which in HUD's experience are more commonly asserted in this context.

<sup>&</sup>lt;sup>14</sup> Compare Dothard v. Rawlinson, 433 U.S. 321, 330 (1977) ("[R]eliance on general population demographic data was not misplaced where there was no reason to suppose that physical height and weight characteristics of Alabama men and women differ markedly from those of the national population.") with Mountain Side Mobile Estates P 'ship v. Sec'y of Hous. & Urban Dev., 56 F.3d 1243, 1253 (10th Cir. 1995) ("In some cases national statistics may be the appropriate comparable population. However, those cases are the rare exception and this case is not such an exception.") (citation omitted).

<sup>&</sup>lt;sup>15</sup> *Cf. El v. SEPTA*, 418 F. Supp. 2d 659, 668-69 (E.D. Pa. 2005) (finding that plaintiff proved prima facie case of disparate impact under Title VII based on national data from the U.S. Bureau of Justice Statistics and the Statistical Abstract of the U.S., which showed that non-Whites were substantially more likely than Whites to have a conviction), *aff d on other grounds*. 479 F.2d 232 (3d Cir. 2007).

<sup>&</sup>lt;sup>16</sup> See FBI Criminal Justice Information Services Division, Crime in the United States, 2013, tbl.43A, available at <a href="https://www.fbi.gov/about-us/cjis/ucr/crime-in-the-u.s/2013/crime-in-the-u.s.2013/tables/table-43">https://www.fbi.gov/about-us/cjis/ucr/crime-in-the-u.s/2013/crime-in-the-u.s.2013/tables/table-43</a> (Fall 2014) (reporting that African Americans comprised 28.3% of all arrestees in 2013); U.S. Census Bureau, Monthly Postcensal Resident Population by Single Year of Age, Sex, Race and Hispanic Origin: July 1, 2013 to December 1, 2013, available at <a href="http://www.census.gov/popest/data/national/asrh/2014/2014-nat-res.html">http://www.census.gov/popest/data/national/asrh/2013/tables/table-43</a> (Fall 2014) (reporting that African Americans comprised 28.3% of all arrestees in 2013); U.S. Census Bureau, Monthly Postcensal Resident Population by Single Year of Age, Sex, Race and Hispanic Origin: July 1, 2013 to December 1, 2013, available at <a href="http://www.census.gov/popest/data/national/asrh/2014/2014-nat-res.html">http://www.census.gov/popest/data/national/asrh/2014/2014-nat-res.html</a> (reporting data showing that individuals identifying as African American or Black alone made up only 12.4% of the total U.S. population at 2013 year-end).

<sup>&</sup>lt;sup>17</sup> See E. Ann Carson, Bureau of Justice Statistics, U.S. Dep't of Justice, *Prisoners in 2014* (Sept. 2015) at tbl. 10, *available at* <u>http://www.bjs.gov/index.cfm?ty=pbdetail&iid=5387</u>; and U.S. Census Bureau, Monthly Postcensal Resident Population by Single Year of Age, Sex, Race and Hispanic Origin: July 1, 2014 to December 1, 2014, *available at* <u>http://www.census.gov/popest/data/national/asrh/2014/2014-nat-res.html</u>.

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general population, with Hispanic individuals comprising approximately 22 percent of the prison population, but only about 17 percent of the total U.S. population.<sup>18</sup> In contrast, non-Hispanic Whites comprised approximately 62 percent of the total U.S. population but only about 34 percent of the prison population in 2014.<sup>19</sup> Across all age groups, the imprisonment rates for African American males is almost six times greater than for White males, and for Hispanic males, it is over twice that for non-Hispanic White males.<sup>20</sup>

Additional evidence, such as applicant data, tenant files, census demographic data and localized criminal justice data, may be relevant in determining whether local statistics are consistent with national statistics and whether there is reasonable cause to believe that the challenged policy or practice causes a disparate impact. Whether in the context of an investigation or administrative enforcement action by HUD or private litigation, a housing provider may offer evidence to refute the claim that its policy or practice causes a disparate impact on one or more protected classes.

Regardless of the data used, determining whether a policy or practice results in a disparate impact is ultimately a fact-specific and case-specific inquiry.

#### B. <u>Evaluating Whether the Challenged Policy or Practice is Necessary to Achieve a</u> <u>Substantial, Legitimate, Nondiscriminatory Interest</u>

In the second step of the discriminatory effects analysis, the burden shifts to the housing provider to prove that the challenged policy or practice is justified – that is, that it is necessary to achieve a substantial, legitimate, nondiscriminatory interest of the provider.<sup>21</sup> The interest proffered by the housing provider may not be hypothetical or speculative, meaning the housing provider must be able to provide evidence proving both that the housing provider has a substantial, legitimate, nondiscriminatory interest supporting the challenged policy and that the challenged policy actually achieves that interest.<sup>22</sup>

Although the specific interest(s) that underlie a criminal history policy or practice will no doubt vary from case to case, some landlords and property managers have asserted the protection of other residents and their property as the reason for such policies or practices.<sup>23</sup> Ensuring

<sup>&</sup>lt;sup>18</sup> See id.

<sup>&</sup>lt;sup>19</sup> See id.

<sup>&</sup>lt;sup>20</sup> E. Ann Carson, Bureau of Justice Statistics, U.S. Dep't of Justice, *Prisoners in 2014* (Sept. 2015) at table 10, *available at* <u>http://www.bjs.gov/index.cfm?ty=pbdetail&iid=5387</u>.

<sup>&</sup>lt;sup>21</sup> 24 C.F.R. § 100.500(c)(2); see also Inclusive Cmtys. Project, 135 S. Ct. at 2523.

<sup>&</sup>lt;sup>22</sup> See 24 C.F.R. § 100.500(b)(2); see also 78 Fed. Reg. 11460, 11471 (Feb. 15, 2013).

<sup>&</sup>lt;sup>23</sup> See, e.g., Answer to Amended Complaint at 58, *The Fortune Society, Inc. v. Sandcastle Towers Hsg. Dev. Fund Corp.*, No. 1:14-CV-6410 (E.D.N.Y. May 21, 2015), ECF No. 37 ("The use of criminal records searches as part of the overall tenant screening process used at Sand Castle serves valid business and security functions of protecting tenants and the property from former convicted criminals."); *Evans v. UDR, Inc.*, 644 F.Supp.2d 675, 683 (E.D.N.C. 2009) (noting, based on affidavit of property owner, that "[t]he policy [against renting to individuals with criminal histories is] based primarily on the concern that individuals with criminal histories are more likely than others to commit crimes on the property than those without such backgrounds ... [and] is thus based [on] concerns for the safety of other residents of the apartment complex and their property."); *see also* J. Helfgott, *Ex-Offender Needs Versus Community Opportunity in Seattle*, Washington, 61 Fed. Probation 12, 20 (1997) (finding in a survey of 196

resident safety and protecting property are often considered to be among the fundamental responsibilities of a housing provider, and courts may consider such interests to be both substantial and legitimate, assuming they are the actual reasons for the policy or practice.<sup>24</sup> A housing provider must, however, be able to prove through reliable evidence that its policy or practice of making housing decisions based on criminal history actually assists in protecting resident safety and/or property. Bald assertions based on generalizations or stereotypes that any individual with an arrest or conviction record poses a greater risk than any individual without such a record are not sufficient to satisfy this burden.

#### 1. Exclusions Because of Prior Arrest

A housing provider with a policy or practice of excluding individuals because of one or more prior arrests (without any conviction) cannot satisfy its burden of showing that such policy or practice is necessary to achieve a substantial, legitimate, nondiscriminatory interest.<sup>25</sup> As the Supreme Court has recognized, "[t]he mere fact that a man has been arrested has very little, if any, probative value in showing that he has engaged in any misconduct. An arrest shows nothing more than that someone probably suspected the person apprehended of an offense."<sup>26</sup> Because arrest records do not constitute proof of past unlawful conduct and are often incomplete (*e.g.*, by failing to indicate whether the individual was prosecuted, convicted, or acquitted), <sup>27</sup> the fact of an arrest is not a reliable basis upon which to assess the potential risk to resident safety or property posed by a particular individual. For that reason, a housing provider who denies housing to persons on the basis of arrests not resulting in conviction cannot prove that the exclusion actually assists in protecting resident safety and/or property.

landlords in Seattle that of the 43% of landlords that said they were inclined to reject applicants with a criminal history, the primary reason for their inclination was protection and safety of community).

<sup>&</sup>lt;sup>24</sup> As explained in HUD's 2013 Discriminatory Effects Final Rule, a "substantial" interest is a core interest of the organization that has a direct relationship to the function of that organization. The requirement that an interest be "legitimate" means that a housing provider's justification must be genuine and not false or fabricated. See 78 Fed. Reg. at 11470; see also Charleston Hous. Auth. v. U.S. Dep't of Agric., 419 F.3d 729, 742 (8th Cir. 2005) (recognizing that, "in the abstract, a reduction in the concentration of low income housing is a legitimate goal," but concluding "that the Housing Authority had not shown a need for deconcentration in this instance, and in fact, had falsely represented the density [of low income housing] at the location in question in an attempt to do so").
<sup>25</sup> HUD recently clarified that arrest records may not be the basis for denying admission, terminating assistance, or evicting tenants from public and other federally-assisted housing. See Guidance for Public Housing Agencies

<sup>(</sup>PHAs) and Owners of Federally-Assisted Housing on Excluding the Use of Arrest Records in Housing Decisions, HUD PIH Notice 2015-19, (November 2, 2015), available at:

http://portal.hud.gov/hudportal/documents/huddoc?id=PIH2015-19.pdf.

<sup>&</sup>lt;sup>26</sup> Schware v. Bd of Bar Examiners, 353 U.S. 232, 241 (1957); see also United States v. Berry, 553 F.3d 273, 282 (3d Cir. 2009) ("[A] bare arrest record – without more – does not justify an assumption that a defendant has committed other crimes and it therefore cannot support increasing his/her sentence in the absence of adequate proof of criminal activity."); United States v. Zapete-Garcia, 447 F.3d 57, 60 (1st Cir. 2006) ("[A] mere arrest, especially a lone arrest, is not evidence that the person arrested actually committed any criminal conduct.").

<sup>&</sup>lt;sup>27</sup> See, e.g., U.S. Dep't of Justice, *The Attorney General's Report on Criminal History Background Checks* at 3, 17 (June 2006), *available at <u>http://www.bjs.gov/content/pub/pdf/ag\_bgchecks\_report.pdf</u> (reporting that the FBI's Interstate Identification Index system, which is the national system designed to provide automated criminal history record information and "the most comprehensive single source of criminal history information in the United States," is "still missing final disposition information for approximately 50 percent of its records").* 

Analogously, in the employment context, the Equal Employment Opportunity Commission has explained that barring applicants from employment on the basis of arrests not resulting in conviction is not consistent with business necessity under Title VII because the fact of an arrest does not establish that criminal conduct occurred.<sup>28</sup>

#### 2. Exclusions Because of Prior Conviction

In most instances, a record of conviction (as opposed to an arrest) will serve as sufficient evidence to prove that an individual engaged in criminal conduct.<sup>29</sup> But housing providers that apply a policy or practice that excludes persons with prior convictions must still be able to prove that such policy or practice is necessary to achieve a substantial, legitimate, nondiscriminatory interest. A housing provider that imposes a blanket prohibition on any person with any conviction record – no matter when the conviction occurred, what the underlying conduct entailed, or what the convicted person has done since then – will be unable to meet this burden. One federal court of appeals held that such a blanket ban violated Title VII, stating that it "could not conceive of any business necessity that would automatically place every individual convicted of any offense, except a minor traffic offense, in the permanent ranks of the unemployed."<sup>30</sup> Although the defendant-employer in that case had proffered a number of theft and safety-related justifications for the policy, the court rejected such justifications as "not empirically validated."<sup>31</sup>

A housing provider with a more tailored policy or practice that excludes individuals with only certain types of convictions must still prove that its policy is necessary to serve a "substantial, legitimate, nondiscriminatory interest." To do this, a housing provider must show that its policy accurately distinguishes between criminal conduct that indicates a demonstrable risk to resident safety and/or property and criminal conduct that does not.<sup>32</sup>

<sup>&</sup>lt;sup>28</sup> See U.S. Equal Emp't Opportunity Comm'n, EEOC Enforcement Guidance, Number 915.002, 12 (Apr. 25, 2012), available at <u>http://www.eeoc.gov/laws/guidance/arrest\_conviction.cfm</u>; see also Gregory v. Litton Systems, Inc., 316 F. Supp. 401, 403 (C.D. Cal. 1970) (holding that defendant employer's policy of excluding from employment persons with arrests without convictions unlawfully discriminated against African American applicants in violation of Title VII because there "was no evidence to support a claim that persons who have suffered no criminal convictions but have been arrested on a number of occasions can be expected, when employed, to perform less efficiently or less honestly than other employees," such that "information concerning a ... record of arrests without conviction, is irrelevant to [an applicant's] suitability or qualification for employment"), aff'd, 472 F.2d 631 (9th Cir. 1972).

<sup>&</sup>lt;sup>29</sup> There may, however, be evidence of an error in the record, an outdated record, or another reason for not relying on the evidence of a conviction. For example, a database may continue to report a conviction that was later expunged, or may continue to report as a felony an offense that was subsequently downgraded to a misdemeanor. See generally SEARCH, Report of the National Task Force on the Commercial Sale of Criminal Justice Record Information (2005), available at http://www.search.org/files/pdf/RNTFCSCJRI.pdf.

<sup>&</sup>lt;sup>30</sup> Green v. Missouri Pacific R.R., 523 F.2d 1290, 1298 (8th Cir. 1975).

<sup>&</sup>lt;sup>31</sup> Id.

<sup>&</sup>lt;sup>32</sup> Cf. El, 479 F.3d at 245-46 (stating that "Title VII ... require[s] that the [criminal conviction] policy under review accurately distinguish[es] between applicants that pose an unacceptable level or risk and those that do not").

A policy or practice that fails to take into account the nature and severity of an individual's conviction is unlikely to satisfy this standard.<sup>33</sup> Similarly, a policy or practice that does not consider the amount of time that has passed since the criminal conduct occurred is unlikely to satisfy this standard, especially in light of criminological research showing that, over time, the likelihood that a person with a prior criminal record will engage in additional criminal conduct decreases until it approximates the likelihood that a person with no criminal history will commit an offense.<sup>34</sup>

Accordingly, a policy or practice that fails to consider the nature, severity, and recency of criminal conduct is unlikely to be proven necessary to serve a "substantial, legitimate, nondiscriminatory interest" of the provider. The determination of whether any particular criminal history-based restriction on housing satisfies step two of the discriminatory effects standard must be made on a case-by-case basis.<sup>35</sup>

#### C. Evaluating Whether There Is a Less Discriminatory Alternative

The third step of the discriminatory effects analysis is applicable only if a housing provider successfully proves that its criminal history policy or practice is necessary to achieve its substantial, legitimate, nondiscriminatory interest. In the third step, the burden shifts back to the plaintiff or HUD to prove that such interest could be served by another practice that has a less discriminatory effect.<sup>36</sup>

Although the identification of a less discriminatory alternative will depend on the particulars of the criminal history policy or practice under challenge, individualized assessment of relevant mitigating information beyond that contained in an individual's criminal record is likely to have a less discriminatory effect than categorical exclusions that do not take such additional information into account. Relevant individualized evidence might include: the facts or circumstances surrounding the criminal conduct; the age of the individual at the time of the conduct; evidence that the individual has maintained a good tenant history before and/or after the conviction or conduct; and evidence of rehabilitation efforts. By delaying consideration of criminal history until after an individual's financial and other qualifications are verified, a housing provider may be able to minimize any additional costs that such individualized assessment might add to the applicant screening process.

<sup>35</sup> The liability standards and principles discussed throughout this guidance would apply to HUD-assisted housing providers just as they would to any other housing provider covered by the Fair Housing Act. *See* HUD PIH Notice 2015-19 *supra* n. 25. Section 6 of that Notice addresses civil rights requirements.

<sup>&</sup>lt;sup>33</sup> *Cf. Green*, 523 F.2d at 1298 (holding that racially disproportionate denial of employment opportunities based on criminal conduct that "does not significantly bear upon the particular job requirements is an unnecessarily harsh and unjust burden" and violated Title VII).

<sup>&</sup>lt;sup>34</sup> *Cf. El*, 479 F.3d at 247 (noting that plaintiff's Title VII disparate impact claim might have survived summary judgment had plaintiff presented evidence that "there is a time at which a former criminal is no longer any more likely to recidivate than the average person...."); *see also Green*, 523 F.2d at 1298 (permanent exclusion from employment based on any and all offenses violated Title VII); *see* Megan C. Kurlychek et al., *Scarlet Letters and Recidivism: Does an Old Criminal Record Predict Future Offending?*, 5 Criminology and Pub. Pol'y 483 (2006) (reporting that after six or seven years without reoffending, the risk of new offenses by persons with a prior criminal history begins to approximate the risk of new offenses among persons with no criminal record).

<sup>&</sup>lt;sup>36</sup> 24 C.F.R. § 100.500(c)(3); accord Inclusive Cmtys. Project, 135 S. Ct. 2507.

#### D. <u>Statutory Exemption from Fair Housing Act Liability for Exclusion Because of Illegal</u> <u>Manufacture or Distribution of a Controlled Substance</u>

Section 807(b)(4) of the Fair Housing Act provides that the Act does not prohibit "conduct against a person because such person has been convicted ... of the illegal manufacture or distribution of a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)."<sup>37</sup> Accordingly, a housing provider will not be liable under the Act for excluding individuals because they have been convicted of one or more of the specified drug crimes, regardless of any discriminatory effect that may result from such a policy.

*Limitation.* Section 807(b)(4) only applies to disparate impact claims based on the denial of housing due to the person's *conviction* for drug manufacturing or distribution; it does not provide a defense to disparate impact claims alleging that a policy or practice denies housing because of the person's *arrest* for such offenses. Similarly, the exemption is limited to disparate impact claims based on drug *manufacturing or distribution* convictions, and does not provide a defense to disparate impact claims based on other drug-related convictions, such as the denial of housing due to a person's conviction for drug *possession*.

#### IV. Intentional Discrimination and Use of Criminal History

A housing provider may also violate the Fair Housing Act if the housing provider intentionally discriminates in using criminal history information. This occurs when the provider treats an applicant or renter differently because of race, national origin or another protected characteristic. In these cases, the housing provider's use of criminal records or other criminal history information as a pretext for unequal treatment of individuals because of race, national origin or other protected characteristics is no different from the discriminatory application of any other rental or purchase criteria.

For example, intentional discrimination in violation of the Act may be proven based on evidence that a housing provider rejected an Hispanic applicant based on his criminal record, but admitted a non-Hispanic White applicant with a comparable criminal record. Similarly, if a housing provider has a policy of not renting to persons with certain convictions, but makes exceptions to it for Whites but not African Americans, intentional discrimination exists.<sup>38</sup> A disparate treatment violation may also be proven based on evidence that a leasing agent assisted a White applicant seeking to secure approval of his rental application despite his potentially disqualifying criminal record under the housing provider's screening policy, but did not provide such assistance to an African American applicant.<sup>39</sup>

<sup>&</sup>lt;sup>37</sup> 42 U.S.C. § 3607(b)(4).

<sup>&</sup>lt;sup>38</sup> Cf. Sherman Ave. Tenants' Assn. v. District of Columbia, 444 F.3d 673, 683-84 (D.C. Cir. 2006) (upholding plaintiff's disparate treatment claim based on evidence that defendant had not enforced its housing code as aggressively against comparable non-Hispanic neighborhoods as it did in plaintiff's disproportionately Hispanic neighborhood).

<sup>&</sup>lt;sup>39</sup> See, e.g., Muriello, 217 F. 3d at 522 (holding that Plaintiff's allegations that his application for federal housing assistance and the alleged existence of a potentially disqualifying prior criminal record was handled differently than those of two similarly situated white applicants presented a prima facie case that he was discriminated against because of race, in violation of the Fair Housing Act).

Discrimination may also occur before an individual applies for housing. For example, intentional discrimination may be proven based on evidence that, when responding to inquiries from prospective applicants, a property manager told an African American individual that her criminal record would disqualify her from renting an apartment, but did not similarly discourage a White individual with a comparable criminal record from applying.

If overt, direct evidence of discrimination does not exist, the traditional burden-shifting method of establishing intentional discrimination applies to complaints alleging discriminatory intent in the use of criminal history information.<sup>40</sup> First, the evidence must establish a prima facie case of disparate treatment. This may be shown in a refusal to rent case, for example, by evidence that: (1) the plaintiff (or complainant in an administrative enforcement action) is a member of a protected class; (2) the plaintiff or complainant applied for a dwelling from the housing provider; (3) the housing provider rejected the plaintiff or complainant because of his or her criminal history; and (4) the housing provider offered housing to a similarly-situated applicant not of the plaintiff or complainant's protected class, but with a comparable criminal record. It is then the housing provider's burden to offer "evidence of a legitimate, nondiscriminatory reason for the challenged decision must be clear, reasonably specific, and supported by admissible evidence.<sup>42</sup> Purely subjective or arbitrary reasons will not be sufficient to demonstrate a legitimate, nondiscriminatory basis for differential treatment.<sup>43</sup>

While a criminal record can constitute a legitimate, nondiscriminatory reason for a refusal to rent or other adverse action by a housing provider, a plaintiff or HUD may still prevail by showing that the criminal record was not the true reason for the adverse housing decision, and was instead a mere pretext for unlawful discrimination. For example, the fact that a housing provider acted upon comparable criminal history information differently for one or more individuals of a different protected class than the plaintiff or complainant is strong evidence that a housing provider was not considering criminal history information uniformly or did not in fact have a criminal history policy. Or pretext may be shown where a housing provider did not actually know of an applicant's criminal record at the time of the alleged discrimination. Additionally, shifting or inconsistent explanations offered by a housing provider for the denial of an application may also provide evidence of pretext. Ultimately, the evidence that may be offered to show that the plaintiff or complainant's criminal history was merely a pretextual

<sup>&</sup>lt;sup>40</sup> See, generally, McDonnell Douglas Corp. v. Green, 411 U.S. 792 (1973) (articulating the concept of a "prima facie case" of intentional discrimination under Title VII); see, e.g., Allen v. Muriello, 217 F. 3rd 517, 520-22 (7th Cir. 2000) (applying prima facie case analysis to claim under the Fair Housing Act alleging disparate treatment because of race in housing provider's use of criminal records to deny housing).

<sup>&</sup>lt;sup>41</sup> Lindsay v. Yates, 578 F.3d 407, 415 (6th Cir. 2009) (quotations and citations omitted).

<sup>&</sup>lt;sup>42</sup> See, e.g., Robinson v. 12 Lofts Realty, Inc., 610 F.2d 1032, 1039-40 (2d Cir. 1979) ("A prima facie case having been established, a Fair Housing Act claim cannot be defeated by a defendant which relies on merely hypothetical reasons for the plaintiff's rejection.").

<sup>&</sup>lt;sup>43</sup> See, e.g., Muriello, 217 F.3d at 522 (noting that housing provider's "rather dubious explanation for the differing treatment" of African American and White applicants' criminal records "puts the issue of pretext in the lap of a trier of fact"); Soules v. U.S. Dep't of Hous. and Urban Dev., 967 F.2d 817, 822 (2d Cir. 1992) ("In examining the defendant's reason, we view skeptically subjective rationales concerning why he denied housing to members or protected groups [because] 'clever men may easily conceal their [discriminatory] motivations."" (quoting United States v. City of Black Jack, Missouri, 508 F.2d 1179, 1185 (8th Cir. 1974)).

justification for intentional discrimination by the housing provider will depend on the facts of a particular case.

The section 807(b)(4) exemption discussed in Section III.D., above, does not apply to claims of intentional discrimination because by definition, the challenged conduct in intentional discrimination cases is taken because of race, national origin, or another protected characteristic, and not because of the drug conviction. For example, the section 807(b)(4) exemption would not provide a defense to a claim of intentional discrimination where the evidence shows that a housing provider rejects only African American applicants with convictions for distribution of a controlled substance, while admitting White applicants with such convictions.

#### V. Conclusion

The Fair Housing Act prohibits both intentional housing discrimination and housing practices that have an unjustified discriminatory effect because of race, national origin or other protected characteristics. Because of widespread racial and ethnic disparities in the U.S. criminal justice system, criminal history-based restrictions on access to housing are likely disproportionately to burden African Americans and Hispanics. While the Act does not prohibit housing providers from appropriately considering criminal history information when making housing decisions, arbitrary and overbroad criminal history-related bans are likely to lack a legally sufficient justification. Thus, a discriminatory effect resulting from a policy or practice that denies housing to anyone with a prior arrest or any kind of criminal conviction cannot be justified, and therefore such a practice would violate the Fair Housing Act.

Policies that exclude persons based on criminal history must be tailored to serve the housing provider's substantial, legitimate, nondiscriminatory interest and take into consideration such factors as the type of the crime and the length of the time since conviction. Where a policy or practice excludes individuals with only certain types of convictions, a housing provider will still bear the burden of proving that any discriminatory effect caused by such policy or practice is justified. Such a determination must be made on a case-by-case basis.

Selective use of criminal history as a pretext for unequal treatment of individuals based on race, national origin, or other protected characteristics violates the Act.

Helen R. Kanovsky, General Counsel



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## FAIR HOUSING AND RELATED LAWS

Fair housing and related statutes, regulations, and executive orders

Statutes

**Executive Orders** 

Regulations

### Statutes

### **Fair Housing Act**

### 42 U.S.C. \$\$ 3601-19

Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), as amended, prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, because of race, color, religion, sex, familial status, national origin, and disability. It also requires that all federal programs relating to housing and urban development be administered in a manner that affirmatively furthers fair housing.

### Title VI of the Civil Rights Act of 1964

### 42 U.S.C. § 2000d-1

Title VI prohibits discrimination on the basis of race, color, and national origin in programs and activities receiving federal financial assistance.

### Section 504 of the Rehabilitation Act of 1973

### 29 U.S.C. \$ 794

Section 504 prohibits discrimination based on disability in any program or activity receiving federal financial assistance.

### Section 508 of the Rehabilitation Act of 1973

29 U.S.C. § 794d

Section 508 requires federal agencies to ensure that the electronic and information technology they develop, procure, or use allows individuals with disabilities to have ready access to and use of the information and data that is comparable to that of individuals without disabilities.

### Title II of the Americans with Disabilities Act of 1990

### 42 U.S.C. \$\$ 12131 - 12165

Title II of the ADA prohibits discrimination based on disability in programs and activities provided or made available by public entities. HUD enforces Title II with respect to housing-related programs and activities of public entities, including public housing, housing assistance and housing referrals.

### Title III of the Americans with Disabilities Act of 1990

### HUD.gov / U.S. Department of Housing and Urban Development (HUD)

### 42 U.S.C. § 12181 – 12189

Title III of the ADA prohibits discrimination based on disability in the goods, services, facilities, privileges, advantages, and accommodations of places of public accommodations owned, leased, or operated by private entities. The Department of Justice enforces Title III of the ADA, but certain HUD recipients and private entities operating housing and community development programs are covered by Title III of the ADA.

### Architectural Barriers Act of 1968

42 U.S.C. § 4151 et seq.

The Architectural Barriers Act requires that buildings and facilities designed, constructed, altered, or leased with certain federal funds after September 1969 must be accessible to and useable by persons with disabilities.

### Section 109 of Title I of the Housing and Community Development Act of 1974

42 U.S.C. \$ 5309

Section 109 prohibits discrimination on the basis of race, color, national origin, sex, and religion in any program or activity funded in whole or in part under Title I of the Community Development Act of 1974, which includes Community Development Block Grants.

### Title IX of the Education Amendments Act of 1972

### 20 U.S.C. §§ 1681-83, 1685-88

Title IX prohibits discrimination on the basis of sex in any education programs and activities that receive federal financial assistance. HUD enforces Title IX when it relates to housing affiliated with an educational institution.

#### **Violence Against Women Act**

#### 42 U.S.C. § 14043e-11

VAWA provide housing protections for victims of domestic violence, dating violence, sexual assault, and stalking in many of HUD's housing programs. VAWA also requires the establishment of emergency transfer plans for facilitating the emergency relocation of certain tenants who are victims of domestic violence, dating violence, sexual assault, or stalking.

### Age Discrimination Act

42 U.S.C. \$\$ 6101 - 6107

The Age Discrimination Act of 1975 prohibits discrimination on the basis of age in programs and activities receiving federal financial assistance.

### **Executive Orders**

**Executive Order 11063** 

### **Equal Opportunity in Housing**

Executive Order 11063, issued on November 20, 1962, prohibits discrimination in the sale, leasing, rental, or other disposition of properties and facilities owned or operated by the federal government or provided with federal funds.

### Executive Order 12892 | text version

### Leadership and Coordination of Fair Housing in Federal Programs: Affirmatively Furthering Fair Housing

Executive Order 12892, issued on January 17, 1994, requires federal agencies to affirmatively further fair housing in their programs and activities, and provides that the Secretary of HUD will be responsible for coordinating the effort.

### Executive Order 12898 | text version

Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations

## HUD.gov / U.S. Department of Housing and Urban Development (HUD)

189580

Executive Order 12898, issued on February 11, 1994, requires that each federal agency conduct its program, policies, and activities that substantially affect human health or the environment in a manner that does not exclude or otherwise subject persons to discrimination based on race, color, or national origin.

### Executive Order 13166

### Improving Access to Services for Persons With Limited English Proficiency

Executive Order 13166, issued on August 11, 2000, requires each federal agency to take steps to ensure that eligible persons with limited English proficiency are provided meaningful access to all federally-assisted and federally-conducted programs and activities.

### **Executive Order 13217**

### **Community Based Alternatives for Individuals With Disabilities**

Executive Order 13217, issued on June 18, 2001, requires federal agencies to evaluate their policies and programs to determine if any can be revised or modified to improve the availability of community-based living arrangements for persons with disabilities.

### Regulations

### Accessibility Standards for Design, Construction, and Alteration of Publicly Owned Residential Structures

24 C.F.R. part 40

### **Affirmative Fair Housing Marketing**

24 C.F.R. part 108

24 C.F.R. part 110

24 C.F.R. part 200, subpart M

24 C.F.R. § 203.12(b)(3)

### **Affirmatively Furthering Fair Housing**

24 C.F.R. §§ 5.150 - 5.168

#### Certification and Funding of State and Local Fair Housing Enforcement Agencies

24 C.F.R. part 115

**Collection of Data** 

24 C.F.R. part 121

#### **Discriminatory Conduct Under the Fair Housing Act**

24 C.F.R. part 100

#### **Equal Access Rule**

24 C.F.R. § 5.105

24 C.F.R. § 5.106

### Fair Housing Act Complaint Processing

24 C.F.R. part 103

### **Fair Housing Poster**

24 C.F.R. part 110

### **Fair Housing Initiatives Program**

24 C.F.R. part 125

Information and Communication Technology Standards and Guidelines

36 C.F.R. part 1194

Nondiscrimination and Equal Opportunity in Housing Under Executive Order 11063

24 C.F.R. part 107

Nondiscrimination Based on Handicap in Federally-Assisted Programs and Activities of the Department of Housing and Urban Development

24 C.F.R. part 8

Nondiscrimination in Federally-Assisted Programs of the Department of Housing and Urban Development – Effectuation of Title VI of the Civil Rights Act of 1964

24 C.F.R. part 1

Nondiscrimination in Programs and Activities Receiving Assistance under Title I of the Housing and Community Development Act of 1974

24 C.F.R. part 6

Nondiscrimination on the Basis of Age in HUD Programs or Activities Receiving Federal Financial Assistance

24 C.F.R. part 146

Nondiscrimination on the Basis of Disability in State and Local Government Services

28 C.F.R. part 35

Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance

24 C.F.R. part 3

Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking

24 C.F.R. §§ 5.2001 - 5.2011

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**90.295** Applicant screening charge; limitations; notice upon denial of tenancy; refund; remedy. (1) A landlord may require payment of an applicant screening charge solely to cover the costs of obtaining information about an applicant as the landlord processes the application for a rental agreement. This activity is known as screening, and includes but is not limited to checking references and obtaining a consumer credit report or tenant screening report. The landlord must provide the applicant with a receipt for any applicant screening charge.

(2) The amount of any applicant screening charge shall not be greater than the landlord's average actual cost of screening applicants. Actual costs may include the cost of using a tenant screening company or a consumer credit reporting agency, and may include the reasonable value of any time spent by the landlord or the landlord's agents in otherwise obtaining information on applicants. In any case, the applicant screening charge may not be greater than the customary amount charged by tenant screening companies or consumer credit reporting agencies for a comparable level of screening.

(3) A landlord may not require payment of an applicant screening charge unless prior to accepting the payment the landlord:

(a) Adopts written screening or admission criteria;

(b) Gives written notice to the applicant of:

(A) The amount of the applicant screening charge;

(B) The landlord's screening or admission criteria;

(C) The process that the landlord typically will follow in screening the applicant, including whether the landlord uses a tenant screening company, credit reports, public records or criminal records or contacts employers, landlords or other references; and

(D) The applicant's rights to dispute the accuracy of any information provided to the landlord by a screening company or credit reporting agency;

(c) Gives actual notice to the applicant of an estimate, made to the best of the landlord's ability at that time, of the approximate number of rental units of the type, and in the area, sought by the applicant that are, or within a reasonable future time will be, available to rent from that landlord. The estimate shall include the approximate number of applications previously accepted and remaining under consideration for those units. A good faith error by a landlord in making an estimate under this paragraph does not provide grounds for a claim under subsection (8) of this section;

(d) Gives written notice to the applicant of the amount of rent the landlord will charge and the deposits the landlord will require, subject to change in the rent or deposits by agreement of the landlord and the tenant before entering into a rental agreement; and

(e) Gives written notice to the applicant whether the landlord requires tenants to obtain and maintain renter's liability insurance and, if so, the amount of insurance required.

(4) Regardless of whether a landlord requires payment of an applicant screening charge, if a landlord denies an application for a rental agreement by an applicant and that denial is based in whole or in part on a tenant screening company or consumer credit reporting agency report on that applicant, the landlord shall give the applicant actual notice of that fact at the same time that the landlord notifies the applicant of the denial. Unless written notice of the name and address of the screening company or credit reporting

agency has previously been given, the landlord shall promptly give written notice to the applicant of the name and address of the company or agency that provided the report upon which the denial is based.

(5) Except as provided in subsection (4) of this section, a landlord need not disclose the results of an applicant screening or report to an applicant, with respect to information that is not required to be disclosed under the federal Fair Credit Reporting Act. A landlord may give to an applicant a copy of that applicant's consumer report, as defined in the Fair Credit Reporting Act.

(6) Unless the applicant agrees otherwise in writing, a landlord may not require payment of an applicant screening charge when the landlord knows or should know that no rental units are available at that time or will be available within a reasonable future time.

(7) If a landlord requires payment of an applicant screening charge but fills the vacant rental unit before screening the applicant or does not conduct a screening of the applicant for any reason, the landlord must refund the applicant screening charge to the applicant within a reasonable time.

(8) The applicant may recover from the landlord twice the amount of any applicant screening charge paid, plus \$150, if:

(a) The landlord fails to comply with this section and does not within a reasonable time accept the applicant's application for a rental agreement; or

(b) The landlord does not conduct a screening of the applicant for any reason and fails to refund an applicant screening charge to the applicant within a reasonable time. [1993 c.369 §26; 1995 c.559 §10; 1997 c.577 §11; 1999 c.603 §14; 2011 c.42 §2; 2013 c.294 §6]

Carla Properties, Ltd. company policy is to accept 1 application at a time, on any available apartment home.

## Testimony of Michael Feves before the Portland City Council Regarding Proposed Tenant Screening and Security Deposit Ordinances April 4, 2019

Mayor Wheeler, members of the Council, for the record, my name is Michael Feves. My family has provided housing for Portland residents for 100 years. Our buildings are older and we provide housing to mostly lower and middle income people. Many of our residents are first-time renters or are new to the job market. We have some residents who have been with us for over 30 years and are now on fixed incomes.

We strive to keep our rents affordable, but it seems that every action that you take only drives our costs up. It used to be that legal costs were less than 0.1% of gross income. Since you passed the relocation assistance ordinance, we have seen our legal costs quadruple. This does not include the cost for additional management time to document and prepare for a for-cause eviction.

The proposed ordinances before you will drive up management and legal costs even further. I support the goal of making housing more accessible to more people. But I urge you to take a step back, slow this process down, and carefully consider the unforeseen negative impacts that these ordinances may have. Many aspects of the ordinances are unwise and dangereous.

For example, it is likely that the low barrier to entry will ultimately result in more evictions for non-payment of rent. The tenant will then be left with a judicial record that will prevent them from renting housing at all for many years.

Another example concerns the limitation of credit screening to the Head of Household. If the designated Head of Household moves out, the remaining tenants may not be able to pay the rent and they will subject to eviction and a blemish on their rent history.

In some cases the 2x or 2.5 times rent income test makes no sense. For example, under the ordinance as it is currently written, If an applicant has a Section 8 voucher that covers all of the rent, they would not have to show any income. How are they going to pay for food, clothing and utilities?

This is an expensive ordinance. By the City's preliminary estimate it will cost a half a million to implement and upwards of \$400,000 a year to administer. I expect that this ordinance will cost our company upwards of 1% of gross rent.

More importantly, every time you make it more difficult to manage and provide housing in this city, you drive the cost of housing up. In addition, I believe that these ordinances will reduce the housing supply in the long run. They are one more obstacle to development of new housing in the city. Many developers are going elsewhere where restrictions, permit fees and legal costs are less.

I urge you to delay action on this issue. The only thing worse than not taking action is to take the wrong action.

### Moore-Love, Karla

From: Sent: To: Subject: Attachments: Jessie Dhillon <jdhillon@carlaprop.com> Thursday, April 4, 2019 4:48 PM Council Clerk – Testimony FW: Testimony from 4.4.2019 - Jessie Dhillon PDF2961.pdf

### Jessie Dhillon | Vice President

### Carla Properties, LTD

Tel 503.227.6501 x219 Fax 503.227.6525

633 NW 19th Ave Portland, OR 97209

From: Jessie Dhillon

Sent: Thursday, April 04, 2019 4:48 PM

To: 'nick@portlandoregon.gov' <nick@portlandoregon.gov>; 'mayorwheeler@portlandoregon.gov' <mayorwheeler@portlandoregon.gov>; 'Chloe@PortlandOregon.gov' <Chloe@PortlandOregon.gov>; 'Amanda@portlandoregon.gov' <Amanda@portlandoregon.gov>; 'JoAnn@portlandoregon.gov' <JoAnn@portlandoregon.gov>

Cc: 'karla.moore-love@portlandoregon.gov' <karla.moore-love@portlandoregon.gov> Subject: Testimony from 4.4.2019 - Jessie Dhillon

Hi, my name is Jessie Dhillon

I'd like to submit my full testimony (was the 1<sup>st</sup> person on 4.4.2019 but ran out of time).

I am a landlord and I am very concerned about the future of property management and the price of housing in Portland and the surrounding areas.

The proposed Ordinance 30.01.086 is not necessary. Government fulfills the role of doing for the people what they cannot do by themselves. I do not see this mission being fulfilled by the city council with regards to this ordinance. As written, it will lead to higher rental rates in Portland. There is poorly written language that leaves industry professionals like myself, quite frankly, confused.

I'll keep it short, but most of the ordinance requirements already are either federal or state law or are "best practices in the industry".

I'll refer to the Impact Statement prepared by Jamey Duhamel (seen on the City of Portland website). Outcomes:

- 1. Establishes a first come-first server for application processing:
  - a. Already state law, see ORS 90.295:
    - i. (6) Unless the applicant agrees otherwise in writing, a landlord may not require payment of an applicant screening charge when the landlord knows or should know that no rental units are available at that time or will be available within a reasonable future time.
    - ii. (7) If a landlord requires payment of an applicant screening charge but fills the vacant rental unit before screening the applicant or does not conduct a screening of the applicant for any reason, the landlord must refund the applicant screening charge to the applicant within a reasonable time.

2. ()

- 3. Requires preference for applicants with mobility challenges to be matched with units that are ADA compliant.
  - a. This is Steering when you point one applicant to a specific apartment, or location in the community, and is a violation of federal law, (Civil Rights Act 1968, Fair Housing Act . Steering).

- i. Each occurrence of steering is a penalty of \$10,000 per act, enforced by HUD.
- ii. I am not willing to risk a \$10,000 fair housing violation to adhere to the City of Portland's Ordinance, and I will not.
- 4. Allows for many different forms of identification beyond government issued ID.
  - a. This is in direct conflict with the Federal Trade Commission's recommendations, see attached, Fighting ID Theft How to Guide for Business.
    - i. The average apartment home (if burned to the ground) cost around \$100,000 to rebuild.
    - ii. I am not willing to take the risk of \$100,000 to let someone apply with a Microsoft Word Typed document that states he/she is John Smith, or Jayne Doe.
    - iii. It's not worth the risk to my property.
- 5. Lowers the income-to-rent ratio to 2x the current monthly rent.
  - a. Financial advisors and Economists agree, the average person should not spend more than 30% of their disposable income on housing costs.
  - b. Mortgage lenders look at this from a Debt to Income ratio standard. They simply will not make the loan, if the borrower's debt to income ratio typically exceeds 37%.
  - c. This will lead to more evictions, because people enter a housing contract when they cannot afford to pay the rent, and eat, and pay utilities, and their transportation costs, and their childcare/hobbies/entertainment/clothing budgets.
- 6. Allows landlords to choose between a low-barrier threshold criteria or individualized assessments for all barriers including credit, rental, and criminal histories.
  - a. Leaves landlords susceptible to Fair Housing Claims when the "get to know their applicants, then make a decision". See Fair Housing Act.
    - i. Actual discrimination is the not the threshold for a fair housing claim. What matters is how the person perceived the act (either someone in a protected class being approved/denied, when their buddy who is not in a protected class got approved).
    - ii. The system is designed to remove the personal approach because that's what the Federal Fair Housing Act requires. Many landlords offer training to their staff that are along the lines of: We offer housing and application to everyone, for an available apartment home, regardless of how they get into the office, what they look like, smell like, or sound like. Everyone has equal access. And.... Everyone must meet the same rental criteria. The same rental criteria that is vetted by lawyers, lenders, and investors.

iii. See attached example of rental criteria from Tenant Tech/Multifamily NW Forms.

7. Establishes a research based "look back" period for criminal history.

### a. See HUD Letter dated 4-4-2016.

- 8. Establishes a process for disability modification requests.
  - a. Already exists, federal law, Fair Housing Act, industry professionals refer to it as "request for a reasonable modification or accommodation request".
    - i. There is typically an Equal Opportunity Advisor at the corporate level that review each request on a case-by-case basis and make a decision.

### ii. See Fair Housing Act.

- 9. Creates parameters around what can be charged for screening fees and time frame for returning fees if applications are not processed.
  - a. See ORS 90.295, already exists in State Law.

Thank you for taking the time to listen to me and reading this letter. I urge all members of the Portland City Council to Vote NO on 30.01.086 Sincerely,

Jessie Dhillon



## OREGON **RENTAL APPLICATION**

TO BE COMPLETED BY EACH ADULT APPLICANT

ALL UNITS SUBJECT TO AVAILABILITY



NEW MOVE-IN     OCCUPANT TURNING 1     PROPERTY NAME / NUMBER	8 ADD/REMOVE ROOMMATE	TRANSFER
DATE UNIT WANTED UNI		DN-REFUNDABLE SCREENING CHARGE \$
OWNER /AGENT		PHONE
OWNER / AGENT ADDRESS		
SMOKING POLICY: ALLOWED - ENTIRE PREM	AISES PROHIBITED - ENTIRE PREM	IISES ALLOWED IN LIMITED AREAS (ASK MANAGEMENT FOR DETAILS)
APPLICANT FULL LEGAL NAME		EMAIL
PREVIOUS NAMES, ALIASES OR NICKNAMES US	ED	
DATE OF BIRTH SOC. SE	CURITY #	APPLICANT PHONE ()
GOVERNMENT ISSUED PHOTO I.D. TYPE	#	/ STATEEXP. DATE
CURRENT STREET ADDRESS		
CITY STAT	E ZIP	DATE YOU MOVED IN
		LANDLORD PHONE ()
LANDLORD EMAIL		LANDLORD FAX ()
STREET ADDRESS (OR APARTMENT NAME)		A AND CONTRACTOR OF A CONTRACTOR
СІТҮ	STATE	ZIP
APPLICANT FORMER STREET ADDRESS		
CITYSTAT		FROM TO
		LANDLORD PHONE ( )
LANDLORD EMAIL		
STREET ADDRESS (OR APARTMENT NAME)		
		ZIP
OTHER STATES AND COUNTIES YOU HAVE LIVE	D IN DURING THE PAST 5 YEARS	
CURRENT EMPLOYER		PHONE ( )
HR EMAIL		HR FAX ( )
STREET ADDRESS		
СПТҮ		ZIP
POSITION	HOW LONG?	GROSS MONTHLY INCOME \$
		/ SOURCE \$
ARE YOU SELF-EMPLOYED? YES NO		
		PHONE ( )
		HR FAX ()
STREET ADDRESS		
CITY	STATE	ZIPIF ADDITIONAL EMPLOYER,
POSITION	HOW LONG?	GROSS MONTHLY INCOME \$
THE FOLLOWING INFORMATIO	N IS SUBJECT TO CHANGE PRIOF	R TO EXECUTION OF RENTAL AGREEMENT.
HE FOLLOWING ARE MAXIMUM AMOUNTS. THE ACTUAL	SECURITY DEP. MINIMUM \$	IF CHECKED, RENTER'S INSURANCE WILL BE REQUIRED
MOUNT CHARGED WILL DEPEND ON UNIT SIZE. CREENING RESULTS, AND OTHER FACTORS.	SECURITY DEP. MAXIMUM \$	IF
AXIMUM POTENTIAL BENT \$	(DEPENDS ON SCREENING RESULTS AND UN	VIT SIZE)
\$\$	\$	MINIMUM INSURANCE AMOUNT: \$
s	\$	(\$100,000 IF LEFT BLANK) OWNER/AGENT MUST BE LISTED AS AN 'INTERESTED PERSON' ON THE INSURANCE POLICY AND PROOF OF SUCH LISTING PROVIDED
\$		(NO INSURANCE WILL BE REQUIRED IF: A) THE HOUSEHOLD INCOME
\$	\$	OF ALL OF THE TENANTS IN THE UNIT IS EQUAL TO OR LESS THAT SO PERCENT OF THE AREA MEDIAN INCOME, ADJUSTED FOR FAMIL SIZE AS MEASURED UP TO A FIVE-PERSON FAMILY; OR B) IF THI
φ	\$	SIZE AS MEASURED UP TO A FIVE-PERSON FAMILY, OR B) IF THE DWELLING UNIT HAS BEEN SUBSIDIZED WITH PUBLIC FUNDS. NOT

EN 0

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RENTAL APPLICATION • PAGE 2

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## 18958(

## **RENTAL CRITERIA FOR RESIDENCY**

(Applicable only if Owner/Agent does not have custom criteria.)

### OCCUPANCY POLICY

- Occupancy is based on the number of bedrooms in a unit. (A bedroom is defined as a habitable room that is intended to be used primarily for sleeping purposes, contains at least 70 square feet and is configured so as to take the need for a fire exit into account.)
- 2. The general rule is two persons are allowed per bedroom. Owner/ Agent may adopt a more liberal occupancy standard based on factors such as size and configuration of the unit, size and configuration of the bedrooms, and whether any occupants will be infants.

### **GENERAL STATEMENTS**

- Current, positive, government-issued photo identification that allows Owner/Agent to adequately screen for criminal and or credit history will be required.
- Each applicant will be required to qualify individually or as per specific criteria areas.
- Inaccurate, incomplete or falsified information will be grounds for denial of the application.
- Any applicant currently using illegal drugs will be denied. If approved for tenancy and later illegal drug use is confirmed, termination shall result.
- Any individual whose tenancy may constitute a direct threat to the health and safety of any individual, the premises, or the property of others, will be denied tenancy.

#### **INCOME CRITERIA**

 Monthly income must be equal to three times stated rent\*, and must be from a verifiable, legal source. If applicant's monthly income is between two and three times the stated rent, applicant will be required to pay an additional security deposit equal to one month's rent or provide acceptable co-signers. Income below two times the stated rent will result in denial.

"If applicant will be using local, state or federal housing assistance as a source of income, "stated rent" as used in this section means that portion of the rent that will be payable by applicant and excludes any portion of the rent that will be paid through the assistance program.

- Twelve months of verifiable employment will be required if used as a source of income. Less than 12 months verifiable employment will require an additional security deposit or acceptable co-signer.
- Applicants using self-employment income will have their records verified through the state corporation commission, and will be required to submit records to verify their income, which records may include the previous year's tax returns.

### **RENTAL HISTORY CRITERIA**

- Twelve months of verifiable contractual rental history from a current unrelated, third party landlord, or home ownership, is required. Less than twelve months verifiable rental history will require an additional security deposit or acceptable co-signer.
- Three or more notices for nonpayment of rent within one year will result in denial of the application.
- Three or more dishonored checks within one year will result in denial of the application.
- Rental history reflecting any past due and unpaid balances to a landlord will result in denial of the application.
- Rental history including three or more noise disturbances or any other material non-compliance with the rental agreement or rules within the past two years will result in denial.

#### **EVICTION HISTORY CRITERIA**

Five years of eviction-free history is required. Eviction actions that were dismissed or resulted in a judgment for the applicant will not be considered.

#### **CREDIT CRITERIA**

- Negative or adverse debt showing on consumer credit report will require additional security deposits or acceptable co-signers.
- Ten or more unpaid collections (not related to medical expenses) will result in denial of the application.

#### **RENT WELL GRADUATES**

If applicant fails to meet any criteria related to credit, evictions and/or rental history, and applicant has received a certificate indicating satisfactory completion of a tenant training program such as "Rent Well," Owner/Agent will consider whether the course content, instructor comments and any other information supplied by applicant is sufficient to demonstrate that applicant will successfully live in the complex in compliance with the Rental Agreement. Based on this information, Owner/ Agent may waive strict compliance with the credit, eviction and/or rental history screening criteria for this applicant.

#### **CRIMINAL CONVICTION CRITERIA**

Upon receipt of the Rental Application and screening fee, Owner/Agent will conduct a search of public records to determine whether applicant or any proposed resident or occupant has a "Conviction" (which means:

ON SITE

RESIDENT

charges pending as of the date of the application; a conviction; a guilty plea; or no contest plea), for any of the following crimes as provided in ORS 90.303(3): drug-related crime; person crime; sex offense; crime involving financial fraud, including identity theft and forgery; or any other crime if the conduct for which applicant was convicted or is charged is of a nature that would adversely affect property of the landlord or a tenant or the health, safety or right of peaceful enjoyment of the premises of residents, the landlord or the landlord's agent. Owner/Agent will not consider a previous arrest that did not result in a Conviction or expunged records.

If applicant, or any proposed occupant, has a Conviction in their past which would disqualify them under these criminal conviction criteria, and desires to submit additional information to Owner/Agent <u>along with</u> the <u>application</u> so Owner/Agent can engage in an individualized assessment (described below) upon receipt of the results of the public records search and prior to a denial, applicant should do so. Otherwise, applicant may request the review process after denial as set forth below, however, see item (c) under "Criminal Conviction Review Process" below regarding holding the unit.

A single Conviction for any of the following, subject to the results of any review process, shall be grounds for denial of the Rental Application.

- Felonies involving: murder, manslaughter, arson, rape, kidnapping, child sex crimes, or manufacturing or distribution of a controlled substance.
- b) Felonies not listed above involving: drug-related crime; person crime; sex offense; crime involving financial fraud, including identity theft and forgery; or any other crime if the conduct for which applicant was convicted or is charged is of a nature that would adversely affect property of the landlord or a tenant or the health, safety or right of peaceful enjoyment of the premises of the residents, the landlord or the landlord's agent, where the date of disposition has occurred in the last 7 years.
- c) Misdemeanors involving: drug related crimes, person crimes, sex offenses, domestic violence, violation of a restraining order, stalking, weapons, criminal impersonation, possession of burglary tools, financial fraud crimes, where the date of disposition has occurred in the last 5 years.
- d) Misdemeanors not listed above involving: theft, criminal trespass, criminal mischief, property crimes or any other crime if the conduct for which applicant was convicted or is charged is of a nature that would adversely affect property of the landlord or a tenant or the health, safety or right of peaceful enjoyment of the premises of the residents, the landlord or the landlord's agent, where the date of disposition has occurred in the last 3 years.
- e) Conviction of any crime that requires lifetime registration as a sex offender, or for which applicant is currently registered as a sex offender, will result in denial.

#### Criminal Conviction Review Process.

Owner/Agent will engage in an individualized assessment of the applicant's, or other proposed occupant's, Convictions if applicant has satisfied all other criteria (the denial was based solely on one or more Convictions) and:

(1) Applicant has submitted supporting documentation prior to the public records search; or

(2) Applicant is denied based on failure to satisfy these criminal criteria and has submitted a written request along with supporting documentation. Supporting documentation may include:

- i) Letter from parole or probation office;
- ii) Letter from caseworker, therapist, counselor, etc.;
- iii) Certifications of treatments/rehab programs;
- iv) Letter from employer, teacher, etc.
- v) Certification of trainings completed;
- vi) Proof of employment; and
- vii) Statement of the applicant.
- Owner/Agent will:
- (a) Consider relevant individualized evidence of mitigating factors, which may include: the facts or circumstances surrounding the criminal conduct; the age of the convicted person at the time of the conduct; time since the criminal conduct; time since release from incarceration or completion of parole; evidence that the individual has maintained a good tenant history before and/or after the conviction or conduct; and evidence of rehabilitation efforts. Owner/Agent may request additional information and may consider whether there have been multiple Convictions as part of this process.
- (b) Notify applicant of the results of Owner/Agent's review within a reasonable time after receipt of all required information.
- (c) Hold the unit for which the application was received for a reasonable time under all the circumstances to complete the review unless prior to receipt of applicant's written request (if made after denial) the unit was committed to another applicant.

189580

From: Sent: To: Subject: K. M. <serentalspdx@hotmail.com> Thursday, April 4, 2019 4:26 PM Council Clerk – Testimony Proposed screening and sec Deposit

Dear Portland city Council,

I am an individual property owner and property manager.

I am not a large managerment company.

I had to evict an alcoholic and drug addicted tenant four years ago.

He threatened me. I could not get a TRO. As a single parent, it was dangerous.

He and his girlfriend caused \$3800 in damage to just two wrongs—the walls. Another \$1000 (burning or cooking while on drugs?) in the kitchen.

Small claims court and debt collectors never got the payment needed for damages.

Security deposits for 1 month's rent are insufficient? Are you considering assistance to landlords who can prove damage that exceeds security deposits?

Yes, there should be changes to screening for applicants. No one who went to prison for a no. Violent offense and served the time — if it was 5-10 years before should be denied housing if they meet other qualifications.

I agree there should be some modification.

I oppose Chloe Eudalys proposed law as it is written now.

You are not solving the housing Cristofor homelessness with this, just putting unreasonable burdens on landlords and managers.

Sincerely,

Karen

Cupresses LLC

Thank you

### Moore-Love, Karla

From: Sent: To: Subject: Mike Westling <mwestling@gmail.com> Thursday, April 4, 2019 3:42 PM Council Clerk – Testimony Fwd: Testimony in Support of FAIR rental screening policy

------ Forwarded message ------From: Mike Westling <<u>mwestling@gmail.com</u>> Date: Thu, Apr 4, 2019 at 3:38 PM Subject: Testimony in Support of FAIR rental screening policy To: Nick Fish <<u>nick@portlandoregon.gov</u>>, <<u>amanda@portlandoregon.gov</u>>, <<u>mayorwheeler@portlandoregon.gov</u>>, <<u>chloe@portlandoregon.gov</u>>, <<u>JoAnn@portlandoregon.gov</u>>

Dear City Commissioners,

Thank you for the opportunity to testify today in support of the proposed rental screening rules. Below is a written version of my testimony for reference.

Regards,

Mike Westling 503.498.8161

My name is Mike Westling. My wife and I own a single rental property in Portland – it's a triplex in Montavilla. To be accurate, we own 50% of a triplex in Montavilla – my brother-in-law and his wife own the other 50%. If there's a mom and pop landlord in Portland, we're it.

I don't take this investment lightly – this was a huge financial decision for my family and it's something that will hopefully help pay for my kids to go to college if that's what they choose to do. At the same time, I think it's important that we recognize that anyone who is in the position of owning a rental property benefits from serious financial privilege at a time when many in our community are facing serious financial challenges, even when they're working full time.

When we bought our rental property, two of the units were vacant. One of them was in pretty rough shape, so we did a major renovation. We made a large investment in new flooring, carpet, countertops, and appliances. I spent many evenings and weekends there doing work myself.

When the unit was ready, we put it on the market and worked with the first people who submitted an application. It was a couple with two kids who were looking for a larger apartment – our unit has three bedrooms and three bathrooms so it works really well for families or roommates.

When we ran the credit report, we found out that they had very poor credit and a bankruptcy. But, we checked in with their references and we learned that they had always paid rent on time and had been great tenants. And guess what, they've been great tenants!

I'll be really clear: these proposed screening rules are absolutely not a burden – they actually align with how responsible landlords and property managers should be treating applicants anyway.

I also have no problem with the nondiscrimination requirements regarding an applicant's criminal history. My take is that just the fact that someone committed a crime in the past does not mark them as a horrible tenant for the rest of their life. People wonder why so many people in our community are experiencing homelessness and one of the major reasons is that people who have almost any kind of criminal activity in their past cannot find a place to work or a place to live. Now THAT is a real public safety concern.

At the end of the day, I am not going to be selling this property just because I need to consider a wider pool of tenants. Thank you for considering these new rental screening rules. They will increase opportunity and fairness for tenants and they aren't going to be a huge burden for small landlords. Plus, it's the right thing to do.

From:	Jonathan Clay <jonny@multifamilynw.org></jonny@multifamilynw.org>
Sent:	Thursday, April 4, 2019 12:39 PM
То:	Council Clerk – Testimony
Subject:	Testimony from Nicole Baber
Attachments:	2019-04-04 City Council Written Testimony - Nicole Baber.docx

Please see the attached testimony for items #294 & #295 from Nicole Baber.

Thank you,

Jonathan Clay Communications Specialist Pronouns: He / Him / His Multifamily NW The Association Promoting Quality Rental Housing Formerly MMHA P: 503-213-1281 x107 F: 503-213-1288 16083 SW Upper Boones Ferry Road Suite 105 Tigard, OR 97224 jonathan@multifamilynw.org

Keep in mind the Rental Forms Center has quick and easy access to all forms 24 hours a day.

Dear City Council Members -

My name is Nicole Baber and I have been in the multifamily sector of real estate and property management in the NW for over 20 years. During this time, I have experienced, as a landlord and as a resident, the drastic market changes that have taken place, including the recession of 2008 and subsequent bounce back of the housing and rental market. I have also experienced these changes from multiple perspectives – from working in an affordable housing environment for a decade and working in Market Rate housing for the other decade. I believe this gives me a clearer picture of the situation regarding our housing crisis and homelessness issue and I have some thoughts I'd like to share regarding the two proposals that will be discussed at the early April Council meeting. I also was part of a group of landlords that worked together to come up with a compromise to the original screening criteria proposal, in order to help foster positive relationships and be able to provide a reasonable perspective from the landlord, in an adversarial climate. Because of this work, I am very familiar with the screening criteria proposal and its shortcomings.

I believe there are elements to the screening criteria proposal that will help those with barriers get into housing a little easier. However, I also believe there are some items included in this proposal that may also have the unintended effect of putting even more residents at risk of losing their housing due to a simple unforeseen circumstance such as having to take off work for a full week due to the flu. With this instance I am referring to the reduced income requirements from 3x the rent to 2x the rent. If a resident does not have sick time or vacation time available through their employment, a week off work could devastate a household's finances, especially for many who live paycheck to paycheck. My fear is that the reduced income limits will set households up for eviction simply because they fell ill or had to pay for a car repair one month. National standard for what is a reasonable amount of monthly income that should be put towards housing is 30%. By requiring only 2x the rent, there will be far more residents entering into contracts that are beyond their means barring a single life event, leading to a continual struggle to pay for essential items like housing and food and "robbing Peter to pay Paul".

In the affordable sector, I worked at REACH CDC for a decade. While working at REACH, I was able to work with people every day who had barriers to finding housing. The problem is not that landlords are charging too much money for rent (although I would argue that is very true right now), it is that there is a lack of true affordable housing available in this town. I know there have been 100's of shelter beds opened up over the last two years in response to this crisis and lack of affordable housing, this has provided some relief for those who need it. The problem, and I know you are very aware, is that there is nowhere affordable to go from the shelter. This is where the issue lies.

In my experience in a decade of affordable and low- income housing, people who want a place to live, do the work it takes and the research it takes to obtain a place to live. While there are hoops galore to jump through, it is the reality of the system set in place. I don't believe the screening criteria law will enable someone to find a home easier, there will still be voluminous hoops to jump through, even in an affordable housing environment.

When the City enacted and then extended the Housing Emergency status, putting an end to No Cause evictions, our industry AND our residents have felt the effects. It now takes much longer to terminate the tenancy of a "Bad Actor" than before. As landlords, we deal with this situation on an almost daily basis. I understand where the ordinance came from as so many landlords began evicting residents in order to rent their units out for more money. It was a tragic circumstance but was not the practice of many local, large property management companies. In addition, as a landlord, I am also concerned by

this because it has tied our hands as landlords in trying to protect our residents from "Bad actors" who are not following the rules or wreaking havoc at the site.

It wouldn't be a complete email to have my voice heard if I didn't also address the criminal component of the screening criteria. I am sure the Council has received a ton of feedback on this as it affects far more people in a negative way, potentially putting them or their household at risk from the most serious crimes. It is not the responsibility of the landlord or the residents of a property to be put at risk because someone committed crimes in their background. Even with extenuating circumstances and trauma, the decision to commit a crime is still on the individual and the individual should not be able to usurp the group or the innocent. In the affordable housing realm, this especially puts the residents at risk because that population is much more vulnerable due to disability.

In addition to the items mentioned above, I'd like to express that the City of Portland is going to regulate the landlords and apartment owners to the point where it becomes overly expensive to run our businesses because of the additional administrative burden these proposals will have on the staff providing housing but if property owners are not seeing a return on their investment, they will be far less likely to continue to invest in property here, thereby exacerbating the lack of affordable housing available to those who need it.

I know there are people on both sides of the aisle with an argument in favor of or against. I am respectfully asking that you vote no to the Screening Criteria and Security Deposit items on the agenda. At the very least, put it on hold until additional work can be done to help satisfy all sides of the argument. Please vote no as the agenda items are presented in Council this week.

From:	Deborah Olson <queendao2016@gmail.com></queendao2016@gmail.com>
Sent:	Thursday, April 4, 2019 12:33 PM
То:	Council Clerk – Testimony
Cc:	displacement@oregoncat.org
Subject:	Excessive Fees and Stolen protections Needed NOW

Hello PDX Council:

I am in favor of more restrictions to be put on the Land Lords. There are so many Land Lords who think the security deposits are there for their remodeling. I have not gotten back my deposits and I have heard story after story of theft. One lady hired a pro carpet cleaners and the Land Lords still charged her for Carpet cleaning. What theft. They claim she did not notify them that she had the carpets cleaned.

In the south east side I have seen Land Lords rent out apts the day after a tenant has moved out and taken all the former tenants money claiming they had to clean and paint for days.

Time to stop that. I was shocked to hear the story of the 71 yr old man who got into 30% housing, well almost His land lord told housing that he owed 1,200.00 for repairs this cheating Land lord is responsible for fixing his own building on the outside. No his is charging refuges to pay for the repairs. This building was crumbling.

Salem has failed renters the PDX needs to do more thank you. I know a vet who was charged 3 x as much for deposits. SAD and he served our county.

I personally had to move from the midland area because of the slum lords failure to fix her property. And the work that was done was very shoddy, and unsafe to live SE PDX. She owns 62 places.

Ms DA Olson

189580

## Moore-Love, Karla

From:	ep1791 <ep1791@yahoo.com></ep1791@yahoo.com>	
Sent:	Thursday, April 4, 2019 12:00 PM	
То:	Council Clerk – Testimony	
Subject:	Support for FAIR ordinance	

Dear Councilmembers Bowman, Eudaly, Fish, Fritz and Mayor Wheeler:

I am Edward Pischedda, a long-time Portland resident and tenant in the central city. I support the Fair Access In Renting (FAIR) ordinance to be voted on later today and I encourage you to do the same.

It would be easy for me to oppose the ordinance by saying that, as an existing tenant, I don't want to take a chance with having an ex-convict move into my small complex and become my neighbor, but instead I am willing to take such a chance because I am more disturbed by the numerous homeless camps I and anyone else coming in from the airport sees along I-84 - it makes for a very poor first (or any) impression of our city.

I believe many of the people living in these camps are there because, in Portland's highly competetive rental market, they have relatively minor or old problems in their judicial backgrounds, with their rental or credit histories or all of the above that cause their rental housing applications to be denied. Homelessness should not be our response as a community to such people's plights. Instead we need to extend a hand them and help them reintegrate into our community by supporting the ordinance at hand. Unlike the opponents of this ordinance, I believe its advocates' position is backed by solid research.

Housing is too important to the fabric of our community to be left to the profit-maximizing whims of individual landlords and their property-management companies. The Portland community needs fair and consistent rental application standards, and I believe the ordinance at hand is an important step in achieving them and thus helping to end rampant homelessness; accordingly I encourage you to support it.

Best regards, Ed Pischedda

Sent from my Verizon, Samsung Galaxy Tablet

From:	Cynthia McCann <cindy.ann.mccann@gmail.com></cindy.ann.mccann@gmail.com>
Sent:	Thursday, April 4, 2019 11:21 AM
То:	cindy.ann.mccann@gmail.com; Council Clerk – Testimony
Subject:	TODAY Item 294 & 295 TESTIMONY

Dear Portland City Council; Testimony regarding items 294 and 295, April 4, 2019

Items 294 and 295 on today's agenda, concerning tenant screening criteria have come to my attention. Please record this as my testimony, and thank you for your consideration of my comments on this very important topic.

294 Position: I am strongly opposed, primarily for safety and good housing reasons, to limiting the criteria that landlords can use to screen tenant applicants.

Context: I have been a small landlord for about 25 years in Portland. Over that time we have provided homes for a good number of people, some of whom have stayed for 5 years or more, happy in their homes. I think Ms. Eudaly especially, will be interested in knowing that we typically do not raise rents significantly during a tenancy, happy to have the tenants in our homes, and usually cover just increases in property taxes and insurance costs we incur, when we raise rent. And, in accord, our recent rent raises are less than the percentage cap that have been put in place in Portland.

Under what I understand to be proposed as Item 294, potentially, landlords would be restricted or limited in considering criminal histories of applicants in their screening criteria, for both misdemeanors and felonies.

### Position:

Restricting landlords from screening out tenants with criminal histories is bad for the future of housing in Portland. Notwithstanding the bad reputation people like to put on all landlords, we endeavor to do things that are good for our tenants, and good for the house, and our choices impact surrounding neighbors. While we certainly cannot guarantee the character of every tenant that might occupy a rental home, it would feel extremely uncomfortable as a landlord to be prohibited from or further limited in considering criminal histories of tenant applicants, particularly when we are renting out one side of a duplex.

Consider this: the existing tenant in our duplex might be a single woman who's been victim of a sexual predator (sadly, common), or it might be a family with young children. The proposal, if it restricts landlords from considering criminal histories in the context of what they are renting out, is going to chill the interest of small landlords like us to start into or continue in the rental market. Many people have been interested in getting into the landlord tenant market in the last decade. But Landlords selling off their rental homes or choosing not to get into the rental market because they cannot restrict criminals from living in them it's probably not the result you're looking for.

Another subtle matter involves safety of a landlord. If I cannot consider/deny a tenant applicant with a type of criminal history I am not comfortable with and cannot make reasonable decisions with that information in hand, how vulnerable am I as a landlord going into a single family rental home and responding to a tenant's request for repair of an item?

Housing is a concern in Portland. We have been happy to be part of the solution as landlords. However, the chilling effect of this Item 294 is simply too much, and I believe if enacted, it will actually discourage people from being landlords in the rental market, thereby sabotaging the very goal you seek to provide for. More housing.

### Item 295:

I am opposed to restricting the landlord's ability to recover for damage incurred to a rental house being provided by that landlord, caused by tenants occupying that residence. I have not had a chance to discern the full text and implications of Item 295. But if it does impact the landlord's ability to recover for damages to rental homes at the hands of tenants, it will have a chilling effect on the landlord's interest in continuing to be a landlord.

Such a limitation would effectively shift the responsibility from a tenant causing damage, to an owner of the property being damaged. That doesn't make any sense. What makes more sense is to keep people accountable for the damage they cause. And like Item 294, I believe limiting the ability to recover for damage caused by a tenant will actively discourage landlords from being in the rental market, thus sabotaging the very goal do you seek to provide for. More housing.

These comments are the tip of the iceberg. But they're very important in practical application.

Thank you for your attention.

Cindy McCann 503-784-7704 Sent from my iPad

The sea, once it casts its spell, holds one in its net of wonder forever. Jacques Yves Cousteau

From:	Halvor Tweto <htweto@hotmail.com></htweto@hotmail.com>
Sent:	Thursday, April 4, 2019 10:26 AM
То:	Council Clerk – Testimony
Subject:	Security Deposit & Applicant Screening

As a resident of Portland, I am writing to express my deep opposition to proposed changes to Portland security deposit and applicant screening ordinances (30.01.087 and 30.01.088).

The policy changes proposed are ethically and financially outrageous. The burdens that these changes will impose on landlords will encourage good landlords to leave the Portland market for landlord/tenant opportunities that are not encumbered with incredible bureaucracy, financial constraints, and procedural hurdles. Portland will become a haven for landlords who do not care about improving their properties (for SB 608 and these proposals make improvements more financially challenging) and who do not care about the character of their tenants. Neighborhoods will suffer.

How can the City Council mandate that a landlord overlook misdemeanors over three years from sentencing and felonies seven years from sentencing? As a parent of two children, the possibility that the landlord across the street from my home may be forced to rent their property to a person guilty of sexual assault, predatory sexual behavior, or domestic violence is absolutely infuriating. Shame on the authors of these proposals.

Tenant advocacy does have a place in Portland's ordinances, of course, but these proposals are not well thought out; all too often tenant advocates overlook real problems such as wage stagnation and decayed social services for the politically expedient vilification of landlords. It is cheap populist politics at its worst...just as irrational as the zeitgeist on the right.

I encourage you to reject these policy proposals. They are not sound, they are one sided and hastily crafted, they are overcomplicated and onerous, and they will profoundly damage Portland.

Hal Tweto

From:	Kevin Huniu <kevin.huniu@gmail.com></kevin.huniu@gmail.com>
Sent:	Thursday, April 4, 2019 10:07 AM
То:	Moore-Love, Karla
Subject:	Written Testimony Opposing Council Items 294 and 295
Attachments:	Letter In Opposition to Council Items 294 and 295.pdf

The City's email systems have identified this email as potentially suspicious. Please click responsibly and be cautious if asked to provide sensitive information.

Good morning Karla,

Please see the attached written testimony to the mayor and city council regarding my opposition to Council Items 294 and 295 which will be taking public testimony later this afternoon.

Thank you for all the work you do on behalf of the City!

Best,

-K

Kevin Huniu Water Quality Specialist, Project Manager Mobile: 971.317.1545

April 4, 2019

Mayor Ted Wheeler Commissioner Nick Fish Commissioner Amanda Fritz Commissioner Chloe Eudaly Commissioner Jo Ann Hardesty

To the Honorable Mayor and City Council of the City of Portland Oregon,

I am writing to respectfully voice my opposition to Council Items 294 and 295. My partner and I recently had the privilege of purchasing a distressed duplex within the Sunnyside Neighborhood after years of hard work, sacrifice, and saving. This property had been neglected by the previous landlord for 30 years who could only be described as a slum lord. My partner and I am currently in the process of rehabilitating the property with the intent of living in one of the units (which we are currently residing in despite the property's condition) and then renting the other unit once we have finished rehabilitating the property in a way that reflects our values (we are both environmental scientists who wish to reduce the property's impact on the environment; we have hired a non-profit who trains houseless folks in construction skills to provide them with job opportunities). We hope to rent to individuals who not only would treat our property respectfully but to those who share our values in building community (rather than us merely providing a service in which to profit and continuing the property's "slum house" history).

Council Items 294 and 295 put an unreasonable amount of burden upon small property owners like myself who are not in the "business" to become moguls and entered into the rental business because we saw no other way of breaking the high barrier of entry to the Portland property market. The items before you take away a property owner's ability to manage an acceptable level of risk to themselves, their neighbors, and their property by being compelled to accept applicants regardless of their potentially poor criminal and financial backgrounds. To be quite frank, banking institutions are granted more leniency and protections in screening applicant's financial history than these council items afford to small property owners.

If these items were passed I foresee the following potential outcomes, not only for myself but other small operators in which I have spoken to:

- I would have more ability to minimize physical and financial risk to myself and others by utilizing short term rental sites like Airbnb and would consider posting the unit on a short term rental site rather than in the long term rental pool (removing housing inventory and driving prices up);
- I would set the rent high enough to offset any financial/physical risks prior to publicly listing to absorb the additional cost burden that these items pose (which would further drive up rental costs);
- I would sell the property which would potentially allow it to fall into the hands of an investment company whose goals are not to provide community but to profit and are in a position to do so with high powered lawyers and financial resources (similar to what is happening in Seattle).

Any of these options run counterproductive to what the City Council's goals of providing affordable housing to the citizens of Portland. I would beg the council to reconsider Council Items 294 and 295 and work with small operators within the City to incentivize us to provide affordable housing instead of

treating us inequitably by putting the same burden on us as large heartless investment companies. Truly, I would love to work with the City in coming up with innovative ways in which mom and pop operators can help address the housing needs of our community and grow the so called "missing middle" which are the properties most commonly owned by small operators.

Thank you for considering this written testimony. While I would love to provide my comments publicly at City Hall this afternoon, I do not feel it safe due to the rhetoric I have seen on social media regarding these items. I hope that this brief statement is considered as equally as those whose voices will be heard later today.

At your service,

Kevin Huniu City Employee and Public Servant Citizen of Portland Oregon Water Quality Scientist

### Moore-Love, Karla

From:	Lauren Morris <lauren.morris.ashland@gmail.com></lauren.morris.ashland@gmail.com>
Sent:	Thursday, April 4, 2019 9:40 AM
To:	Moore-Love, Karla
Subject:	Proposed Housing/Meeting Today

Hello,

Since we are not able to be there in person for todays public meeting at 2 pm, we want to voice our objections to the idea of an "ordinance that would make it easier for people with criminal records to qualify for housing.

The housing reform package also includes caps on security deposits and relaxed identification requirements".

Why on earth should anyone be FORCED to rent their apartment behind their house, or anywhere for that matter, to anyone that has been convicted of murder, rape, assault, theft, drugs either sold or used, child molester, etc. They are criminals! We are in full support of protecting people that have been discriminated against in cases of color, religion, sexual orientation, etc. BUT NOT CRIMINALS!!!

Michael and Lauren Morris

From: Sent:	noreply@portlandoregon.gov Thursday, April 4, 2019 9:10 AM
To:	Moore-Love, Karla
Subject:	City of Portland TrackIT Submission: Item 1576335 - Your comments to City Council

The following item has been submitted to the TrackIT system

## TrackIT Item: 1576335

Category:	Your comments to City Council
Date Created:	04/04/2019 9:09 AM
Date Received:	04/04/2019
Contact:	Kent B Davis PortlandOnline User 5031 NE 29th Ave Portland, OR 97211 Day: 503-281-6598 kentbdavis@earthlink.net
Contact Type:	Website
Subject:	Other
:	Tenant screening proposal
Attachment:	None Uploaded
Summary:	We are writing to give comments to the City council regarding proposed tenant screening regulations being introduced by Commissioner Eudaly. We have owned and rented a duplex in NE Portland for seven years without a management service, and take pride in providing quality housing and the accompanying property management to our tenants. It takes considerable time and effort to fill a vacancy when someone moves out. We rely on our screening process and follow reasonable guidelines when finding an acceptable applicant. Once entered, each new tenant relationship is one based on mutual trust and a legally binding financial contract, so it is important to get it right!
	The proposed legislation would bring an inherent mistrust to each and every interaction we would have with any future applicant, knowing tha they might have some type of felony conviction which we would have to either ignore, or hire legal counsel to help us define our response. Likewise, being able to require no more than a 2:1 income to rent ratio seems quite unwise, given that the recent ECONorthwest study used this number to define people "on the edge of homelessness". While we understand the need to accommodate lower-income renters, allowing them to apply for a rental out of their price range seems to be a recipe for endless conflict and possible eviction. A growing population of convicted felons, and simply people who do not make enough money to get by, should not mean that landlords can no longer protect their

tenants, their property, and indeed themselves from the very real problems that this legislation seems to ignore. We urge city leaders to reject this proposal as it stands. Thank you for your consideration.

Christine and Kent Davis

## Moore-Love, Karla

From:	Patrick Cashman <pcashman20@gmail.com></pcashman20@gmail.com>
Sent:	Thursday, April 4, 2019 6:49 AM
То:	Moore-Love, Karla
Subject:	Factual error in proposed

Good morning,

I just noticed a factually incorrect statement at item 10 of the proposed ordinance title "Add Evaluation of Applicants for Dwelling Units to include renter protections in the form of screening criteria regulations (Ordinance; amend Code Section30.01 .086)

Item 10 states; " A 2018 audit report from the Fair Housing Council of Oregon found that nearly 1 in 4 prospective renters in the City of Portland face disparate treatment based on their race/color and nation of origin."

The 2018 audit report from the Fair Housing Council does not say this. The "1 in 4" figure refers to that portion of complaints to their hotline of alleged unfair practices in which the complainant alleges race was the motive for the alleged discrimination. Additionally, as the report itself acknowledges, complaints are generated from renters in any phase of the rental process (application, move in, residency, move out, settlement), not just "prospective renters".

Thank you

Patrick Cashman

From:	Laura Hunt <blueskywest@hotmail.com></blueskywest@hotmail.com>	
Sent:	Thursday, April 4, 2019 6:15 AM	
То:	Council Clerk – Testimony	
Subject:	COMMENT: 294/Renter protections in the form of screening criteria regulations	

**TIME CERTAIN: 2:00 PM** – Add Evaluation of Applicants for Dwelling Units to include renter protections in the form of screening criteria regulations (Ordinance introduced by Commissioner Eudaly; add Code Section 30.01.086)

**MY COMMENT:** The renting of rooms in one's house and backyard ADUs are both encouraged by the The City of Portland as a way to increase density These rentals, along with apartments and plex properties, mean that renters, including children, live in very close proximity to complete strangers, vetted only by the landlord. A landlord only knows the rental applicant by what is on the application. If the City restricts information about the applicant's past, how are landlords to make appropriate decisions about who to rent to in these intimate living situations?

Sincerely, Laura Hunt 5611 SE Ash St Portland, OR 97215 503-236-7000

## Moore-Love, Karla

From:	Ron Jeidy <jeidy@soclever.com></jeidy@soclever.com>
Sent:	Wednesday, April 3, 2019 5:54 PM
То:	Council Clerk – Testimony
Subject:	30.01.087 (security deposits) for April 4, 2019

Dear Council Clerk;

RE: 30.01.087 and security deposits,

My experience with security deposits has been a non-issue over 40 years of being a landlord.

I think it would be a waste of time trying to define and update depreciation schedules and create an oversight panel etc. to communicate and monitor this information. There are too many moving parts.

Consider the example of a broken window. I've had \$5.00 window repairs and \$500 window repairs. I think 30.01.087, at least to my understanding, is a feel good exercise that would be maddening to administer in the real world.

I give renters and landlords more credit for being able to advocate for themselves and negotiate disputes.

In short, every regulation/government action is a potential braking mechanism on housing supply so unless an action is a slam dunk, it's a no go for me.

Ron Jeidy

503-422-0838

## Moore-Love, Karla

From:	Jonathan Clay <jonny@multifamilynw.org></jonny@multifamilynw.org>
Sent:	Wednesday, April 3, 2019 3:46 PM
То:	Council Clerk – Testimony
Subject:	Testimony from Deborah Imse, Executive Director Multifamily NW
Attachments:	Deborah_Ime_City_Council_Testimony_4-3-19.pdf

Please see attached testimony from Deborah Imse of Multifamily NW for Agenda Items #294 & #295.

### Thank you,

Jonathan Clay Communications Specialist Pronouns: He / Him / His Multifamily NW The Association Promoting Quality Rental Housing Formerly MMHA P: 503-213-1281 x107 F: 503-213-1281 x107 F: 503-213-1288 16083 SW Upper Boones Ferry Road Suite 105 Tigard, OR 97224 jonathan@multifamilynw.org

Keep in mind the  $\Re$  Rental Forms Center has quick and easy access to all forms 24 hours a day.



April 3, 2019

Mayor Wheeler and Commissioners

My name is Deborah Imse and I am the Executive Director for Multifamily NW. Multifamily NW is a nonprofit trade organization representing individuals, families, and businesses that provide more than 250,000 rental homes throughout Oregon, including more than 30,000 in the City of Portland.

While we share Commissioner Eudaly's desire to reduce barriers to housing, the 11-page proposal today, where we have received more than 25 versions since this process began, is extremely complicated and contains numerous

provisions which are unclear in terms of understanding and implementation.

Although this remains true for all of our members, the greatest impact in terms of cost and implementation will be shouldered by providers of affordable housing. While there were non-profit housing providers that participated in the 'beta' testing, those were largely social service-oriented organizations with dual missions of housing and supportive services. By the nature of their good work, these organizations already have screening criteria similar to, or even less restrictive, than the 'low barrier' screening criteria recommended in Commissioner Eudaly's proposal and as such would not be impacted.

However, a vast number of affordable communities, which house tens or possibly hundreds of thousands of people, do not operate this way and are simply offering affordable housing to residents who would otherwise be priced out of the market. These providers are not currently prepared with the resources that it will take to implement these proposals. Early analysis indicates that, for example, a provider with 600 affordable units will see an increase in screening related costs of \$60,000 a year. These costs will mean cuts in other program areas and a possible reduction in housing stock.

This analysis does not include anyone issuing a Notice of Denial which will need a high level of legal expertise due to the complexity of the proposal, resulting in the need to consult attorneys. These additional resources will have to come from vital areas such as resident services, grounds maintenance, and capital improvements, basically stripping residents of the very things that help them maintain and enjoy their tenancies.

The additional costs associated with the security deposit

EXECUTIVE DIRECTOR Deborah Imse deborah@multifamilynw.org

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recommendations have not yet been determined but will again provide an administrative burden that these affordable communities lack the resources to administer.

I would like to add that these proposals come immediately after the passage of rent control (SB 608) on the state level, and the City's relocation ordinance. Rental providers are struggling just to implement and follow the new rules. If this law is implemented immediately, should it pass, it would put thousands of housing providers, including affordable housing providers, in the position of having to expend more money on legal services because they will not have had the time to modify their forms, policies and procedures and train their staff.

We support the goal of increasing access to rental housing for all Oregonians. However, complicated policies will result in disinvestment of rental properties rather than finding ways to increase supply. Seattle, for example, is now showing a significant softening in rents after substantial increases in rental stock, moving toward making housing more available and affordable for everyone. If we do not have investment in the city to put more units on the market, regulation of housing providers won't solve those issues.

These have been good discussions regarding barriers. We believe that there is certainly more work to do to create a more equitable access to housing. However with the complexity of this proposal, coupled with the many consequences it could create, we implore you to assemble a broader group to work collaboratively to insure that smaller rental providers do not leave the City due to regulation they can't implement and our affordable housing providers are not forced to reduce the vital services that help residents stay in their homes.

#### EXECUTIVE DIRECTOR Deborah Imse deborah@multifamilynw.org

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Jeff Reingold Income Property Management

> Ryan Ridgeway GSL Properties, Inc.

> > Peter Rose Bristol Urban

Leah Sykes GreenspoonMarder LLP

> Sarah Vail Jennings Group

### Moore-Love, Karla

From:	Amy Lestat <amylestat@yahoo.com></amylestat@yahoo.com>
Sent:	Wednesday, April 3, 2019 3:14 PM
То:	Council Clerk – Testimony
Subject:	Please accept my public testimony for new housing proposal

First off I appreciate many of the efforts by you all and I'm not a landlord.

I'm legally disabled and LGBTQ who has occasionally rented room in my home in the past.

While I appreciate many of the housing laws you've passed that protect renters, like the fine for no cause evictions, I feel this proposal goes too far.

I also find the laws so confusing that I've stopped renting space in my home because I don't understand the constantly changing laws and have no interest in renting to people ho may damage my property or who have violent criminal records and post a risk to my safety. Without this additional income, this may leave me displaced or homeless eventually.

As a member of a couple of real protected classes who have been historically marginalized, I resent being lumped in with rapists and murders.

You keep throwing the word discrimination around. All of the things being discussed in the proposal are based on action. Credit history, evictions and especially criminal history does not and should never make someone a member of a protected class. Most landlords are already forgiving of credit history, no cause evictions and minor crimes.

Oregon already has the most sex offenders in the state and this will just attract more of them here. Your propy will cause a much bigger problem for everyone in the community as a whole.

It's is not "fear mongering" for the citizens of Portland to say NO to sex offenders and other violent criminals.

The landlord should be able to assess risk to their property and their community. I should be able to say I don't want to live with an arsonist, murderer, rapist, etc.

It's isn't illegal for a landlord to rent to these populations if they choose to. City council can and should try opening their own homes to murderers and sex offenders at an affordable price before forcing the citizens of Portland to do so. Don't be NIMBY. You go first and set the example.

-Amy Lestat

A citizen of Portland, zip code 97206

Sent from Yahoo Mail on Android

From:	Mark Chasse <markchasse@yahoo.com></markchasse@yahoo.com>
Sent:	Wednesday, April 3, 2019 3:02 PM
То:	Council Clerk – Testimony
Subject:	Written Testimony for Items 294 and 295 for April 4, 2019

Dear Councilors and/or Other Interested Persons:

We have owned residential rentals in Portland for 20 years. We got into the rental business because we like Portland and thought it would be fun taking a rundown property and making it into a nice rental. It has also been the focus of our retirement savings, since we don't trust the stock market. We've had many tenants over the years tell us we are their "best landlords ever," and we strive to have well-maintained, good livable rentals. We've also both volunteered substantially for many local homeless and affordable housing organizations, so we have a great deal of empathy for less advantaged Portlanders. We will try to make this as brief as possible.

Despite the City's apparent driving assumption, being a landlord in Portland is not always as fun and profitable as some seem to assume it is. During the first 12 years we had rentals, rents generally did not increase at all, and often went down between tenants. Our costs increased and more maintenance had to be done, but tenants were not paying more. It usually cost us more to own the rentals than the tenants were paying in rent; when values plummeted after 2008, residential rentals in Portland were very much a losing business. For a few years after that, rents increased quite a bit, which is very well known. Over the past couple of years, which seems less acknowledged by City leadership, several thousand new apartments have been built and/or are under construction. It seems unlikely that Portland has ever had so much housing built in such a short period of time. The increased supply is already affecting the market for our rentals. One rental's rent declined from the prior tenant by over 20% and it took over three months to re-rent it. This is no longer a booming rental market; anyone who is still saying that is not paying attention at all to the reality of today's rental market.

The financial restrictions that have recently been imposed on landlords, at least, have a concise and understandable objective about rent costs. However, as just stated above, it is getting much harder to assert that there is an "emergency" that requires increasing amounts of complicated rules imposed on landlords—large and small. While we are still very small landlords in the scheme of Portland, we are probably more knowledgeable than most. We are a lawyer and an accountant. Even for us, the maze of regulations you have piled on—and are now proposing to add baffling complexity to—is daunting. It also glosses over the fact that there could be such a thing as a bad tenant; in the world of your current regulations, there are only bad landlords. We have discussed how the only time the federal government imposes these types of regulations is when the parties are engaged in highly suspicious activities. Are most Portland landlords that bad that you must treat them like possible criminals? While it might be satisfying to chase down landlords with pitchfork-shaking glee and blame all housing problems on all landlords, at some level, the City must acknowledge that landlords are actually providing some public good in the form of housing. The City itself is obviously not going to provide all of Portland's housing needs. Perhaps it's time to reflect on that and see how the mass of new housing is absorbed into the market, rather than throwing more gasoline on the anti-landlord bonfire?

The regulations you are proposing today, on top of your other recent actions on landlords, will definitely cause us to sell our rentals sooner rather than later—not for more affordable, decent housing to tenants—but more likely, to homeowners. I'm sure we're far from alone. This is a simple fact that you are forcing this to happen. Aside from the financial and regulatory burdens and restrictions, the "evil landlord" caricature that all of these policies seem based on is offensive and ignorant. When you are making fewer people want to be landlords, why would you think there would be more affordable housing? You can do better than this.

Thank you,

Mark Chasse

Becky Chasse

## Moore-Love, Karla

From:	paul niedergang <paul@progresspdx.com></paul@progresspdx.com>
Sent:	Wednesday, April 3, 2019 2:56 PM
То:	Council Clerk – Testimony
Subject:	Resident Application and Security Deposit Ordinance

Mayor Wheeler and City Commissioners -

My wife and I operate a small, family owned Real Estate investment business with a range of different property types (residential, commercial / industrial & mixed use). We have a total of 24 residential rental dwellings of which we manage 14 ourselves with the remainder managed by a professional property management company. We pride ourselves on being extremely service oriented and having great relationships with our tenants. We consider it our mission to provide homes for people and do not rent "units" or have a certain number of "doors" in our portfolio. We structure our rents to cover our costs (including extremely high Water & Sewer costs and Property Taxes), maintain and improve the property and at the end of the day provide a reasonable income for our family.

Our goal is to have great, long term tenants and we always try to keep our rents below market. We understand the impact to people of a \$50 per month rent increase and consider a 10% rent increase to be extraordinarily high. We typically pass along our cost increases with a 3 to 5% annual rent increase being typical. We always maintain some of our places at significantly below market rate and consider it our obligation to provide some "affordable" housing as part of our business operations. We do everything possible to ensure that our tenants will be good neighbors to other tenants in our buildings as well as other properties in the neighborhood.

I am writing to address some concerns that we have about the proposed Resident Application and Security Deposit Ordinance. While the city's intentions are honorable seeking to serve the city's most vulnerable populations with these proposals the complexity of the regulations would make it very difficult for a small property owner to be in compliance. I have read the proposed ordinance and frankly it makes my head spin and many of the requirements raise more questions than answers. Here is a brief rundown of some of our concerns:

<u>C. Applications. Generally</u> - How do we determine which applicant is "first in line" to submit an application? Is it whoever shoves a half complete application into my hand when I arrive at a showing? Are we going to encourage people to line up hours before a showing so they can be first in line? Are we allowed to require that prospective tenants tour the property prior to submitting an application?

**<u>E. Identification</u>** - "Landlord may not reject an application as incomplete due to the lack of a SSN" - how are we to perform credit checks if applicants can withhold their SSN?

**<u>F. Income</u>** - The income guidelines are untenable and will result in mandating that Landlords to rent to Tenants that will not be able to afford the rent. This will result in loss of income and higher costs to evict tenants that do not have the means to pay the agreed upon rent.

**<u>G. Threshold Criteria. - Criminal History</u>** - we are concerned that if we are required to rent to someone that has a serious criminal history it could adversely impact other tenants at our properties. We consider it our obligation to look out for the interests of our tenants and would not want to rent to a sex offender or someone that has a history of felonious criminal activity.

**H. Individualized Assessment** - we tell prospective applicants that we are not looking for "perfect" people but we do require that applicants be forthright and honest with us. If we discover that someone has lied or withheld information that should have been disclosed we decline to rent to them. We already consider our applicants as individuals and treat

them accordingly. We are concerned that some of the requirements in the section are now well considered. If as per # 8 a tenant paid rent on time from January to June and was then late from July to December is it reasonable to require that we rent to them? This seems like a problem waiting to happen.

Security Deposit Ordinance - there are multiple issues with this ordinance:

- Tenant has a week to complete and submit a condition report noting any damage to the unit this is too long and the condition needs to be assessed at time of move in.
- Requires landlords keep security deposits in an account with or without other security deposit funds that are separate from owner's funds this will increase bookkeeping and banking complexity for the small property owner.
- The landlord must provide the bank institution name and account number in writing to the tenant. Interest accrued must be repaid to the tenant when refunded, less a 5% deduction for administrative costs interest rates are so low that the cost of tracking the interest and then paying it to the tenant is more than the interest the tenant will earn.
- Apparently tenants are no longer expected to leave the place clean. This imposes additional work and costs on the landlord and is an unfair burden. Do we now rent the place to a new tenant in "dirty" condition and expect them to clean it before they move in?

I frankly don't have the bandwidth to keep going on this but there are many other issues that need to be addressed. Our main concern is that this proposed ordinance does little to protect small property owners and puts so many new requirements on Landlords that small operators will never be able to keep track of all the regulations and keep in compliance. Its too much; its too complex and it puts more risk on small property owners without really contributing to finding a solution to the affordable housing crisis.

Please don't pass this ordinance as drafted. It needs input from stakeholders and needs to be simplified and rationalized. As much as we need to address the affordable housing issue this is not the solution but will actually contribute to the problem by imposing additional regulatory burdens and costs on small property owners. I believe the end result of this ordinance will be contrary to the desired outcome.

Sincerely,

Paul Niedergang 3558 SE Hawthorne Blvd Portland, OR 97214

### Moore-Love, Karla

From:	Heather Kennedy <fraochhk@hotmail.com></fraochhk@hotmail.com>
Sent:	Wednesday, April 3, 2019 1:45 PM
То:	Council Clerk – Testimony
Subject:	testimony for apt renters/upcoming hearing

Hello,

I'm a Portland native, and have been luckily in my current SE Portland apt tri-plex since 2001, being a good and stable tenant.

Unfortunately, the owners are actively planning to sell this complex, and those of us here see the writing on the wall.

I'm getting sticker shock at seeing the rental costs, not just new places, no matter what town or area of the Portland Metro area.

I would be paying 50-60% of my income to rent. Even worse, I'm seeing online many places that state that they won't even rent to you unless you can prove that the rent would not be more than 40% of your income each month. I won't qualify.

Most places that have "low income rentals" are not taking any more applications (such as Home Forward), and other places have limited complexes you can place your name on the waiting list for, even if your income qualifies.

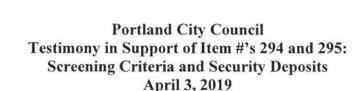
I'm trying not to panic, but even with a 90 day notice, not seeing how I could find a place to live in my home town.

My middle neighbors are elderly and disabled, and on a fixed income. They are worried they will be on the street.

Thank you, Heather Kennedy

Becky Straus T: 503.473.8322 F: 503.295.0676 bstraus@oregonlawcenter.org

522 SW Fifth Avenue, Suite 812 Portland, OR 97204



Mayor Wheeler and Commissioners:

My name is Becky Straus and I am a Staff Attorney with the Oregon Law Center (OLC). OLC is a non-profit law firm whose mission is to achieve justice for low-income communities of Oregon by providing a full range of the highest quality civil legal services. Thank you for the opportunity to testify today in support of these proposals to address inequities in tenant screening practices as well as collection and refund of security deposits. These policy changes would greatly benefit our clients.

The vast majority of our clients have incomes at or below the federal poverty level, and are hardworking people who struggle to provide the necessities for themselves and their families. Helping these families maintain safe, stable housing is a critical part of our work. Without stable housing, it is difficult or impossible to hold down a job, keep children in school, access neighborhood amenities, and stay healthy. As rental vacancy rates have plummeted and housing has become less and less affordable across the state, our clients are struggling to access safe housing at all. An increasing number of our clients experience homelessness, and homeownership is evermore out of reach.

Many barriers contribute to these conditions for our clients, including those that are your focus today. Too often applicants for rental housing are shut out due to screening policies that penalize applicants for issues in their background that bear no rational relationship to their ability to be a good tenant. While facially neutral, these criteria statistically have a disparate impact on communities of color, and on people with disabilities. The criteria perpetuate inequity in housing and undermine fair housing principles.

In regard to security deposits, we have seen move-in requirements of as much as 4 times the rent and countless cases of wrongful withholding of the deposit after move-out. The lack of legal clarity around when a landlord can charge a tenant for damage after move-out enables abuse of current protections, where landlords hold tenants responsible for unaddressed repairs or routine turnover between tenancies. The unfair charges follow tenants, as the outstanding balance can expose them to collections actions or repeated denials for housing. Low-income renters simply cannot compete amidst this landscape.



Oregon Law Center Testimony in Support #'s 294 and 295 April 3, 2019 Page 2

There are things that we can do to address these barriers and improve access to housing for Portland tenants and their families. These policy proposals on screening criteria and security deposits take important steps toward a more equitable housing market.

The screening criteria policy encourages landlords to evaluate tenants in the context of their entire relevant background, including the systemic barriers that historically disadvantage communities of color. Furthermore, the policy acknowledges that currently low-income renters are likely to be severely rent burdened already (paying more than 50% of their income on housing), and it prioritizes their access to housing with a sensible recommendation for adjusting income-rent ratio requirements.

The security deposit policy provides greater clarity to landlords and tenants regarding collection, withholding and return of security deposits.

Both policies will positively impact housing access and stability for our clients and for these reasons we urge your support.

Thank you.

# Moore-Love, Karla

From:	Richard Dickinson <richarddickinson@earthlink.net></richarddickinson@earthlink.net>
Sent:	Wednesday, April 3, 2019 11:53 AM
То:	Wheeler, Mayor; Commissioner Eudaly; Commissioner Fish; Commissioner Fritz;
	Commissioner Hardesty
Cc:	Moore-Love, Karla
Subject:	Letter of concern about Portland's proposed rental rules
Attachments:	Letter of concern about Portland's rental rules.pdf

April 3, 2019

Dear Mayor Wheeler and Commissioners Eudaly, Fish, Fritz, and Hardesty,

This letter is to voice strong concern about the proposed new rules around rental housing, the most egregious of which is the requirement that renters be considered in the order that they submit applications. Washington State ruled this as unconstitutional, and it is our hope that Oregon courts would view this the same way.

My wife and I have owned one rental house for over twenty years, during which we have had a total of four different sets of renters. This is a long-term investment for us; we are able provide this space at rates considerably below the market because we factor in the ability to "care" for the property in whom we choose, ensuring that our original investment is not degraded. Similar to hiring an employee for a job, we are careful to not discriminate against protected classes. Similar to selecting an employee we focus on specific criteria from our applicant pool: the ability and desire to pay rent on time, the ability to keep the property in decent condition, an attitude of civility to the neighbors, and the judgement to know when to call us to have repairs addressed professionally instead of letting long-term damage occur.

To force us to consider applicants on a first-come first-serve basis with a low minimum bar would negate our ability to contract with renters who have the ability to protect our long-term investment. Our society does not mandate that employers hire prospective employees in the order that applications are received, and neither should this be the case with finding renters who will care for our house. This proposed rule may have significant unintended consequences, since one of the only other ways to ensure our return-on-investment is to significantly increase the rent once our current renters leave. Our current renters have been with us for close to ten years, and we hope they stay, since we are happy to provide significantly reduced rental rates in exchange for care for our property and low turnover costs.

Please consider the unintended consequences of the rules you make. While we believe in the intent of what you are attempting to do, applying stringent rules to thoughtful small landlords may backfire. Please remove any stipulations that renters be entertained on a first-come first-served basis.

Sincerely,

Richard Dickinson 13737 SE Ellis Portland, Oregon 97236

# Richard Dickinson 13737 SE Ellis Street, Portland, Oregon 97236 richarddickinson@earthlink.net

### April 3, 2019

Dear Mayor Wheeler and Commissioners Eudaly, Fish, Fritz, and Hardesty,

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Sincerely,

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**Richard Dickinson** 

From:	St
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То:	Co
Subject:	Pu
Attachments:	Co

teven Marks <sgmarkspdx@yahoo.com> Vednesday, April 3, 2019 11:04 AM ouncil Clerk – Testimony ublic Testimony Agenda Item 294 ouncil testimony\_000012.pdf

Dear Council Clerk,

Please include the attached written communication to the public record and, to the extent possible, distribute to all Council members prior to public testimony Thursday at 2pm. I do intend to testify in person and would like the Council to follow along via these written materials.

Thank you.

Steven Marks Portland Historic Properties 503.709.9145 To Commissioner JoAnn Hardesty,

Before you read my comments, I would like you to read the attachment to this letter. It was unsolicited. It is from one of my tenants, who moved away this past summer. It describes me as a landlord and hopefully gives my comments some credibility.

First come first served, as a policy, isn't fair to anyone. One person rides a bike to an open house and gets there ten minutes later than someone else, or someone gets delayed in traffic, and due to nothing more than that, they lose the ability to be considered, on a level playing field, to someone who showed up ten minutes earlier? Wouldn't it be wiser, and more equitable to tell all applicants that their applications will be considered on their merit, without regard to when they arrived in line?

I keep wondering what the upside of this policy might be? When I asked Ms. Duhamel this question in person, she responded by saying it would promote fair access to housing. I would like to know how. The fact is we already have fair access to housing written into federal and local law, with substantial penalties for non-compliance. If you want to create a "protected class" for persons with prior criminal convictions, why not just do that?

The irony is that if this proposal is adopted, the cost of housing in our city will rise, significantly. The administrative burden of writing "individualized assessments" and "notices of denial" which comply with these incredibly confusing rules, each time an applicant is denied housing, and allowing for "supplemental evidence" to be submitted for each denied application, isn't too much removed from a mini-trial for each denied application. To conduct that process might require legal assistance on every application, for fear of being sued for triple damages for failure to comply. The ability to quickly turn over an apartment will be impossible. Long periods of idle housing will result. This bill will create a cottage industry for lawyers on both sides of the process, all at the substantial expense of property owners. All of these economic burdens will be passed along to renters, and the result will be more expensive housing. That hurts everyone.

I provide high quality housing at fair prices to 41 families in our community, and I am not alone. I am telling you, without equivocation or hyperbole, that if this proposal passes, I will sell my buildings and move on. The new landlords will hire a property management company to do what I do now, my tenants will pay more, will get less, will suffer indifferent management, and that will be the ultimate result of this very ill conceived idea.

thread phine

Steven Marks Portland Historic Properties sgmarkspdx@yahoo.com 503.709.9145

On Wed, Jul 4, 2018 at 3:10 PM, Lauren Marallo <lauren.marallo@gmail.com> wrote:

Hi Steven and Dave,

Happy 4th of July! Hope you're out enjoying the day.

I wanted to follow up with you about my email I sent on Sunday. I am really eager for us to connect about me moving out and to finalize any necessary details. If it's easier, could we have a quick phone call about it later this week? I'm looking forward to making this as positive and smooth of a transition as possible.

Thank you, Lauren

On Jul 1, 2018, at 9:56 AM, Lauren Marallo <lauren.marallo@gmail.com > wrote:

Hi Steven & Dave,

I have some bittersweet news to share with you that in August I will be moving out of Tabor Gardens and back to San Diego, CA in order to be near family.

I am sad to leave my home of the past 2 years, but am grateful to have lived in such a wonderful community and to have had such supportive land lords. Thank you so much for being communicative, kind, and taking such good care of our buildings. From the bottom of my heart, living here has been my happiest experience as a renter.

Sarah is intending to stay throughout the remainder of the lease in September, and possibly longer. Sarah will be contacting you about lease extension options in the near future. If I remember correctly from when Tracy moved out, Sarah and I should sort out the security deposit between the two of us, and the \$500 balance will remain in your possession. Based on our conversation and walk through in January, the \$500 balance has not been compromised due to abnormal wear and tear. If you would like to do an additional walk through, please let us know. I want to make this transition as positive as possible for you two, Sarah, and I.

If there's anything you need me to do prior to moving out, please don't hesitate to reach out.

Thank you both again!

-Lauren

Lauren A. Marallo, M.A. 619.252.3319 Lauren.Marallo@gmail.com LinkedIn

# THIS BILL WILL MAKE RENTAL HOUSING MUCH MORE EXPENSIVE:

- 1. Administrative costs will skyrocket;
- 2. Lawyers will make a new cottage industry out of this bill, and legal costs will be passed on to renters;
- 3. **Independent landlords will disappear** and be replaced with property management companies in order to comply, and those very substantial costs will be passed on to renters.

A 2/1 RATIO FOR INCOME (before taxes) TO RENT, IS UNSUSTAINABLE AND WILL RESULT IN FORCED EVICTIONS FOR NON-PAYMENT.

1. This bill also encourages landlords to raise rents, thereby raising the income levels necessary to qualify for tenancy.

THE TENANT SCREENING PROPOSAL IS SO COMPLEX AS TO BE UNWORKABLE.

PRIVATE RENTAL HOUSING IS A BUSINESS, AND NO BUSINESS CAN RUN EFFECTIVELY WITHOUT THE EXERCISE OF JUDGEMENT, YET THIS BILL TAKES AWAY ALL LANDLORD DISCRETION.

- 1. Would you run your office by hiring new staff on a first come, first served basis, so long as they met baseline hiring criteria? Would you really want to be precluded from seeking and considering prior work referrals from past employers?
- 2. Choosing tenants is complex. It requires consideration of a number of factors, including work schedules, to minimize problems between tenants. You can't build a stable community without using judgement.

FAIR HOUSING LAWS ALREADY PROTECT THE VAST MAJORITY OF PEOPLE FROM UNFAIR DISCRIMINATION.

1. The primary beneficiaries of this bill are persons with prior criminal convictions. The Council could make that group a "protected class" under the Fair Housing laws already in effect.

MOST RENTERS DO NOT SUPPORT THIS BILL. SEE LETTERS FROM MY TENANTS AS AN EXAMPLE.

#### Dear Mayor Wheeler,

We are writing to encourage you not to pass Commissioner Eudaly's proposed Screening Criteria Policy. As native Portlanders who have been renting in the city for nearly two decades, we share many of Commissioner Eudaly's concerns about fair housing and discrimination. However, the current proposal is so poorly constructed and would create such a dizzying maze of new regulations and procedures that we worry it would have devastating unintended consequences, which would threaten the wellbeing of the very tenants Eudaly's presumably seeking to help.

The "individualized assessments," "notices of denial," and other requirements imposed by the new Screening Criteria would create several new hurdles for landlords, leading to new and unnecessary costs—both in time and money. This is troublesome for at least two reasons. First, it is just basic economics that these costs would need to be passed on to tenants, raising rents overall. In a city already suffering from a rental crisis, this is, at best, wildly irresponsible and counter to Eudaly's mission of promoting affordable housing to all.

Second, because it will be easier for large property management companies to comply with the new labyrinth of regulations than for small landlords, the market will tilt in favor of the large companies, to the detriment of small landlords. This should be worrying on its own—it is obviously unfair, and counter to Eudaly's goal of sticking up for the little guy—but it will also worsen the environment for renters in Portland. Having rented from large, faceless property management companies in the city before, we know firsthand what would be in store in a market dominated by them: higher rents; unresponsive management; and a demoralizing lack of connection or accountability. That is the future this proposal portends.

We have rented from Steven Marks or Portland Historic Properties for almost six years. In that time, he has proven to be a fair, generous, and considerate landlord who genuinely cares for both his tenants and properties. He has become something like a friend, in a way that would be unthinkable with a larger management company. Casting a vote for the proposed Screening Criteria would be casting a vote against small landlords like him, and against grateful tenants like us. We would, of course, adjust our votes in future Council elections accordingly.

Thank you for your consideration, Robin Barklis and Krista Dorsey Commissioner Chloe Eudaly 1221 S.W. 4th Ave. Suite 210 Portland, Or. 97204

Dear Commissioner Eudaly,

My name is Judi Oliverio. I am writing in regard to the draft Screening Criteria Policy Concept, scheduled for hearing on September 20th. I don't understand why this is necessary.

The Federal Fair Housing Act, already in place, protects against discrimination based on race, color, national origin, gender, religion, familial status and disability. A property owner/landlord may only deny a tenant application due to poor credit, false application information, pets, number of occupants, criminal or eviction history. That pretty much covers it.

If property owners/landlords follow these laws, they should be allowed to decide who will be living on their property. Not only must they follow the laws already in place, they have the sole responsibility and accountability in selecting tenants that will coexist with all other tenants living on their property.

I have lived in my apartment complex since 1993. I have lived next to families, single people, men, women, college students, professionals, young, elderly, white, black, Asian, Latino, European, all good people. In all the years I have lived here, I can not remember a time when there has been a security problem, tenant problem or any problems with tenant guests on the property.

I can attribute this to the tenant screening by our landlords, Steven Marks and David Hilts. I have no idea how they do their screening, however, THEY DO IT RIGHT. I do know the tenants seem to stay here a long time. I believe that is because they feel they are in a clean. comfortable, and most of all, safe neighbor friendly environment. Our landlords look out for us. Our tenants can and do rely on them and on each other. Taking away the ability of landlords to make decisions on who will live and have access to their property is wrong.

I am concerned that you have not considered or that you may not care, about the increased costs of help needed in order to manage the administrative requirements that you are putting on landlords. The time, the notification requirements to everyone, the possible legal issues. Who will end up paying for that? Of course, the tenants. Rent is high enough in Portland. The so called affordable housing being built in Portland is a joke. Higher rent will mean more people on the streets.

I appreciate your time. It is my hope that you will consider my concerns. Thank you.

Sincerely,

Judi Oliverio 2728 S.E. 52nd Ave, Apt. I Portland, Or. 97206 503 233-8901

cc: Mayor Ted Wheeler Commissioner Amanda Fritz Commissioner Dan Saltzman Commissioner Nick Fish Steven Marks David Hilts

#### Dear Ms. Eudaly,

I came across the latest draft of your Screening Criteria Policy Concept, and I wanted to write to ask you to reconsider some of its key tenets. Namely the near-removal of discretion from a landlord's selection process.

I've been a tenant off-and-on for about 16 years now. I've had ups and downs where I could afford to have my own place and where I couldn't, even before the city started pricing many people out of the rental market. And I actually don't have a problem with lowering the income-to-rent ratio. That seems like it could help some people out. But first-come, first-served is way too broad and I truly believe that's going to lead to problems.

As a new father, I especially don't like the idea of landlords not getting to turn away people with sex offenses, stalking, robbery or assault histories if they didn't feel comfortable having them in the building. There are places for these people to live in the city, I'm not sure they need to have the same access as everyone else (and I say this as someone that believes there should be measures taken to reintroduce felons and former criminals into society again, I'm just not into the idea of it happening after a year). For every person trying to do right, there are a lot of people that keep messing up or taking advantage of other people, and I think a blanket policy pretends that everyone is always acting from a place of goodwill. And if something does go wrong, it very well could be the other tenants that have to bear the brunt of it. I would prefer not to expose my family to that without any sort of check in place.

The other issue I have with first-come, first-served is that it actually screws over people who work, who might not be able to make it to see an apartment during their workday. Someone that doesn't have a job might get there first and if the landlord is forced to accept them, the working person loses their fair shot at finding a new place. And while I don't have this issue, consider the people who don't have many resources, are in a violent situation, desperately need to find a new place and really can't leave their work for fear of getting fired. This policy is prejudicial against them.

I believe your heart is in the right place re: tenant's rights, but that doesn't mean that every plan is the right one. I respectfully ask you to reconsider this one and maybe crack down on the out-of-town developers that continue to make unaffordable housing (16,000 open places, right?) with total disregard of what the majority of Portlanders actually need and want. That seems like a much better use of your time and something I, as a tenant, would be very happy to see.

Sincerely, Colin McLaughlin

#### From: jeanette helfrich <jch0795@comcast.net> Subject: Concerns regarding the proposed Screening Criteria Policy Concept Date: September 2, 2018 at 4:24:57 PM PDT

To: chloe@portlandoregon.gov, mayorwheeler@portlandoregon.gov, amanda@portlandoregon.gov, dan@portlandoregon.gov, nick@portlandoregon.gov

Dear Commissioner Eudaly,

I am writing about the draft Screening Criteria Policy Concept hearing scheduled to take place on September 20th.

The Federal Fair Housing Act, that is already in effect protects against discrimination of all kinds. Why do we need an additional policy that does nothing but take away the rights of property owners/landlords?

The increased costs for landlords to comply with this policy will be passed down to tenants.

I feel my landlords Steven Marks and David Hilts do an excellent job in screening new tenants for the complex I live in. I have lived at this location for 49 years. I am very comfortable and feel very safe and I believe it is because they have selected tenants that are a perfect fit for our small community of neighbors. Removing their ability to choose who lives on their property decreases safety and compatibility between neighbors.

I truly feel these additional screening will cause more harm and costs passed on to tenants than you may realize.

Please take my concerns in mind during your decision making process. Thank you.

Sincerely,

Jeanette C. Helfrich

cc: Mayor Ted Wheeler Commissioner Amanda Fritz Commissioner Dan Saltzman Commissioner Nick Fish Steven Marks David Hilts Dear Mayor Wheeler, Commissioner Eudaly, Commissioner Fritz, Commissioner Saltzman, and Commissioner Fish,

My name is Zoey Kambour and my girlfriend, Chloe, and I are very recent tenants of Mr. Steve Marks. She and I are very fresh out of the housing process and we feel that we can give a different insight for opposition to your proposition.

9580

Portland is one of the most difficult cities to find a place to live. We couldn't start even looking at places to live until at the very most, a month, before we could move in. The housing market is run by craigslist, facebook, and other housing websites that only post availability weeks before a move in date. There are no real estate companies for renting, or if there are they are not affordable. The fact that we couldn't even reserve a room at least two months in advance is not only an inconvenience, but also a severe hardship when it comes to finding our next home.

The likelihood that we will be the first one to contact a landlord is nearly impossible. There was not one landlord we met with that hadn't met with at least two other people beforehand. Chloe and I were at the edge of our rope when we found this place and loved it upon first visiting. Someone had committed to the room before we did, but due to the kindness of Mr. Marks, he gave us notice of a room opening up. A huge reason why we committed to moving here was because of Mr. Marks incredible kindness and thoughtfulness.

When I came to visit the room while it was still inhabited by our predecessors, the tenant could not stop gushing about what an incredible landlord Mr. Marks is and how much he cares for all of his tenants. No one cares this much about tenants unless serious thought is put into every selection. He is communicative, efficient, smart, and most importantly, he cares. This is not a man who would discriminate. Going forward with this proposition will drive out incredible landlords like Mr. Marks.

From a non-personal note, I believe that your housing proposal will likely put more people on the streets, because the housing market will have no choice but to rise. Most of the low-income families in this city are people of color, and many people of that community also make up the homeless population now. I believe that this would reflect another attempt to gentrify Portland, and shut out the less wealthy from a city of opportunity. You will be discriminating not only for race, but to the LGBTQAI+ community, who also make up a large portion of the homeless population. Trans people already have a difficult enough time trying to face opposition, and you are giving landlords the opportunity for severe discrimination, instead of giving landlords like Mr. Marks the opportunity to create a community, no matter who it makes up.

Please reconsider this proposition for the sake of landlords like Mr. Marks, and for the less fortunate people of Portland.

Thank you, Zoey Kambour 305-496-7307 zokambour@gmail.com When I first heard about this proposal I was shocked, and then I was angry. In the end I'm really just sad.

I have been fortunate to live in one of the best communities in all of Portland for the past two years. When I first came to see the apartment that I now live in I was shocked to see how many other people had showed up to the open house. I thought to myself that there was probably very little chance of me being chosen to live where I now live. I was new to Portland and was really concerned about finding my place here.

I spoke briefly to the owner of the building who was being bombarded by questions from some 20 or so excited visitors. After looking through the apartment and falling in love with it, I asked for an application and ran off to complete it down the street at a nearby coffee shop. I remember saying to a friend that had accompanied me that, "This is the one".

When I came to return the application that day I found that all the other hopeful visitors had gone. I was able to truly meet Steven Marks. I told him how difficult it had been to find an apartment and that the response that I had received from most managers and owners was one of disinterest. And that disinterest often showed in the condition of the homes on offer as well.

Steven began to open up about the type of company he and his partner were committed running,

One that was based on community and inclusiveness. We spent the next half hour walking around the building and touring the facilities. Steven was very excited to tell me about all of the upgrades that they had made to the building. It was like he was showing off a prized possession, and he was. The thing that was so exciting was how much he wanted to share this place that he cared so much for with the tenants. I was struck that day by how connected he was to the building and its occupants.

As we walked around he would strike up conversations with tenants out gardening or doing laundry. They all interacted like neighbors. This seemed so strange at the time to me that the owner of an apartment building could be looked at by its tenants as a neighbor. But that's what I saw.

I was very fortunate to find a few days later that I had been approved to be the next neighbor at Mt. Tabor Garden Apartments. Since moving into my apartment I have fallen in and out of love, braved the crazy weather, and seen a lot of wonderful people come and go. None of this would have happened if I had not come back that day with my application. Two people were given a chance to try to know each other and we took it. That is the reason that I live here now, Because Steven cared so much about community. The reason for my sadness is that if this process was taken out of his hands I have no idea of where I would be. It truly frightens me. Everyday that I walk out my front door I am reminded that I am one of very few black men living in my southeast Portland neighborhood. When I first got here I sometimes felt like I was an outsider. I never feel that way when I'm at home or around my neighbors. I feel included. I felt at

home here right away. I felt like the people around me cared and that I was in a safe place where I was welcomed and embraced.

I am well aware of the problems that are faced by so many in Portland when it comes to housing. Since 2016 I have volunteered at Portland Homeless Family Solutions. I've spent evenings talking with families about the struggles that they face. I've watched exhausted parents trying to remain strong for their children even when the outlook was grimm. I eat dinner in the shelter, I play children in the shelter, I even do the laundry. I'm not telling you this because I think I'm some type of hero. I'm telling you this because I consider everyone there to be my neighbor as well. I have attached a photo of me from the Portland Homeless Family Solutions instagram account. I'm holding a piece of paper that I was simply asked to fill in the blank space of. What I wrote there in September of 2016 I still firmly believe today. I have made it a priority in helping to find a solution and I will continue to do so.

I am interested in solutions that can work for everyone involved. I hope that I can be a part of that solution in some way. I feel that we are all responsible for the wellbeing of our community.

I am however forced to wonder if the measures that are being proposed here were in place when I was in need of a home, Where would I be?

Daniel Rambo

From:	Victoria Murphy <vmurphy248@hotmail.com></vmurphy248@hotmail.com>
Sent:	Wednesday, April 3, 2019 8:30 AM
To:	Council Clerk – Testimony
Subject:	Decreasing Houses for rent-less affordable housing

The **number of houses for rent** in Portland will **decrease** if these two bills are passed as written.

Most houses (not apartments) are owned by small landlords.

Increasing costs- which these bills will do by increasing risks and limiting deposits- as well as the increases yearly in property taxes- affect small landlords more than larger companies. Many cannot weather these increases.

**High house prices-** it's a very good time for sellers- combined with low or no profit will make many small landlords sell. Many are on the fence, and this will convince them. Once these houses are sold, they will most likely be **owner-occupied**, or torn down and replaced with multi-tenant housing. These effects will be hard, if not impossible, to reverse. These bills are short-sighted.

# Fewer houses will mean less affordable housing.

Fewer houses will mean fewer choices for tenants.

These bills will have the opposite effect than our city is trying for.

Thank you for your time. Victoria Murphy 503-980-8201

## Moore-Love, Karla

From:	Nancy Greiff <negreiff1@gmail.com></negreiff1@gmail.com>
Sent:	Tuesday, April 2, 2019 8:50 PM
То:	Council Clerk – Testimony
Subject:	April 3 City Council agenda items (294 and 295?) on rental regulations

Dear Mayor Wheeler and City Commissioners,

I am writing to urge you to vote against the currently proposed rental regulations, which I have read carefully on the City's web site. The goal to include greater diversity in the Portland rental market is a very worthy one, but there will be many unintended and negative consequences from these new regulations, for both tenants and landlords. Specifically:

(1) Given the new restrictions on income and credit requirements, there will very likely be more evictions due to non-payment of rent, which harms both tenants and landlords;

(2) There will be fewer properties offered by small landlords (1 to 4 units). These tend to be properties that allow renters to live in quiet, residential areas. With fewer small landlords in the picture, there will be increasing domination of the rental market by large corporations; and

(3) Landlords will raise rental prices because of restrictive guidelines for choosing tenants, which landlords will perceive as additional risk and cost. It will take years before landlords know whether such risks and costs will actually occur. In the meantime, perceptions will drive up prices, just when we need them to start coming down.

My husband and I are both 66 years old, retired on a fixed income, and own half of a duplex townhouse that we rent to a lovely couple with two small girls, on a quiet street in Sellwood. We would rather sell the property or let it sit vacant and just appreciate in value, rather than renting to someone whose background is a mystery to us---and who could be a danger to our neighbors or their children.

Furthermore, the new regulations would force us (and all landlords) to rent to someone whose income is only twice the rent. That will surely lead to an increase in non-payments, and then evictions. That is why experts recommend that rent not exceed 30% of income. Not only the non-payment, but the eviction and change of tenants, create additional costs for everyone.

Restricting the use of information from criminal background checks also means less

certainty about safety -- at least in perception. The effect will be to drive up rents in anticipation of more defaults and evictions and damage to persons and property. Many small landlords feel as we do, which will also change the "mix" of rental properties, since larger landlords can weather the additional risk and cost better than small ones. In fact, this effect on prices will likely be even larger with the bigger landlords, who often do not have the time or interest to get to know their tenants and will pass on the perceived risk as higher rent to everyone, no matter who they are. I am especially concerned about the even more stringent restrictions on the use of background checks for anyone who is not "Head of Household." That means we could not know that someone was in prison as recently as 18 months ago! Many landlords, small or large, will feel leery about renting to someone who could harm others in the neighborhood. For example, I could not, in good conscience, put my neighbors' children risk by renting to someone I have not investigated thoroughly. Just as the teachers at their school are thoroughly screened, I want to do my best, as a landlord, to screen my neighborhood's children from harm by making fully-informed choices of tenants, going back at least 3 years for misdemeanors and at least 7 years for felonies for all occupants of my rental unit, regardless of whether the person is listed as "Head of Household" on the lease.

The proposed regulations, as currently laid out, will break more than they will fix.

Thank you for your attention to this matter. Respectfully,

Nancy Greiff

Nancy Greiff, Ph.D. tel. 503-235-3191 (Oregon) or 505-344-7151 (mobile and New Mexico)

# Moore-Love, Karla

From: Sent: To: Subject: Attachments: Janet Newcomb <roofwallfloor@gmail.com> Wednesday, April 3, 2019 1:26 AM Council Clerk – Testimony testimony letter to city council.pdf To the city council,

In red , below, you will find my opinions about the proposed laws. I have 19 rental units in Portland. Upon passage of these laws, I will be disposing of 18 of them. Between outright sales, and condo conversions and sales, they will be removed from the rental pool within 18 months.

If these laws pass, it will end my long run as a landlord. The authorities will have to throw me in jail before I will agree to put a sex offender next to one of the good residents with children. I will NOT jeopardize the lives tenants by putting a murderer just down the hall, or a thief next door. I will be sad to sell this business that I have spent most of my life building. I'm 69 years old and thought that I had a secure retirement. Now, you are ready to take that from me !

I can not run a business where I'm not allowed to know who is living in my units. This is dangerous for the tenants and for me !!!!!! What can you be thinking, not allowing us to screen all tenants over 18. This makes NO sense.

Due to the excessive administrative costs that will be associated with the new laws, and due to legal knowledge that will be required to wade through the quagmire of convoluted and confusing rules, we, the landlords, are all expecting that we will have to increase our rents more than we normally would. Also because we will not have the security we previously had and we will most likely have bigger losses. This is not good for any of us ! Especially the tenants. The administration will be especially onerous for the Mom and Pop owners, such as myself. Upon the passage of these laws, I will immediately notify all my tenants that their rent will be going up the maximum amount allowed as soon as I am able to do so. Normally I only raise my rent about 2 - 2 1/2 %. They also will be notified that I will be disposing of their homes as soon as possible.

#### SCREENING CRITERIA

- \* Applications must be processed on a first-come, first-served basis This will discriminate against people who work during the hours that I hold showings. If I show noon 2, those people will be able to get their applications in first before the people who are able to view the apartment at 6PM. It will discriminate against people without cars and disabled people who may not be able to rush to the apartment at exactly the given time, or to rush to my home after completing their application.
- \* Landlords may only screen heads of household unless the household or a co-applicant has been issued a violation notice in the past year. I will not know what kind of person is going to live in the apartment. The person who is screened may be good, but his roommate may be a felon or a deadbeat with evictions. I would not know until it was too late. Often times, a roommate will move out. If that roommate is the designated "head of household", I would be left with an apartment full of people that I know nothing about. I would not be able to get rid of them if no one gualified.
- \* Landlords must specify an opening date and time when applications will be accepted for a specific unit, and cannot accept applications for that unit outside of the advertised period. Sometimes, a prospective tenant will be a referral from another tenant. This would mean that I would first have to advertise the unit. Convoluted requirement.
- \* The open application period must be posted 72 hours before the start of the application period. I usually put an ad in 24-48 hours ahead of my open houses (where the tenants pick up applications). The tenants fill them out and later drop them at my house. I do not have a secretary who can sit there all day marking which application is first, second, etc. This will cost more money, so the rents will have to be higher to cover it.

- \* Landlords cannot require proof of income greater than twice the amount of rent. 2x for income is not secure for me or for the party moving in. Example: If I have a one bedroom apartment that rents for \$1,100, the tenant only has to make \$2,200 to qualify. It is possible that 3 people may be living in the apartment. In a one bedroom, I now HAVE to accept 2 people plus one ( there are a few circumstances where this is not the case) . Tell me how 3 adults can live for \$2,200 per month and still be able to pay their rent. The 3x rule is more secure for the tenants, than having them move in to a place that they can't afford.
- \* Applicants can not be denied for:
  - Conviction of a crime that is no longer illegal in Oregon

Convictions in the juvenile justice system Should depend on what the charges were. NOT safe for tenants.

Conviction of misdemeanor offenses older than 3 years This includes several categories of sex offenses, property damage, arson, theft, burglary, prostitution, assault, etc. This does NOT protect tenants !!!!!!

Conviction of felony offenses older than 7 years This includes Murder. This does NOT protect tenants !!!!!

Rental history judgement that was entered 3 or more years ago So I will now have to accept someone who was evicted only 3 years ago. Not secure for me.

- \* Landlords cannot deny tenants due to credit scores above 500 or a lack of credit history 500 is a terrible score. These people are generally not responsible. There may be circumstances where I would accept a credit score of 500, but, this is something that I would look at on a case by case basis and may have charged an additional security deposit for. Now I wont be able to do that. NO security for me. This is my retirement money. Now I'm expected to be responsible for tenants bad decisions.
- \* Landlords must consider supplemental evidence submitted by the applicant Meaning?
- \* Applicants must be allowed 30 days from the date a denial is issued to request an appeal and present evidence None of us are sure exactly what this means. Must we supply this person with an apartment if the denial is deemed unlawful ?
- \* Does not allow adequate identification Tenant can use any non-governmental document for verification. Easy to falsify non-governmental documents. Not secure for me or the tenants . We won't really know who it is that's moving in. Again, a sex offender could be moving into an apartment next to a child. It's NOT going to happen on my watch !!!!!!

#### SECURITY DEPOSITS

- \* If the landlord requires last month's rent to be paid as a condition of tenancy, the security deposit cannot be more than one half of a month's rent
- \* If the landlord does not require last month's rent to be paid as a condition of tenancy, the security deposit cannot be more than one month's rent In some cases, if the tenant is borderline on any requirements, I may currently choose to charge a double deposit. This is my ONLY security for an iffy situation.
- \* "Ordinary wear and tear" is defined as deterioration that occurs without deliberate or negligent destruction, damage, or removal of any part of the premises, equipment, or appliances by the tenant, a member of the tenants household, or other persons on the premises with the tenant's consent This section contains a clause stating that a tenant no longer has to clean his apartment upon vacating. It will be considered "normal wear and tear" Dirt is NOT wear and tear. It is DIRT !! You are saying that the tenant can be lazy, not clean, and I have to pick up the slack and do the cleaning ? This will cost me more and I will have to raise the rent higher than I normally would have.
- \* In the event new carpet is needed, the landlord can only take into consideration the cost of the contiguous area where the carpet must be replaced due to damage
- \* Landlords can only charge for repainting if repairing specific damage made to a wall beyond

ordinary wear and tear. Confusing. Would crayons marked on the walls be considered "repairing" a wall ? No one knows exactly what this means.

- \* Movable property is presumed to depreciate at a rate of 3.6% per year over a period of 27 years
- \* Any damage for which a landlord intends to withhold a portion of a tenant"s security deposit must be documented in writing and include proof of depreciated value, such as the original receipts It would be an onerous task to dig back through years of receipts. The calculated cost should be done using CURRENT replacement costs minus the amount of years the item was used.
- \* Landlords must place a tenants security deposits in a separate checking, savings, money market, or client trust account and provide the bank institution name and account number
- \* If the account bears interest, the landlord is required to pay it in full to the tenant, minus a 5% deduction for administrative costs I will be finding a bank account that earns NO interest at all. This would be too much work to gain a couple dollars in interest.

Please reconsider these proposals. If you look at them logically, they are bad for everyone. You will be the cause of higher rents and lost rental units ! Please consider the effect on the tenants as well as the landlords !!!!!

Janet Newcomb

From:	Joy Valine <jvaline461@gmail.com></jvaline461@gmail.com>	
Sent:	Tuesday, April 2, 2019 4:56 PM	
То:	Council Clerk – Testimony	
Subject:	Renter Screening Ordinance	

I urge a "No" vote on the proposed renter screening ordinance.

These proposed measures might not be so bad if the State of Oregon hadn't just passed new rules concerning how a landlord might terminate a tenancy.

The new rules established by the State of Oregon essentially make it nearly impossible for a landlord to terminate a resident's tenancy after the first year of tenancy.

The new rules passed by the State of Oregon are tolerable as a landlord still has a choice in deciding how someone qualifies to live in the landlord's property.

Now the City of Portland is proposing that landlords have little say in setting renter standards so that any chance to balance the new rules made by the State of Oregon are eliminated.

Over my many years of working for a mid-size landlord, the majority of any problems we have had are with those tenants who didn't quite meet our screening criteria for income, credit or rental history but we gave them a chance. Few became long term tenants and many of them we had to evict for non-payment of rent.

Today, even older rental apartments are valued at a minimum of \$100,000 per unit. Would you feel comfortable turning over your property valued at \$100,000 or more to someone who doesn't seem to have the means to pay for it?

Please do not pass the renter screening ordinance, at least not in its' current form.

Joy Valine 2524 SE Lake Rd Apt 11 Milwaukie, OR 97222

### Moore-Love, Karla

From:Lisa Long <lhl@teleport.com>Sent:Tuesday, April 2, 2019 4:49 PMTo:Commissioner FritzCc:Council Clerk – Testimony; Commissioner Fish; Alexander, CupidSubject:Re: question about security deposit proposal

Dear Commissioner Fritz,

Thank you for your reply.

I am begging you not to support this bill.

I cannot attend the hearing. I have to pick my daughters up from school at 2:15 p.m. and at 3:15 p.m and take them to their after school classes.

I hope the other City Council members will recognize how deeply flawed this bill is.

Thank you again for taking the time to respond.

Best,

Lisa Long

On Apr 2, 2019, at 3:52 PM, Commissioner Fritz <<u>amanda@portlandoregon.gov</u>> wrote:

Dear Lisa,

Thank you for your message and thoughtful question. The way I read the proposed Code, you are correct. No exemptions are stated, for example even if a security deposit is returned in full to the Tenant and there is no loss to Tenant, the Landlord is still liable to pay damages if any of the Code provisions were not followed.

Other members of Council may be proposing amendments. While I believe the proposal has so many flaws it cannot be amended to make it equitable, I will of course consider all input at the hearing on Thursday from 2 – 5 p.m. before deciding how I will vote. I hope you can attend and raise this concern. Thank you for your advocacy.

Amanda

Amanda Fritz Commissioner, City of Portland

Pronouns: she/her/hers

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To help me and others be able to breathe, please avoid using artificial fragrances when visiting City facilities

503-823-3008: Traducción e interpretación | Chuyển Ngữ hoặc Phiên Dịch | 翻译或传译 Письменный и устный перевод | 翻訳または通訳 | Traducere sau Interpretare 번역 및 통역 | Письмовий або усний переклад | Turjumida ama Fasiraadda

<image001.jpg>Like our Facebook page

From: Lisa Long <<u>highfiveprop@icloud.com</u>> Sent: Tuesday, April 02, 2019 8:44 AM To: Council Clerk – Testimony <<u>CCTestimony@portlandoregon.gov</u>> Cc: Wheeler, Mayor <<u>MayorWheeler@portlandoregon.gov</u>>; Commissioner Fritz <<u>amanda@portlandoregon.gov</u>>; Commissioner Fish <<u>nick@portlandoregon.gov</u>> Subject: question about security deposit proposal

Please make this part of the public testimony.

Following up on my earlier testimony asserting that the security deposit proposal is conceived primarily to punish landlords, I have an additional inquiry.

Please clarify the if the landlord fails conduct a walk through within 1 week of notice to vacate (D2) or fails to deliver a rent log within 5 business days, (section DF) or fails to deliver a notice of rights concerning security deposits or fails to comply with any of the administrative demands of this proposal

BUT the landlord returns the full security deposit to the tenant within 30 days of the tenant vacating,

Will penalties still be levied against the landlord even though the Tenant has suffered no loss, has no damages, has been made whole in the return of their security deposit?

If the landlord is made to pay the exorbitant penalties to the tenant as listed in DG when there has been NO LOSS suffered by the tenant then this proposal is clearly designed to levy unfair penalties and fees on a landlord without reason or cause.

This a deeply flawed and unethical proposal and should be immediately dismissed.

Sincerely,

Lisa Long

From: Sent: To: Subject: FRANK F FLECK <fjfleck@comcast.net> Tuesday, April 2, 2019 12:57 PM Council Clerk – Testimony Renter Screening Ordinance

Please vote against the Renter Screening Ordinance. It is an unnecessary threat to good renters, to landlords and to the rental housing business. It will cause many owners to get out of the business which will cause an increase shortage of rental housing. Mulitfamily NW is happy to work with the city to solve real problems and to increase housing availability. Please vote against this Rental Screening Ordinance. Thank you.

Sincerely,

Frank Fleck

From:	Ron Jeidy <jeidy@soclever.com></jeidy@soclever.com>
Sent:	Tuesday, April 2, 2019 11:53 AM
To:	Council Clerk – Testimony
Subject:	Code Section 30.01.086 for items 294 and 295

Dear Council Clerk,

RE: 30.01.086 and the housing problem hearing for April 3, 4, 2019

As a small landlord, I hope you avoid decisions that diminish habitability for my tenants, both future and present. My experience with tenants who were marginally qualified has led me to believe I am better to leave spaces empty than put up with a laundry list of excuses and problems.

I propose more efforts for job training, encouraging manufacturing companies (for jobs) and mentoring programs. Targeting all landlords for housing solutions has a negative effect on housing supply. Forcing landlords to accept a bandaid approach that doesn't get at the root problem creates distrust and undermines credibility of decision makers.

Personally, I want my apartments to be places that I would feel comfortable renting to my daughters. More housing codes and another layer of bureaucracy is not the answer.

Ron Jeidy

From:	SpringcreekOps <springcreekops@imagesproperties.com></springcreekops@imagesproperties.com>
Sent:	Tuesday, April 2, 2019 11:51 AM
То:	Council Clerk – Testimony
Subject:	Letter to You RE: Upcoming Public Hearing - New Tenant Screening & Deposit Regulations
Attachments:	Letter to Mayor Wheeler 4.2.19.pdf

To Whom it May Concert,

I would like to formally submit testimony on a Council item for the Council record.
I have attached and copied/pasted here (whichever is best for you) my thoughts and position for your review and consideration on this important matter.

Thank you in advance for reading it through and for your service to our city.

Sincerely,

# Laura

Operations Specialist Images Properties Phone #: 503-908-0496 Fax #: 503-387-5960

### Dear Mayor Ted Wheeler,

I am writing in response to Commissioner Eudaly's proposal for security deposit and tenant screening reforms, scheduled for hearing on April 3<sup>rd</sup> through April 4<sup>th</sup>.

To give you an understanding of my background, I am both a tenant and an agent for a landlord here in the Portland Metro Area. I am also a native Portlander and love this city and would like to be able to stay here. Our housing market has risen considerably in stock and value. People are flocking here to live and invest here. Being a renter, I understand that it takes planning and money to move when the time necessitates it, and I also understand that not everyone has an ideal situation to work with when they move. We all understand that our personal lives have its ups and downs, but we are responsible for our responses to it and what happens next in terms of opportunities available to us and our desire and/or ability to reach for new or other opportunities.

As both a tenant and landlord agent, I am opposed to loosening the landlord's right to screen potential tenants. As it currently stands, it is very difficult to remove a person from your property once they have occupancy. The screening process, in my experience as a rental housing application screener, and now as an agent for a landlord, holds the person (applicant) accountable for their character as a renter, consumer, and citizen. In my experience, the roadblock to housing presented by the results of a negative screening results, has often led people to remedying the mistakes, such as leaving a rental with unpaid rent and damages. It has been my observation, both personally and professionally in the housing market, that people are not compelled to fix something unless they have to in order to get what they want or need. It has also been my experience that many landlords are willing to listen to an explanation of past criminal charges, negative rental history, and delinquent credit when a person is willing to state a case for themselves why they would be a good risk for the landlord. When people do not have to answer for their history, mistakes often happen again. Why should the landlord bear the brunt?

There are many other components of this proposal that are troubling with regard to loosening the income and security deposit standards. As it stands, most landlord and rental management companies only assess gross monthly income, which does not present a realistic financial profile of what the prospective tenant could afford on a monthly basis. And the security deposit is there to protect not just the landlord, but also the tenant. I will not take any longer to expand, as I am quite certain you will receive other letters addressing the pitfalls of security deposit and income requirement section of this proposal.

In closing, I would like to thank you for reading this through and considering my experience and opinions as you hear this proposal and for your public service and time as you carefully consider all angles of this proposal. Sincerely,

Laura Silverman

#### Dear Mayor Ted Wheeler,

I am writing in response to Commissioner Eudaly's proposal for security deposit and tenant screening reforms, scheduled for hearing on April 3<sup>rd</sup> through April 4<sup>th</sup>.

To give you an understanding of my background, I am both a tenant and an agent for a landlord here in the Portland Metro Area. I am also a native Portlander and love this city and would like to be able to stay here. Our housing market has risen considerably in stock and value. People are flocking here to live and invest here. Being a renter, I understand that it takes planning and money to move when the time necessitates it, and I also understand that not everyone has an ideal situation to work with when they move. We all understand that our personal lives have its ups and downs, but we are responsible for our responses to it and what happens next in terms of opportunities available to us and our desire and/or ability to reach for new or other opportunities.

As both a tenant and landlord agent, I am opposed to loosening the landlord's right to screen potential tenants. As it currently stands, it is very difficult to remove a person from your property once they have occupancy. The screening process, in my experience as a rental housing application screener, and now as an agent for a landlord, holds the person (applicant) accountable for their character as a renter, consumer, and citizen. In my experience, the roadblock to housing presented by the results of a negative screening results, has often led people to remedying the mistakes, such as leaving a rental with unpaid rent and damages. It has been my observation, both personally and professionally in the housing market, that people are not compelled to fix something unless they have to in order to get what they want or need. It has also been my experience that many landlords are willing to listen to an explanation of past criminal charges, negative rental history, and delinquent credit when a person is willing to state a case for themselves why they would be a good risk for the landlord. When people do not have to answer for their history, mistakes often happen again. Why should the landlord bear the brunt?

There are many other components of this proposal that are troubling with regard to loosening the income and security deposit standards. As it stands, most landlord and rental management companies only assess gross monthly income, which does not present a realistic financial profile of what the prospective tenant could afford on a monthly basis. And the security deposit is there to protect not just the landlord, but also the tenant. I will not take any longer to expand, as I am quite certain you will receive other letters addressing the pitfalls of security deposit and income requirement section of this proposal.

In closing, I would like to thank you for reading this through and considering my experience and opinions as you hear this proposal and for your public service and time as you carefully consider all angles of this proposal.

Sincerely,

Laura Silverman

From:	Kristin Tomlin <kristitomlin7@gmail.com></kristitomlin7@gmail.com>	
Sent:	Tuesday, April 2, 2019 11:42 AM	
То:	Council Clerk – Testimony	
Subject:	Landlord Abuse and Victimization	

Greetings,

Having been in a family that has owned small multi-family units our whole life, I have witnessed the trials and tribulations my father has endured, such as:

1. Tenants skipping rent repeatedly.

2. Tenants using drugs; smoking; causing nuisances.

Tenants destroying properties and refusing to vacate causing astronomical cost to repair, fix, and renovate.
 Landlord ABUSE and we have filed an elder abuse claim for not only a tenant NOT paying rent, but stealing, swindling, and abusing one's kindness that is my father.

We have had trouble filling up our small complex with trustworthy individuals that follow the lease and law. We have kept rents low.

My father pays mortgages, taxes on HIS PROPERTY. Why should he further be penalized and FORCED to accept people to live in his home with criminal records, felonies, convicted violent crimes and sex abuse records? How is that safe? How is that fair? I would NEVER ALLOW THAT into my personal home?!!!

Would YOU?!!

This is his only income. It has caused him mini-strokes, stress, and a heart attack as it is.

We follow Fair Housing, tenant laws and rules, and even show unearned grace and kindness as a ministry when excuses are made.

Please don't penalize the small guy that can barely even pay his bills.

We already are suffering enough with the aforementioned abuse.

The 6k that was spent last year clearing out a mess that a druggie made (and illegally changed the locks!!!) is 2 full years away from recovering.

We cannot go through it again.

---

Kind Regards,

Kristi Tomlin | Oregon Real Estate Broker | Direct: 503.884.5252 | Fax 503.252.7647 | Waldrop & Co. Realtors | 10735 SE Stark, Suite 200 Portland, OR 97216 kristitomlin7@gmail.com

From:	Lisa Long <highfiveprop@icloud.com></highfiveprop@icloud.com>
Sent:	Tuesday, April 2, 2019 8:44 AM
To:	Council Clerk – Testimony
Cc:	Wheeler, Mayor; Commissioner Fritz; Commissioner Fish
Subject:	question about security deposit proposal

Please make this part of the public testimony.

Following up on my earlier testimony asserting that the security deposit proposal is conceived primarily to punish landlords, I have an additional inquiry.

Please clarify the if the landlord fails conduct a walk through within 1 week of notice to vacate (D2) or fails to deliver a rent log within 5 business days, (section DF) or fails to deliver a notice of rights concerning security deposits or fails to comply with any of the administrative demands of this proposal

BUT the landlord returns the full security deposit to the tenant within 30 days of the tenant vacating,

Will penalties still be levied against the landlord even though the Tenant has suffered no loss, has no damages, has been made whole in the return of their security deposit?

If the landlord is made to pay the exorbitant penalties to the tenant as listed in DG when there has been NO LOSS suffered by the tenant then this proposal is clearly designed to levy unfair penalties and fees on a landlord without reason or cause.

This a deeply flawed and unethical proposal and should be immediately dismissed.

Sincerely,

Lisa Long

From:	Susan Wand <susan@susanwand.com></susan@susanwand.com>
Sent:	Monday, April 1, 2019 8:42 PM
То:	Wheeler, Mayor; Commissioner Fritz; Commissioner Fish; Commissioner Hardesty;
	Commissioner Eudaly
Cc:	Council Clerk – Testimony
Subject:	Rent & Landlord Control

To the elected representatives on the Portland City Council:

The oldest and simplest justification for government is as protector: protecting citizens from violence.

This is the most important role of government and your biggest responsibility as elected officials. When our city forces landlords to accept convicted criminals into our last refuge of safety — our apartment buildings, our children's apartment buildings, our elderly parents' apartment buildings, our homes — then we as citizens will know that our city, our government, has truly forsaken its people.

If you choose to protect the rights of criminals — those who break the laws that our city and country enact in order to keep us safe — above the rights of law-abiding citizens and victims of crimes, then the message you send is loud and clear:

"Your safety is not our concern. Your traumas of domestic violence and assault and rape are not important to us. The consequences of our decision are not our concern. We have not considered the consequences of our decision. We have not considered our role to protect Portland's citizens. We have failed at the most basic of our duties."

The most insidious aspect of the proposed screening criteria changes is that, if adopted, they would adversely affect the most vulnerable and poor of Portland residents: renters in apartment buildings who cannot afford a detached house in an affluent area, insulated from the criminals whom the new screening criteria aim to protect. The proposal would allow domestic violence perpetrators to move in next door to abuse survivors, drug dealers to set up shop next to 8 year-olds, and sex offenders to bed down next to rape survivors.

This proposal is more concerned with those who committed the crimes. Not the victims. Not vulnerable Portland residents and renters who do not, themselves, get to decide who moves in next door. No — now they are at the city's mercy, with zero assurances that their landlord can help to keep them safe anymore.

The concept of government as provider comes next: government as provider of goods and services that individuals cannot provide individually for themselves.

It is not the responsibility of renters and landlords to provide for those residents who cannot provide for themselves; it is a central role of government to provide for its residents.

If the goal of the proposal were to increase access to housing for former criminals, then it would partner with non-profit organizations to house those individuals or create programs to house those individuals. This proposal tries to solve a real problem (difficulty for former convicts to rent affordable housing) by forcing the responsibility on to landlords. It puts vulnerable Portlanders at risk.

Commissioners Eudaly, Fritz, Hardesty, Fish, and Mayor Wheeler: Your collective role as the face of our city government is to protect law-abiding citizens, vulnerable families, and victims of violence and abuse.

Sincerely,

Susan Wand Principal Real Estate Broker Licensed in the State of Oregon Cell: 503-720-0315 Top 3% in the USA - President's Circle 2018 Circle of Excellence Earth Advantage Broker Platinum Quality Service Certified <u>susan@susanwand.com</u> <u>www.SusanWand.com</u> Susan Wand, Inc. Premiere Property Group, LLC Zillow 5 Star 🛱 🛱 🏠 🏠 Agent



The best property search website: www.SusanWand.com

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From:	Denise <deniseinportland@gmail.com></deniseinportland@gmail.com>
Sent:	Monday, April 1, 2019 6:55 PM
То:	Council Clerk – Testimony
Subject:	We Oppose the Resident Screening & Security Deposit Proposal - Testimony

#### April 1, 2019

I'm writing to oppose the resident screening & security deposit proposals. Both my husband and I work fulltime and are the parents of a 3-year old. In addition to our full-time jobs, we manage three rental homes in City of Portland and we would like to continue to grow our rental property business. As a small hard-working and honest family, we strive to provide stable, comfortable, safe and affordable housing to others while at the same time building a small nest egg for our daughter's future. We too were renters for many years and can appreciate the challenges that come with renting. The recent city and state-wide rent control restrictions recently implemented and the current ones being proposed are making it more and more difficult for us to continue to invest in rental property here in Portland. In order for us to invest our hard-earned money into real estate, we need reassurance that those investments will be protected from physical damage and financial risk. Further limiting the ability to select tenants based on criminal record and credit history make that increasingly difficult and give us serious pause to continue to invest in housing in Oregon. I ask you to please consider the burden these proposals will have on small landlords like my husband and I before moving forward with a sweeping change like this.

Sincerely yours,

Denise & Randy

From:	D Zeghbib <zeghbib@gmail.com></zeghbib@gmail.com>	
Sent:	Monday, April 1, 2019 5:40 PM	
То:	Council Clerk – Testimony; Wheeler, Mayor; Commissioner Fish; Commissioner Eudaly;	
	Commissioner Hardesty; Commissioner Fritz	
Subject:	Code Section 30.01.086 Tenant Screening criteria	

To our elected representatives on the Portland City Council:

# "The oldest and simplest justification for government is as protector: protecting citizens from violence."

This is the most important role of government and your biggest responsibility as elected officials. When our city forces landlords to accept convicted criminals into our last refuge of safety — our apartment buildings, our children's apartment buildings, our elderly parents' apartment buildings, our homes — then we as citizens will know that our city, our government, has truly forsaken its people.

If you choose to protect the rights of criminals — those who break the laws that our city enacts in order to keep us safe — above the rights of law-abiding citizens and victims of crimes, then the message you send is loud and clear:

"Your safety is not our concern. Your traumas of domestic violence and assault and rape are not important to us. The consequences of our decision are not our concern. We have not considered the consequences of our decision. We have not considered our role to protect Portland's citizens. We have failed at the most basic of our duties. And we are OK with that."

The most insidious aspect of the proposed screening criteria changes is that, if adopted, they would adversely affect the most vulnerable and poor of Portland residents: renters in apartment buildings who cannot afford a detached house in an affluent area, insulated from the criminals whom the new screening criteria aim to protect. The proposal would allow domestic violence perpetrators to move in next door to abuse survivors, drug dealers to set up shop next to 8 year-olds, and sex offenders to bed down next to rape survivors.

But who is this proposal more concerned about? Those who committed the crimes. Not the victims. Not vulnerable Portland residents and renters who do not, themselves, get to decide who moves in next door. No — now they are at the city's mercy, with zero assurances that their landlord can help to keep them safe anymore.

"The concept of government as provider comes next: government as provider of goods and services that individuals cannot provide individually for themselves."

It is not on the backs of renters and landlords to provide for those residents who cannot provide for themselves; it is a central role of *government* to provide for its residents.

If the goal of the proposal were to increase access to housing for former criminals, then it would partner with non-profit organizations to house those individuals or create programs to house those individuals itself. This proposal tries to solve a real problem (difficulty for former convicts to rent affordable housing) by passing the buck like a hot potato. It puts vulnerable Portlanders at risk, and it is a cowardly maneuver.

Commissioners Eudaly, Fritz, Hardesty, Fish, and Mayor Wheeler: What is your collective role as the face of our city government? Is it to protect law-abiding citizens, vulnerable families, and victims of violence and abuse? If so, you already know what you need to do. What will your legacy be?

Sincerely, Dani Zeghbib

×

From:	Lill Madland <lillmadland@gmail.com></lillmadland@gmail.com>	
Sent:	Monday, April 1, 2019 5:27 PM	
To:	Council Clerk – Testimony	
Subject:	New rental proceedings	

As a landlord in Portland for 28 years now, I have prided myself on providing beautiful housing, well below market rates in areas where bankers once red lined these neighborhoods. I still have a tenant whom I adopted in a sales transaction on N Interstate Ave, yes still with me for 28 years. Landlording is a laborious task, truth be known. In most cases, given background checks, people choose to get their deposits back, simply because they care and loved their housing. However, every once in awhile, I have discovered the ones who could not care less. They venture from place to place, not caring if their deposits equal the expenses that they caused me during their tenancy. In these cases, I know that there is no way to go after money for damages. It's like squeezing water from a stone. These experiences make me want to through in my hat and say "I'm done"!!! In short, I find your proposals to be ignorant of the liability homeowners experience. When we get to a point as being rental providers to Portland, being so laborious, that we need to confer with our attorneys regarding details, many of us may exit. The result will be less availability of rental property on the market. My thoughts are that you are deeply misdirected in your proposals.

Lill Madland Owner of 20 Portland rental units 971-570-6353

Sent from my iPhone

From:	Terry Parker <parkert2012@gmail.com></parkert2012@gmail.com>
Sent:	Monday, April 1, 2019 5:22 PM
То:	MaryHullCaballero@portlandoregon.gov; Council Clerk – Testimony
Subject:	Agenda Item 294 Add Evaluation of Applicants for Dwelling Units

Dear City of Portland Elected Officials,

With the City Council considering a FAIR tenant screening policy that landlords would be required to follow, the City should also apply the same principals when filling seats on citywide citizen boards, commissions and other advisory bodies and committees. The majority of seats at the table continue to be filled by affluent professional people such as lawyers, bankers, executives, architects, developers, etc. supplemented by a few seats reserved for minority or disability candidates, representatives for low income people and/or special interest candidates such as from the Street Trust.

Equity is Absent. Average working class taxpayers including homeowners and motorists continue to be dictated to with little to no official representation within these official citizen advisory groups. This is especially true when it appears the city is attempting to eliminate neighborhood coalitions and associations along with continuing to reduce capacity for motorists thereby creating more city-wide traffic congestion and emissions.

The way the city chooses to fill these advisory seats has be come a form of privilege for the few and discrimination for the majority. A change and audit of the selection process is in order.

Respectfully,

Terry Parker Northeast Portland

From:	Dave Sutton <davesutton@windermere.com></davesutton@windermere.com>
Sent:	Monday, April 1, 2019 5:20 PM
To:	Council Clerk – Testimony
Subject:	Landlord restrictions

If you want to drive landlords out of the city, this would be a giant step in that direction. I don't know if you are, or have ever been a landlord. I'm not now but have been, and have done many purchases for investors.

The very idea of computing wear and tear at 3.6% over 27 years with the requirement to produce original receipts and/or photos would alone be enough to drive landlords away. If a tenant pays their damage deposit over six months, and has unreasonably small limits on what counts as damages, and can't be charged to clean the unit so it can be rented again, what incentive do they have to maintain the unit in rentable condition and is that too much to ask?

Please tone that down a good deal if you want landlords to stay in Portland.

Dave

Dave Sutton, SRES, HCS 503.505.9722 <u>DaveSutton@Windermere.com</u> Your Patient, Professional Realtor for Smart Sellers, Bright Buyers & Insightful Investors



WINDERMERE REALTY TRUST Lloyd Tower Office 825 NE Multnomah St., #120 Portland, OR 97232

From:	Edward Nunez <e< th=""></e<>
Sent:	Monday, April 1, 2
To:	Council Clerk – Te
Subject:	Rental ordinance

lward Nunez <ewnunez@comcast.net> onday, April 1, 2019 9:43 AM puncil Clerk – Testimony ental ordinance vote NO!

Mayor,

I would like you go on the record of opposing the ordinance up for vote this week that will take away the rights of landlords to make decisions of who to rent their second most valuable asset. We have a duplex and rent one unit to my daughter and I will be damned if I do not do my very best to assure her neighbor is a decent, law abiding person.

I don't think you can argue with me.

So vote NO and allow small landlords do their due diligence!

Thank you, Ed Nunez 503 516.0915 7015 SE 18th Ave

PS. I will not be adding my property to your registry. No one has a clue what will be done with the list, the fines for not registering or fees that may or may not come in the future. Put the brakes to Chole, her have baked, not all bad, benefit a few and alienate the many.

Sent from my iPad

From:	Matthew Arnold <matthewcarnold@hotmail.com></matthewcarnold@hotmail.com>
Sent:	Sunday, March 31, 2019 10:24 PM
То:	Commissioner Fritz; Commissioner Eudaly; Wheeler, Mayor; Commissioner Hardesty; Commissioner Fish
Cc:	Council Clerk – Testimony; Geller, Roger; Jessica.HORNING@odot.state.or.us; Marx, Michelle
Subject:	re: I-5 / Rose Quarter Project
Attachments:	2019_0331_I5 Letter_Arnold.pdf

Please see the attached letter regarding the I-5 / Rose Quarter Project.

Thank you,

Matthew Arnold Portland, OR

31 March 2019

Matthew Arnold 933 SE Spokane Street Portland, OR 97202

Portland City Council 1221 S.W. 4<sup>th</sup> Avenue Portland, OR 97204

Commissioners:

I am writing to express my grave misgivings regarding the proposed freeway expansion projects in our region, including that of Interstate 5 in the Rose Quarter. I do so as a former Chair of the City of Portland's Bicycle Advisory Committee, a former member of the N/NE Quadrant Plan Steering Committee, and a former member of the I-5 / Rose Quarter Project Community Liaisons Group. (Although my company has not taken a formal position on this matter, I should also state – as a means of further establishing my own credentials in this matter – that I am the Director of Urban Design + Planning for SERA Architects, Inc. based here in Portland.)

In my previous testimony (both written and verbal) to this Council, I have never formally endorsed these freeway projects, but – working from the assumption that the freeway investments were a *fait accompli* – had encouraged both Council and City staff to focus on those aspects (particularly of the I-5 / Rose Quarter project) that would improve livability and alternative mobility options for Portland residents. At the times of my previous testimony – even as a member of one or more of the aforementioned public committees – I was not in possession of the research findings regarding the air pollution and congestion that will result from these projects. Nor was I fully aware – as we should now all be – of the full and impending dangers we face from climate change. It was enough for me during those times to focus on the bicycle and pedestrian improvements that I believed would be of benefit to our community.

While I still believe – and perhaps believe even more strongly today – that investing in our bicycle and pedestrian infrastructure should be of paramount importance, I no longer feel that those investments should be tethered to or contingent upon roadway projects that themselves will be detrimental to the health of our citizens and our community. (I am also very, very concerned that – were the I-5 / Rose Quarter project to proceed – the bike/ped infrastructure will be the first to be value-engineered out.)

I understand that there is immense pressure on you from a variety of stakeholders and interests – including from the State or Oregon and the freight community – but I urge you to reject expanding our freeways and instead to invest your time and creative problem solving on those things that will truly improve the quality of life for Portlanders.

Thank you for your consideration,

few Arnold

cc: Roger Geller, City of Portland Bicycle Coordinator Michelle Marx, City of Portland Pedestrian Coordinator Jessica Horning, ODOT Bicycle and Pedestrian Program Manager

From: Sent: To: Subject: Attachments: LeeAnne & Ralph <mcafee5651@gmail.com> Sunday, March 31, 2019 6:08 PM Council Clerk – Testimony Eudaly proposal To City Council member.docx

I was instructed to forward this information to you.

Attached please read a time sensitive and thoughtfully constructed letter to you regarding the upcoming meeting April 3-4, 2019. I hope you will take time to consider carefully the information my husband and I have shared and provide it as testimony to the discussions to come around this subject. It is our hope that you are listening to "all sides" on an issue and representing your city with honesty, integrity and without motivation of political gain.

Respectfully, Ralph and LeeAnne McAfee

#### To City Council member ~

#### March 30, 2019

Let us be wise and not lax as we have seen some of our federal senators and representatives become, in scanning and not thoroughly understanding/assessing proposals, which then lead to unexpected consequences when they are voted on and put into law.

My husband and I have been landlords of rental property in Portland since 1994. We do not use a management company, but we do use a screening company. We have seen the best and worst in operating our rental property. Our comments and opinions are informed by extensive experience in this area.

Chloe Eudaly's most recent proposal is a great improvement over her prior proposal she drafted in October. <u>However, there is still vague and biased language that provides openings for abuse</u> on the part of applicants. There should be no assumption that applicant nor landlord is to be favored in landlord/applicant processes and this draft still clearly does not present as fair to both parties. Here are my comments and questions – identified by the descriptors in the proposal.

#### C. Applicants, Generally

- b. Landlord must include ...
  - 1. \* Who determines the "reasonableness' of a requested accommodation?

\* It seems nonsensical and a waste of time/money to landlord for an applicant to withhold the desire for a "reasonable accommodation" to during or after the application process. Should the accommodation not be able to happen, the applicant has wasted time/money in the paying of a screening fee and waiting for the results and the landlord has wasted time/money with more days of vacancy and re-opening the application process. Since all screening criteria will be available to the applicant, **THE ONLY reasonable expectation is the applicant reveal the need for the desired accommodation prior to the application**, so it can be determined if it will be considered or will be workable.

#### E. Identification

a. A Landlord must accept...

7. Any other non-government document ... Does this mean a phone bill, utility bill, a self-made business card or even one ordered off the internet that has no verification other than what the individual provides? Very sketchy. Please eliminate this option completely. (Biased against landlords to have confidence in the identity of the applicant)

#### F. Income

c. Calculation of the income to rent ...

1. Verifiable family or friend assistance. *This will require an additional fee to be paid by applicant* so as to verify by a screening company. This must be disclosed and allowed so that the applicant is aware. (To not allow a landlord to charge the tenant/family member a fee puts a special cost on the landlord, a bias against the landlord)

G. Threshold Criteria - In general, I believe for our situation and in most cases, landlords would prefer the clear-cut descriptions of this section and avoid the Individualized Assessment. However, the fact that it has been called "Threshold Criteria" and thus is provided special accommodations around denials (Section K) makes it unreasonable. I will address section K later. For now, I have a couple of recommendations to be strongly considered to make this a fairer and more acceptable plan for both landlord and applicants.

b. Applicants will not be denied for ...

3. Rental history

a. An action to recover ...

iii. Resulted in judgment ...

2. The judgment was a default judgment due to failure to appear. This scenario is so unreasonable and unbelievably biased in favor of irresponsible applicants. If I'm reading it correctly, a tenant may cause such trouble as to have a landlord begin proceedings against them. So, all the tenant has to do, is move out before the police serve the notice and thus be expunged from all consequences of their actions, with the new property manager/owner being left with the burden of "proof" outlined in the individualized assessment if they want to deny. I strongly recommend that parties reading this email and debating this proposal call for elimination of this line altogether.

c. If an Applicant provides any Supplemental Evidence regarding a criminal history at the time they submit their completed application, then the Landlord has to do an individualized assessment. *This final threshold criteria also seems quite outlandish. The criteria are clear and, in my opinion, more than fair to potential applicants. Again, the slant of this item seems sternly aimed against landlords in forcing them to follow the criteria of Individualized Assessment.* 

#### I. Appeals

a. An applicant that is denied ...

1. and 2. It is not the landlord's responsibility to give a responsible adult applicant additional "Chances" if they do not fill out the application completely nor correctly and provide all necessary information for screening. Personally, I check the application immediately upon submission, but this should not be an expectation of the landlord. It's like making sure a student completes all the test questions. If they haven't, it is most often the case that they don't have an answer for that question. Likewise, blanks left by applicant or misinformation are most often because they don't have what is requested or required or they are hoping the information won't be checked. (Bias against landlords to hold to reasonable expectations around application completion and honesty - unreasonable singling out for "threshold criteria")

b-e. The detailed process of the appeal and a denial overturned seems to address, what should be an **EXTREMELY RARE** situation. And this should be **STATED** in the document. The fact that the possibility of numerous overturned denials for one landlord is addressed, makes me highly suspicious of agencies at the ready who wish to put risky tenants into apartments they are not qualified for, based on a technicality. If we landlords can't count on reasonable expectations around criminal history, credit and rental history without the strong possibility of an appeal (and all the additional red tape the landlord will need to navigate), what has this government done to streamline the renting process??(Bias against landlord, putting them at greater risk)

K. Threshold appeals. For reasons stated above, I believe there should be **no separate appeal process for Threshold Criteria**. The landlord or screening company can provide reasons for

denial compliant with ORS ...? (not stated in the proposal) and similar to what might be provided in a General Denial, outlined in Section J.

M. Additional Deposit. Again, streamline the process for all concerned. **Do not add additional** *forms specific to Threshold criteria*. Give landlords the opportunity to allow additional deposit without the red tape. Otherwise, it seems to me, less likely that landlords will take the additional step to accept extra security deposit for less than what meets the Threshold Criteria.

O. Modification Requests. Who determines what is or is not a reasonable modification??

Q. Damages. Blatantly biased against landlords. **Provide protections for both** applicant and landlord. Certainly, if likewise language is included for landlord, this might be acceptable, ie: Any landlord claiming to be aggrieved by applicant's aggression around over asserting their rights has a cause of action in any court of competent jurisdiction for Damages and any such other remedies as may be appropriate.

#### Additional document: Draft 30.01.087 Security Deposits

A-E, while burdensome to landlords, these items seem reasonable protections for applicants.

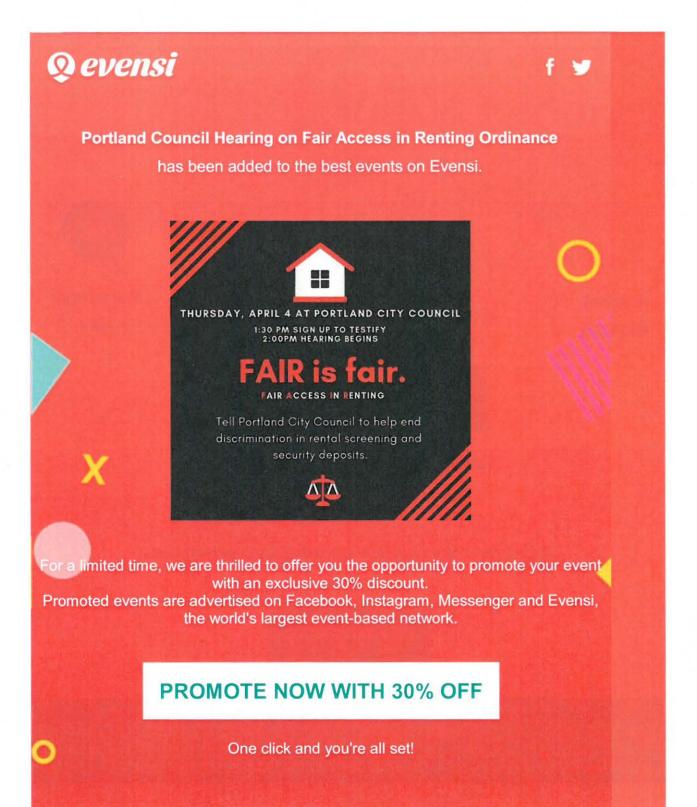
G. This document gives no explanation as to why this is necessary. So why??? An unreasonable bookkeeping requirement of landlords that the tenant him/herself should be able to access from their own records.

H. See Q above. This item is strongly biased against landlords. Please provide appropriate equivalent landlord right protections! This may sound unusual, but I have been bullied and badgered by aggressive applicants who expect me to accept their non-complying application. I have even been threatened. Bad behaviors exist on both sides of the landlord/applicant relationship. Language around fair treatment for all must be included.

Respectfully, LeeAnne McAfee Portland Rental property owner

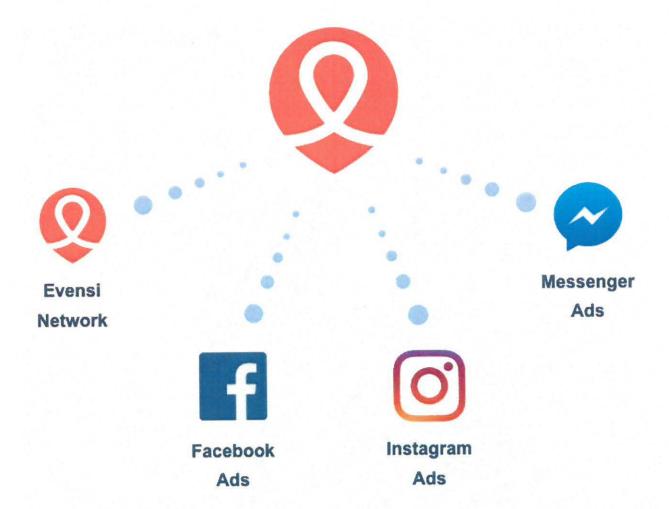
#### Moore-Love, Karla

From: Sent: To: Subject: Noelia from Evensi <no-reply@eventsonevensi.com> Sunday, March 31, 2019 5:38 PM Council Clerk – Testimony Portland Council Hearing on Fair Access in Renting Ordinance has been published on Evensi!



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Not interested?

From:	Lisa Long <lhl@teleport.com></lhl@teleport.com>
Sent:	Sunday, March 31, 2019 3:22 PM
То:	Wheeler, Mayor; Commissioner Fritz; Commissioner Fish; McClymont, Keelan; Moore-
	Love, Karla; Council Clerk – Testimony
Subject:	screening criteria for rents.

Hi,

Please include make this e-mail part of the public record.

I have some technical questions concerning the proposed changes in criminal screening.

I have written to Council Members many times but will repeat here that I am a one woman property management business and have managed rentals in Portland since 1996.

My current screening process requires tenants to meet my criteria for credit, criminal, eviction, rental references, and income.

In the event that the Council's proposed screening criteria changes are approved, who will be responsible if a tenant who would not have been approved by my criminal screening criteria is approved due to the city mandated screening criteria and that person performs a criminal act against another person or damages property? Will the city take responsibility for damages or a lawsuit filed by the victim of the crime?

I recently had a situation with some tenants that speaks to this. I rented a two bedroom unit to a couple and their friend. In time the friend moved out, and the couple asked me to screen one of their work colleagues, so he could move into their unit.

I screened the individual, and he had criminal charges which did not meet my criteria, so I denied his tenancy.

The couple allowed him to move in anyway, and then called me because he was threatening them. They had barricaded themselves into their bedroom and were afraid to come out.

This is a perfect example of how my screening criteria PROTECT my tenants. One of them knew the guy from work and thought he was a good guy. The applicant's criminal history alerted me that he was a dangerous person, and by denying his tenancy I was in protecting my tenants.

**Criminals are dishonest**. This guy deceived my tenants. The changes put forth in the criminal screening proposal will deny me the means I need to PROTECT my tenants who are, in fact, my clients.

Similarly, I require my applicants to have 2.5 gross income to rent in order to qualify for the unit. Most property managers require 3 times the rent. I have found that a household that makes less than 2.5 gross income to rent cannot afford the unit.

City Council's proposal reduces the income requirement to income of 2 times the rent to qualify. Tenants will not be able to afford the rent at this ratio. Should this go into effect, I will be forced to evict tenants because the City policy forced me to rent them a unit that they simply could not afford. The City mandated income requirement is too low to cover expenses. In this situation, will the City of Portland cover the cost of the eviction?

No one wants to evict tenants. It's not fun for landlords, and it does not make us feel good. It's also expensive and a giant amount of paperwork. My job is to rent units, not to kick people out of units.

It is a disservice to both tenants and landlords to require landlords to rent units to tenants who will not be able to afford the unit.

A bank is not going to lend a buyer more than they qualify for on a home loan. Lender qualifications are based on a financial standard. The government cannot go to US Bank and force the mortgage department to give a loan to a buyer when that buyer does not qualify for the loan amount because they lack the income.

No car dealer is going to give financing on a car that if the applicant does not meet the financial requirements.

City Council is sending a lot of mixed messages to landlords and tenants alike.

If you want to protect tenants and ensure a safe environment, you must allow landlords to deny criminals tenancy.

If you want tenants to live comfortably in their units without putting them in a position where they struggle each month to make their rent payment, you must allow landlords to set a reasonable criteria for income to rent, and the industry standard has long been 3 times income to rent. Individual landlords may reduce that ratio if they choose. I have mine set at 2.5 income to rent, but that is my choice.

Please consider the reality of the situation. If you want to provide people with safe and affordable housing, you need to allow the providers of that housing to keep it safe and rent to tenants who can afford the housing.

Lisa Long

#### Moore-Love, Karla

From: Sent: To: Subject: Lisa Long <highfiveprop@icloud.com> Sunday, March 31, 2019 2:56 PM Council Clerk – Testimony testimony rental screening

Please include this testimony to be included in the public record and confirm receipt.

I am writing to voice my opposition to the upcoming proposal to be considered by City Council concerning screening criteria for prospective renters.

I am a small one woman office managing single family homes and small plexes in Portland. I am a property manager, but I am also much more. I am a support system for my tenants. I have a personal relationship with all my tenants.

Our relationship is based on trust. I trust them to pay their rent and maintain the unit. My tenants trust me to provide housing, service, maintenance, and SAFETY.

I understand that those of you in the rarified halls of City Council may not have a great deal of experience protecting victims of domestic violence. But as a property manager I am responsible for the safety of my tenants. The proposed screening policies will without a doubt endanger my domestic violence victims. Abusers are very crafty about gaining access to victims, and your screening proposal would allow abusers to occupy the same building as a victim after 3 years.

This screening proposal will endanger the families, young people, and senior citizens to whom I am entrusted to offer safe and responsible housing. It is my responsibility to deny units to criminals who pose a threat to my other tenants.

Concerning fairness for screening tenants, Fair Housing Code already necessitates first come, first service screening.

Fair Housing Code includes individuals in recovery as a protected class.

However, criminals are **not** a protected class, and there is a reason for that. This is to ensure the safety of our tenants, our service people, our vendors, our neighbors, and the community at large.

Concerning evictions in the screening process, for landlords and property managers, the basic nature of our relationship with the tenant is predicated on the ability to collect rent. So naturally applicants with a history of not paying rent or damaging the property or endangering other people are in direct conflict with a relationship based on collecting rent, maintaining the property, and not being a threat to others.

It's not so easy to get evicted. Tenants are given opportunities to cure non-payment of rent and other infractions. Tenants received warnings, 72 hour noticed, and multiple opportunities to cure.

No other industry is forced to engage in a financial relationship with someone who does not meet the industry's financial criteria. Home loans, personal loans, and credit card companies, all require applicants to meet industry standards for the ability to perform financially.

Finally, I would like to address the screening proposal from a practical time management perspective. I struggle to get my applicants screened within 48 hours of submitting an application to rent. I conduct credit, criminal, and eviction screening. I check rental references and job references and strive to give my applicants a response within 48 hours.

The proposed screening criteria is a significant barrier to housing because the complexity of the numerical systems will add days to the screening process. I am a one woman office. I do everything myself. I make every copy. I make every deposit. I show every unit. I return every phone call. The proposed screening method will require me to spend an inordinate amount of time screening tenants which does not get tenants into units faster and basically takes up time that I could serving my tenants.

Mayor and City Council, hear me. My job is to get stuff rented. I want to rent my units as quickly as possible to anyone who meets an industry standard criteria of credit, criminal, landlord, and employment screening. The proposed screening method will greatly reduce my ability to get applicants approved and housed.

Finally, Mayor and Commissioners, you are setting tenants up for failure if you require that their income is only two times the monthly rent. That will not be enough income to cover the rent and living expenses. You are condemning tenants to eviction and homelessness. I understand that you have no practical experience in income to rent ratios but I do. A two times income to rent ratio will set tenants up to get behind on their rent and face violations and ultimately eviction. It is irresponsible to put tenants in units that they simply cannot afford.

Here are my basic points in opposition to this proposed screening procedure.

- 1. Criminals are not a protected class. Don't ask property owners to treat them like a protected class.
- Tenants who make only 2 times of the monthly rent do not earn enough to cover the rent. This will result in more evictions due to non-payment of rent. This is not a personal assessment. It's simply a well established mathematical ratio of rent to income which leaves tenants at a disadvantage. This criteria will harm tenants rather than support them.

- 3. Landlords deny housing to parties with criminal histories for the safety of their other tenants and themselves. This applies especially for victims of domestic violence whose abusers are often ruthless and crafty.
- 4. This proposal denies property owners their right to regulate their private property. No other industry experiences similar controls on qualifying subjects. Industry standards are applied for obtaining a loan for car or a credit card. Mortgage companies apply industry standards for loan applications and government insured loans have federal standards. This proposal discriminates against private citizens who own and rent property.
- 5. The sheer amount of time it would take to implement the proposed screening criteria is an inefficient, lengthy system which will delay approving applicants.
- 6. If Portland's city council seeks to provide housing for people with criminal histories, past evictions, or who make less than 3 times the rent then city council should find a means for providing public housing for these parties. It is **NOT** the responsibility of private landlords to house City Council's choice of tenants. City Council is discriminating against one industry in trying to regulate our criteria for vetting tenant.

On a final and personal note, speaking as a small landlord who has worked in property management for over twenty years, haven't you put us through enough? With the passing of SB608, landlords cannot vacate tenants after the first year of tenancy. How is it ethical or logical to force landlords to rent to prospective tenants with criminal histories, histories of eviction, or who do not make adequate income to cover the rent if they must continue to rent to these tenants indefinitely? Clearly this will results in more evictions, more notices for cause, and more importantly, more legal fees for both landlords and tenants.

The only party that will benefit from the proposed and enormously complex screening criteria will be attorneys. The penalties for landlords who make an error are draconian. No landlord is going to take action without legal representation.

The proposed changes to the screening criteria will make it harder for landlords to rent property in a timely manner, will endanger current tenants and service providers, and are directed at making it impossible for landlords to conduct their business in a professional and safe manner.

Please do not support this proposal for the safety of landlords, tenants, and our service providers.

Sincerely.

Lisa Long

From:	Lisa Long <highfiveprop@icloud.com></highfiveprop@icloud.com>
Sent:	Sunday, March 31, 2019 2:56 PM
To:	Council Clerk – Testimony
Subject:	testimony security deposits

lease confirm receipt of this e-mail and include my testimony in the public record.

I implore you to vote against the proposal to restrict security deposits.

I charge the equivalent of one month's rent in a fully refundable security deposit which is kept in an CTA account until the tenant vacates.

I collect the security deposit in advance to hold the unit for the tenant.

I do NOT collect first and last's month's rent up front. First month's rent is due the day the tenant's lease begins and is pro-rated accordingly.

If I have an applicant apply who has bruised credit, I will qualify them by collecting last month's rent up front. In this way I can assure the property owner that rent will be paid while still offering the unit to an applicant with less than acceptable credit.

This policy allows me to qualify applicants who have had a short sale or damaged credit due to a divorce or medical collection.

In the event that City Council prohibits property managers from collecting a security deposit of 1 months rent as well as last month's rent, I simply could not rent to individuals with damaged credit.

There is a misconception among City Council Members that landlords do not want to rent units to tenants. Nothing could be farther from the truth. My job is to rent units to tenants. I want my vacancies occupied as quickly as possible. I seek out ways to help tenants qualify for a unit whether it is with an additional deposit or a co-signer.

City Council's constant intrusion into the daily operations of my business only makes it harder for me to rent units to tenants which is my job. I do not make any money on vacant units. I am paid by my owners only for occupied units.

Furthermore, all landlords are required to forgive normal wear and tear when tenant vacates a unit. Charges against the security deposit are only for damages to the unit.

Please let me and the others in my profession do our business. I have been a property manager for 20 years and my business practices are honed to get tenants into rental units and keep them happy while they occupy.

Sincerely,

Lisa Long

# Moore-Love, Karla

From: Sent: To: Subject: mickey weyerstall <mweyerstall10@gmail.com> Sunday, March 31, 2019 12:57 PM Council Clerk – Testimony Housing

I would like to let you know I would not like to see criminals renting apartments/housing in my neighborhood. If the mayor likes them so much then he can have them move into his neighborhood. I'm sure that will never happen I'm sure!

### Moore-Love, Karla

From: Sent: To: Tamarack House <tamarack97214@gmail.com> Sunday, March 31, 2019 10:53 AM Council Clerk – Testimony

Dear Mayor:

I agree Portland has a housing crisis and which has displaced vulnerable citizens by building insurmountable barriers for many people.

However, in the current form the Screening Criteria for Applicants for Dwelling Units will create even more barriers. This proposal could adversely impact community safety and make it very difficult for a small unit landlord to stay in business.

Additionally, the proposal fails to consider collaborative work done between non-profit and for-profit housing providers, looking specifically at ways to reduce barriers to housing.

I urge you to delay the vote on the Screening Criteria for Applicants for Dwelling Units, 30.01.088.

Please STOP THE VOTE and consider alternatives.

Thank you.

Delora Kerber

--

Regards, Tamarack Property Management

From: Sent: To: Subject: Duane Rough <duanerough@gmail.com> Friday, March 29, 2019 6:19 PM Council Clerk – Testimony Rental security deposits

While the city's intentions are honorable seeking to serve the city's most vulnerable populations with these proposals, sadly on the flipside it legally emboldens those who would take advantage of housing providers and provides great pause to those who are currently providing the critical role of housing. These proposals leave housing providers asking, "How is the city looking to protect my interests?" What you are going to do is make me sell, rather than rent my home. The poor policies of your predecessors got us here, don't be part of the penny smart pound-foolish mentality.

Duane and Kevin Rough 2227 SE 89TH Ave Portland, OR 97216

Oswill, Andres
Friday, March 29, 2019 3:19 PM
Council Clerk – Testimony
FW: Rental Services Commission FAIR Ordinances Letters for Council
RSC FAIR Letter.pdf; NWPP ltr re FAIR ordinance 3-26-19.pdf; Fair Access in Renting Feedback v1.pdf; FHCO - TSC.pdf

Karla or Keelan,

Importance:

Could you please add these letters to the public record for items 294 and 295?

High

Best,

Andrés

From: Tschabold, Matthew
Sent: Friday, March 29, 2019 3:12 PM
To: Duhamel, Jamey <Jamey.Duhamel@portlandoregon.gov>; Dunphy, Jamie <Jamie.Dunphy@portlandoregon.gov>; Alexander, Cupid <Cupid.Alexander@portlandoregon.gov>; Bradley, Derek <Derek.Bradley@portlandoregon.gov>; Castro, Cynthia <Cynthia.Castro@portlandoregon.gov>
Cc: Callahan, Shannon <Shannon.Callahan@portlandoregon.gov>; Rogers, Molly <Molly.Rogers@portlandoregon.gov>; Oswill, Andres <Andres.Oswill@portlandoregon.gov>; McCarty, Kim <Kim.McCarty@portlandoregon.gov>
Subject: Rental Services Commission FAIR Ordinances Letters for Council

Importance: High

Good afternoon,

Attached you will find letters from the Rental Services Commission regarding the FAIR ordinances to share with the Mayor and Commissioners.

If you have questions or concerns please let me know.

Best, Matt

Matthew Tschabold

Policy and Planning Manager Portland Housing Bureau 421 SW Sixth Avenue, Suite 500 Office: 503.823.3607 Mobile: 503.823.1854 matthew.tschabold@portlandoregon.gov



**Rental Services Con** 

Ian Davie, Vice-Chair Christina Dirks Jessica Greenlee Leah Sykes Michael Nuss

Christian Bryant, Co-Chair Katrina Holland, Co-Chair Allen Hines Deborah Imse Laura Golino de Lovato Margot Black Yoni Kahn-Jochnowitz

March 26, 2019

Mayor Ted Wheeler and Portland City Council Portland City Hall 1211 SW 4<sup>th</sup> Avenue Portland, OR 97204

## Subject: Fair Access in Renting (FAIR)

Mayor Wheeler and City Commissioners,

The Rental Services Commission (RSC) forwards our recommendations on the Fair Access in Renting (FAIR) ordinance. The RSC spent 11 months discussing residential screening criteria and security deposits, reviewing numerous drafts of the proposals, and providing feedback to Commissioner Eudaly's Office as the FAIR policy developed.

On November 20, 2018 the RSC voted to send the following reccomendations to Council.

- Commissioners Black, Davie, Hines, and Holland support the ordinance. •
- Commissioners Imse, Nuss, and Sykes oppose the ordinance. .
- Commissioners Bryant, Dirks, Golino de Lovato, Greenlee, and Kahn-Jochnowitz are submitting their • own letters in response to the ordinance.

Commission Members' feedback is summarized in the sections below. The feedback listed in these sections has been raised by some members of the Commission, but may not be shared by all members who support or oppose the ordinance.

# Feedback from Commissioners supporting the ordinance

This is an opportunity for Council to address systemic racism and structural disparities that have been perpetrated by residential screening criteria and security deposit practices. Our biggest concern remains whether people in Fair Housing protected classes will be able to enter the housing market. There comes a time when implementing something new might be difficult, but that should not be a reason to avoid meaningful reform to the systems and structures that perpetuate housing inequities.

## Screening Criteria

- the proposal does not do enough to advance people in Fair Housing protected classes being able to • enter the housing market objective.
- People on disability make less than \$800 a month. Without setting a lower income-to-rent ratio, people . with disabilities may continue encountering significant difficulties entering and retaining units in the private rental market.
- People experiencing disabilities and medical conditions are easier to exclude from housing without an . individualized assessment required.
- There should be housing placement assistance for all groups identified as being unable to secure stable . housing in PHB's State of Housing report.
- There should be no exclusions from public advertising requirements unless a housing provider is . housing their immediate family.
- Once adopted, there will be significant needs around education to support renters and housing . providers understand the new requirements in law and assist with implementation.

#### Security Deposits

- The depreciation schedule is divorced from reality. A 27-year depreciation line is unreasonable; few if any items in a rental unit can be expected to last 27 years.
- Reforms to screening criteria and security deposits must occur in tandem or risk of failing to meaningfully advance housing opportunity for protected classes.
- The policy should be clear in preventing damage caused by mobility devices and reasonable modifications from being deducted from deposits.
- Carpet should be included in the definition of flooring.
- Prospective renters should receive accounting of security deposits withholdings from previous tenants.

# Feedback from Commissioners opposing the ordinance

Commission members felt that the unintended consequences and administrative burden of implementing the screening criteria and security deposit proposals are completely unreasonable. There are multiple sections of the proposal that are unclear, not defined, and difficult to interpret. As written, the proposals are unworkable. It will be difficult to teach this policy to property managers and small landlords. Together these policies will lead to added costs as landlords hire management companies to deal with the new regulations and pass those costs on to renters.

### Screening Criteria

- The first-come first-served provision is unworkable given the different methods an application could arrive. An electronic application could arrive at the same time as an in person application making it impossible to determine their order in the queue.
- The income-to-rent ratio is unbalanced, as someone with income only from government rent assistance could income qualify for a unit and be responsible for a portion with no income.
- The policy increases housing providers' risks and liabilities, as well as risk to other existing residents.
- Housing providers are being forced into a complex, poorly drafted policy that will lead to expenses that
  are very impactful on both residents and affordable housing providers.
- An income-to-rent ratio of 2 times rent is insufficient and irresponsible, as many FED filings are already for non-payment of rent. This sets the tenant up for failure binding them to a legal contract they cannot afford and prevents housing providers from ensuring their asset is financially protected.

#### Security Deposits

- The administrative burden of tracking and adhering to the depreciation schedule is impossible. Transfers of property, item replacements, and record keeping will be chaotic under the proposal.
- This policy is better crafted than the screening criteria proposal.
- The security deposit is heavily weighted towards the residents. Housing providers would have to hyper document files and initiate eviction actions to try to get unpaid security deposits.
- The maximum security deposit is too low.
- Providing bank account numbers to tenants is unnecessary and leaves the bank account holder vulnerable to account information theft.

#### Conclusion

The RSC is grateful for the opportunity to participate in the review of these proposals and for consideration of our recommendations. While the Commission is not of one mind on the FAIR ordinance, we hope this letter can further a more robust policy conversation, as it has during the multiple drafts of this proposal.

Sincerely,

Katrina Holland Co-Chair

Vice-Chair



#### HOUSING SENIORS I CREATING HOPE I PILOTING CHANGE

March 26, 2019

Mayor Ted Wheeler and Portland City Council Portland City Hall 1211 SW 4<sup>th</sup> Ave. Portland, OR 97204

RE Fair Access in Renting (FAIR) ordinance

Dear Mayor Wheeler and City Commissioners -

As a member of the Rental Services Commission (RSC) since its inception, I have had the opportunity to be engaged in the robust conversation and evaluation of the proposed ordinance regarding rental screening criteria and security deposits. Northwest Pilot Project (NWPP) recommends a delay in City Council considering this ordinance. There are several key reasons for this recommendation:

- The current draft of the ordinance (Screening Criteria 30.01.86 and Security Deposits; Pre-paid Rent 30.01.087) is different enough from the draft last dated October 29, 2018 the last draft reviewed by RSC that additional time to review the current draft is warranted. This will give RSC the opportunity to do the work assigned to it: provide you with expert advice and opinions.
- A two month "beta test" of both parts of the ordinance to be conducted with "market rate and affordable housing providers before policies go to Council" (RSC minutes of 11/20/18.) was to occur in December and January. The outcomes of the "beta testing" of the policies have <u>not</u> been made available as of today. This feedback is critical in evaluating the policies.
- There is a lack of clarity about the role of the current process of both writing and requesting "reasonable accommodations" vs. the proposed appeals process or "modification requests." Further discussion and clarification is needed.
- The current iteration of the screening criteria does not reference the role of a professional screening company in the issuance of a denial. NWPP requested the ordinance include stronger language in identifying specifically two things: 1) the party responsible for issuing any denial; and 2) that party's obligation to provide detailed information about the denial beyond that required by ORS 90.304(1). This is critical, as can be demonstrated in the following National Housing Law Project initiative about screening criteria: <a href="https://www.nhlp.org/our-initiatives/arroyo-v-corelogic/">https://www.nhlp.org/our-initiatives/arroyo-v-corelogic/</a>
- There is now yet but there must be strong and specific educational efforts in place to ensure that both housing providers and renters understand any new requirements in law, and to assist with implementation.

Thank you. Laura Golino de L pvato Executive



March 25, 2019

Mayor Ted Wheeler and Portland City Council Portland City Hall 1211 SW 4<sup>th</sup> Avenue Portland, OR 97204

#### Subject: Fair Access in Renting (FAIR)

#### Mayor Wheeler and Commissioners,

I would like to supplement the letter provided by the Rental Services Commission with additional feedback.

Good public policy, solves a problem while benefiting the public and has a clearly desired outcome and implementation strategy. Although the Fair Access in Renting Ordinance has good intentions, it's intended outcome and implementation strategy are unclear, does nothing to make housing more affordable and in fact increases the cost of housing. It is trying to address issues that are better addressed through other means.

Screening Criteria Concerns:

- First Come First Serve provision- although a standard practice, when written the way the proposed ordinance is it creates a scenario where the start of screening an application must be delayed an additional 4 days to determine which application was first received in order to account for mailing.
- Open Application Period- This further delays the process of unit availability, creating an additional expense to the housing provider and delay the available supply on the market creating an imbalance in availability.
- Asking Housing Providers to have the degree of legal expertise necessary to be able to comply with the screening ordinance is not a reasonable expectation, thereby forcing all housing providers to escalate their costs through a screening agency and attorney, a cost which will ultimately be passed on to the resident, going against the very need to increase housing affordability in Portland.
- Income to Rent Ratio of 2 times the monthly rent is insufficient and irresponsible, you are placing a resident into a legally binding contract they may be unable to afford and prevents the housing provider from ensuring their asset is financially protected.
   Lowering the Rent to Income Ratio does nothing to increase housing affordability and may only increase barriers to access of housing down the road if the resident is unable to pay the rent and ends up with an eviction on their record.

#### Current Steps for Leasing an Apartment - Estimated Time 1-3 Days

- Unit Becomes available- Housing Provider places advertisement
- Prospect views advertisement and contacts housing provider about prospective unit availability
- Housing Provider schedules tour of available unit
- Applicant submits application, electronically or through paper form
- Housing Providers Screens Applicant



- Screening Results obtained by Housing Provider and Screening Agency or Housing Providers shares results with Applicant
- Applicant signs lease and obtains keys from Housing Provider

All of the above can currently be accomplished in **1 Day**, this happens frequently.

Steps for Leasing an Apartment under Ordinance-Estimated Time 8-21 Days

- Unit Becomes available- Housing Provider places advertisement includes Open Application Period (to start 3 days after advertisement is placed) And Ending Application Period (based on legal advice day of posting does not count unless we calculate down to the minute the ads are posted so policy will be to start the clock to count 3 full days) *Conflict exists in the language between Section C g. & D a. as to whether its possible to accept applications prior to the advertised open application period.*
- Prospect view advertisement and contacts housing provider about prospective unit availability
  - o Walk Ins Inquiring about availability-
    - Share application acceptance opening date
    - Tour property and share availability
    - request that the prospective resident return or apply online in 3 days
    - invite to set a reminder date via phone or email follow up
    - share status of all other units that may be in valid application period.
  - o Phone inquiries
    - Share application acceptance opening date
    - Offer to tour property
    - invite to set a reminder date via phone or email follow up
    - share status of all other units that may be in valid application period.
  - Email/ Online Inquiry- Email the Prospective Resident the Following
    - application acceptance opening date
    - Offer to tour property
    - invite to set a reminder date via phone or email follow up
    - share status of all other units that may be in valid application period.
- On 4<sup>th</sup> day open Application Period add time stamp for each online & paper application, assign unique identifier, provide unique identifier to applicant within 24 hours.
- Review applications received within the first 8 hours of the open application period for indication from applicant that the applicant or member of the household is mobility challenged. (Applies to all units built after 1990 as they are either Type A or B, see Portfolio Manager for determination for older units for ADA compliance) Send to Compliance Manager for review of 1<sup>st</sup> received application and any applications indicating mobility challenges.
- Wait 4 days from 1<sup>st</sup> day of open application period for mailing to ensure any mailed postmarked applications have been received to determine the first received complete application.
- Evaluate Application determined to be first received or preference granted for ADA units to determine if supplemental evidence was provided or reasonable accommodation request was received with application



- o No Supplemental Evidence- Evaluate based on City Screening Criteria
- o Reasonable Accommodation Request
  - Send Application Evaluate based on City Screening Criteria
  - Review of Reasonable Accommodation Request
- Supplemental Evidence- Individual Assessment( Estimated turnaround time 7-10 days)
- Applicant signs lease and obtains keys from Housing Provider

From the time the unit becomes available the soonest possible to move in an applicant to a unit is **8** days from the time of the advertisement.

#### Security Deposit Concerns

- The administrative burden of tracking and adhering to the depreciation schedule is cost prohibitive and provides little benefit to the resident as the fixtures in the unit at time of move in may not be the same as when they move out due to replacement/repair of items in the unit. Transfers of property, item replacements, and record keeping will be chaotic under the proposal.
- Providing bank account numbers to tenants is unnecessary and leaves the bank account holder vulnerable to account information theft, the same benefit can be derived by including just the Bank Name and Account Holder Name.

Thank you for reviewing the feedback within this letter.

Sincerely,

Jessica Greenlee Affinity Property Management, LLC



### FHCO statement on City of Portland proposed rental screening criteria (dated 11-19-18)

The importance of screening criteria in the rental housing process and its intersection with fair housing cannot be overstated.

Screening criteria are the literal measures by which an applicant's ability to be a good renter are judged. Similarly, screening criteria also help ensure the safety and peaceful enjoyment of housing for existing tenants and protect the legitimate business interests of housing providers. Those should be the only purposes such criteria serve; however, several criteria often used in the rental screening process can create equity barriers for many members of protected classes. Those most likely to experience impacts from equity barriers in screening criteria include communities of color, those perceived to be from a country other than the US, and people with disabilities.

FHCO believes that principal among those equity barriers is the use of criminal history in the rental screening process. This concern is echoed by the federal Department of Housing and Urban Development's April 2016 guidance on the use of criminal history in the screening process, noting the disparate impact on black men and Latinos, who are disproportionally impacted by the criminal justice system throughout the country.

FHCO believes that any successful proposed screening criteria must include an individualized assessment of an applicant's criminal history prior to any adverse action in the rental screening process. As such, FHCO supports the inclusion of this process in the proposed draft screening criteria ordinance, dated 10/29/18. Specifically, FHCO supports the inclusion of the individualized assessment of criminal history as outlined in Sec. G(b) as well as the individualized assessment process outlined in Sec. H.

FHCO also believes several other fair housing-related elements are critical to the success of any proposed screening criteria. Among those are:

- Acceptance of alternative forms of identification beyond a Social Security number (Sec. E);
- Ability of a landlord to screen all occupants of a household for criminal history and a pattern in rental history of hostile, unsafe, or harassing behavior (Sec. C(c)); and,
- Clear standards for calculating a renter's share of rent when rental assistance is provided (Sec. F(c)(1-3).

The use of screening criteria in the rental housing process should protect the interests of applicants, existing tenants, and housing providers. FHCO supports a process that involves all stakeholders in establishing screening criteria that meets the needs and supports the interests of all these groups.

Testimory-FAZR 4/3-4

## **McClymont**, Keelan

From: Sent: To: Subject: Jessi Paige <ouryounaverse@gmail.com> Wednesday, February 27, 2019 5:49 PM Council Clerk – Testimony Fwd: Housing crisis factor

Hello,

I also wanted to add that- another huge issue- is making application fees non refundable. For 2 people that is almost or is- \$100 every time. By then how do you have money to move? Especially when so many companies have inhumane financial & credit criteria.No one should be denied because a low credit score either- that is assanine! Not all of us borrow what we don't have! Please hear me- this is important!

Jessica O'Reilly

------ Forwarded message ------From: Jessi Paige <<u>ouryounaverse@gmail.com</u>> Date: Wed, Feb 27, 2019, 5:37 PM Subject: Housing crisis factor To: <<u>mayorwheeler@portlandoregon.gov</u>>

Dear Mayo Wheeler,

The biggest hurdles that I face as a tenant, someone who is low income, and legally disabled. Is that I had to break two leases in the past. It was 10 years ago now, one of the leases has interest on it. I checked it several years ago, and it was at \$5,000. I would literally have to win the lotto, to be able to pay this off. I had other more urgent debts to pay- in order to drive legally. Most property management companies, and homeowners will not lease- or rent to you if you have broken a lease because you could not pay it. Being a server, and a personal support worker for a non-verbal autistic child. As well as a high school dropout, although I was in honors classes- before I dropped out of school. I don't have the training, the body, or the education to bring in the kind of income- necessary to pay off such debts quickly- if ever. Therefore- until I can pay off these unattainable balances, I will always have to face the possibility of not being able to find a place to live that is habitable. Currently I live in a place that is uninhabitable. Unfortunately it is my only option for a home right now. I have desperately been trying to get reasonable accommodation from my neighbors to no avail- and find a new home for us! I keep hitting brick walls everywhere I go because, most property management companies have a policy that if you owe money to a past landlord, they refuse to rent you. Why does not being able to pay 3 rent's, mean that I deserve to be homeless- or living an uninhabitable environment? This is something that should be outlawed. Especially during a housing crisis! If someone currently has a stable job, and a sustainable legal income. Has recent stable rental history, there should be no reason for them being denied! Bottom line! I hope you will read this- and take this seriously detrimental factor- in getting housing for low income people!

Sincerely,

Jessica O'Reilly

189580

## Parsons, Susan

From: Sent: To: Subject: Myrie, Trevaun Wednesday, August 29, 2018 2:05 PM Council Clerk – Testimony FW: Renter screening proposal



Trevaun Myrie Constituent Service Specialist

OFFICE OF MAYOR TED WHEELER 1221 SW Fourth Avenue, Suite 340 Portland, OR 97204 Phone: 503.823.4120 Cell: 503.823.8134 trevaun.myrie@portlandoregon.gov https://www.portlandoregon.gov/wheeler/ twitter | facebook | instagram

The City of Portland is committed to providing meaningful access. To request translation, interpretation, modifications, accommodations, or other auxiliary aids or services, contact 503-823-1125, Relay: 711.

(503) 823-1125: 口笔译服务| Chiaku me Awewen Kapas | अनुवादन तथा व्याख्या |Устный и письменный перевод | Turjumaad iyo Fasiraad | Traducción e Interpretación | Письмовий і усний переклад | Biên Dịch và Thông Dịch |

APlease consider the environment before printing this e-mail. Thank you.

From: Melissa Moore <mel@toddmel.com> Sent: Wednesday, August 29, 2018 10:31 AM To: Wheeler, Mayor <MayorWheeler@portlandoregon.gov>; Commissioner Eudaly <chloe@portlandoregon.gov>; Commissioner Fritz <amanda@portlandoregon.gov>; Commissioner Saltzman <dan@portlandoregon.gov>; Commissioner Fish <nick@portlandoregon.gov> Subject: Renter screening proposal

As a owner of a rental in Portland, we urge you to reject Commissioner Chloe Eudaly's renter screening proposal. This would take away landlord abilities to protect tenants from individuals convicted of felonies and some misdemeanors, and be concerning to nearby renters and neighbors.

Please consider equally, the rights of business people in Portland. It feels like the city is becoming unfriendly toward anyone who tries to simply make a living here and that can have long term ramifications on the economy, and change the fabric of our community.

Thank you for taking this citizen feedback into consideration.

Melissa Moore

## Moore-Love, Karla

From: Sent: To: Cc: Subject: joho@joehovey.com Friday, March 29, 2019 12:37 PM Council Clerk – Testimony Moore-Love, Karla Evaluation of Applicants for Dwelling Units - Item 294 on Council Agenda for April 3 & 4, 2019

Dear Mayor Ted Wheeler, Commissioners Amanda Fritz, Nick Fish, JoAnn Hardesty, & Chloe Eudaly:

My name is Joe Hovey, and my husband and I own a single family home rental in Portland. We have been landlords for 25+ years. We pay a mortgage on the property and we manage the property ourselves, handling repairs, garden and other issues in a timely manner. We have always wanted our tenants to feel like it is their home and we keep the property is great shape to insure long term tenants.

While we are in agreement on the intent of this Rental Screening Ordinance, as well as some of the key points included, we do have specific concerns regarding it.

First, I think we can all agree: Portland has a housing crisis, and its effect has been to displace vulnerable citizens and build barriers too many can't overcome. We also agree that there exists predatory landlords out there who operate solely on bottom line, and who have continually denied housing to people based on race, gender, and sexual orientation.

Unfortunately, the proposal for Screening Criteria for Applicants as written could create more problems.

1. This proposal may adversely impact community safety with the manner it addresses "past criminal activity". This is not fear mongering, as suggested, but rather it is a real issue that still needs some reworking and discussion.

2. It puts a strain on small "mom & pop" operations like ours as the process is complicated and time consuming. In addition, the proposal is very much one sided, in favor of the renter. It provides absolutely no recourse for these small rental operations should they follow the process and then incur damages or other problems that result from this screening process. At the very least, it needs to provide some type of access to the City for compensation when things go "wrong" in spite of adhering to the process. Otherwise it puts an economic & time strain on the small landlord when dealing with lawyers, etc.

2. From my understanding, there exists an alternative proposal from non-profit mission-based housing organiziations as well as for-profit providers. Yet, this current proposal that will come before City Council fails to consider this collaborative work in its content. Since 2017, housing providers have been working on revised screening processes with the specific goal of reducing barriers to housing. At the very least, City Council needs to consider this alternative proposal prior to taking any votes on the Rental Screening Ordinance. There needs to be a balanced approach in tackling the housing issue, and the alternative proposal needs to be reviewed and discussed. All voices need to be heard prior to any vote.

Not all landlords are greedy or prejudiced. Like renters, we can not all be put in one category and be considered "evil". Like may renters, may of us landlords are socially aware people who truly want to address the housing issues that confront Portland! We are not just out to make a buck; many of us make little profit off of these operations. If the screening process, as currently worded, is enacted, we will consider selling our property. That is not just a "knee jerk" reaction, but rather one based on the fact that it is no longer feasible for us to continue to rent out the house. Bottom Line: Give the small landlords a voice in this process.

I urge you to delay the vote on the Screening Criteria for Applicants for Dwelling Units, 30.01.088. Please stop the vote and consider alternatives. Let us take a balance approach that truly addresses the issues.

Thank you for your time and efforts.

Joe Hovey 212.960.3414 3586 SE 26th Ave Portland OR 97202

## Moore-Love, Karla

From:	Brian Hoop <brian@housingoregon.org></brian@housingoregon.org>
Sent:	Friday, March 29, 2019 10:31 AM
То:	Council Clerk – Testimony
Subject:	Fwd: Comments - tenant screening criteria code for Council agenda items 294, 295,
	Wed. April 3
Attachments:	Final_CityofPortland_Comments_Item294_Screening_Criteria_Regulations.pdf

Please find attached comments on items 294, 295, renter screening criteria regulations, on Council agenda for Wed. April 3, 2019. Thanks

Brian Hoop Housing Oregon Director P: 503-475-6056 E: <u>brian@housingoregon.org</u> PO Box 8427 Portland, OR 97207

Pronouns: He/Him/His

------ Forwarded message -------From: Brian Hoop <<u>brian@housingoregon.org</u>> Date: Fri, Mar 29, 2019 at 10:26 AM Subject: Comments - tenant screening criteria code for Council agenda items 294, 295, Wed. April 3 To: <<u>mayorwheeler@portlandoregon.gov</u>>, <<u>joann@portlandoregon.gov</u>>, <<u>amanda@portlandoregon.gov</u>>, <<u>nick@portlandoregon.gov</u>>, <<u>chloe@portlandoregon.gov</u>>

Mayor Wheeler and Commissioners Eudaly, Fish, Fritz and Hardesty - please find attached comments on items 294, 295, renter screening criteria regulations, on Council agenda for Wed. April 3, 2019.

Brian Hoop Housing Oregon Director P: 503-475-6056 E: <u>brian@housingoregon.org</u> PO Box 8427 Portland, OR 97207

Pronouns: He/Him/His

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March 29, 2019

Mayor Ted Wheeler Commissioner Chloe Eudaly Commissioner Nick Fish Commissioner Amanda Fritz Commissioner Jo Ann Hardesty City of Portland 1221 SW 4th Avenue Portland, OR 97204

Re: Proposed Tenant Screening Criteria Policy (draft 2/20/19)

Dear Mayor Wheeler and Commissioners:

As nonprofit housing providers, we are committed to making housing affordable and accessible to those who need it the most. Especially in times like these with a housing and homelessness crisis pushing our neighbors out of their homes and communities and making poverty that much harder to manage and overcome. We know that our elected officials in the City of Portland are also deeply committed to addressing the housing needs in our communities.

The tenant screening reform, led by Commissioner Eudaly, is an attempt to make it possible for people to access more housing in the wider market as well as among us nonprofit providers. Our communities are safer and healthier when all our neighbors are housed, including community members who have had involvement with the criminal justice system or past struggles with housing stability. We have all spent months reviewing the tenant screening criteria proposal through this lens.

Housing Oregon members appreciate Commissioner Eudaly for considering our input and making changes to the policy that constructively address most of the concerns expressed by our members. To support the Council in its deliberations, some individual Housing Oregon members may offer the Council more specific perspectives on the proposal, its potential impact, and modifications to consider based on their experiences serving the community. Thank you in advance for considering the perspectives of Housing Oregon members that choose to engage.

We commend Commissioner Eudaly for promoting a more equitable vision for Portland's rental market and stand ready to collaborate on future policy making

discussions as well as implementation of the screening and security deposit ordinance. We believe through early and active engagement of all key stakeholders, we can improve upon past efforts and produce more sound public policy. Given the detailed operational requirements involved, we encourage the Council to deliberate on the resources and directives that will be necessary to effectively communicate and train owners and managers on this new policy.

Thank you,

Bridge Housing, Cynthia Parker, President and CEO

Catholic Charities of Oregon, Travis Phillips, Director of Community Development & Housing

Central City Concern, Mercedes Elizalde, Public Policy Director

Hacienda CDC, Ernesto Fonseca, Executive Director

Housing Development Center, Joni Hartman, Executive Director

Human Solutions, Andy Miller, Executive Director

REACH CDC, Dan Valliere, CEO

ROSE Community Development, Nick Sauvie, Executive Director

Transition Projects, George Devendorf, Executive Director

### Moore-Love, Karla

From: Sent: To: Subject: Attachments: Wheeler, Ted Thursday, March 28, 2019 8:24 PM Council Clerk – Testimony Fwd: Letter from S. Ward Greene re Landlord-Tenant Regulations LT Ted Wheeler re Landlord-Tenant Regulations - 6803712v1.PDF; ATT00001.htm

Sent from my iPhone

Begin forwarded message:

From: Ted <<u>ted\_wheeler@hotmail.com</u>> Date: March 28, 2019 at 6:15:21 PM PDT To: "<u>ted.wheeler@portlandoregon.gov</u>" <<u>ted.wheeler@portlandoregon.gov</u>> Subject: Fwd: Letter from S. Ward Greene re Landlord-Tenant Regulations

Sent from my iPhone. I use the voice feature so my email might not make any sense. That's my excuse, anyway.

Begin forwarded message:

From: "Batman, Shellice" <<u>SBatman@williamskastner.com</u>> Date: March 27, 2019 at 4:05:16 PM PDT To: "<u>MayorWheeler@portlandoregon.gov</u>" <<u>MayorWheeler@portlandoregon.gov</u>>, "Ted Wheeler (<u>Ted Wheeler@hotmail.com</u>)" <<u>Ted Wheeler@hotmail.com</u>> Cc: "Greene, Ward" <<u>WGreene@williamskastner.com</u>> Subject: Letter from S. Ward Greene re Landlord-Tenant Regulations

Dear Mayor Wheeler,

Please see the attached letter from Ward Greene. The original has been hand-delivered to your office. Thank you.

### Shellice Batman

Williams Kastner Greene & Markley | Legal Assistant 1515 SW Fifth Avenue, Suite 600 Portland, OR 97201-5449 P: 503-944-6993 | F: 503-222-7261 www.williamskastner.com

WASHINGTON OREGON



WILLIAMS KASTNER" GREENE & MARKLEY

March 27, 2019

00900.0541

### VIA EMAIL AND HAND DELIVERY

Ted Wheeler City Hall 1221 SW Fourth Ave., Room 340 Portland, OR 97204 <u>Ted Wheeler@hotmail.com</u> <u>mayorwheeler@portlandoregon.gov</u>

Re: Landlord-Tenant Regulations

Dear Ted:

I know you are bombarded by special interests and constituents about the proposed landlordtenant regulations. I want to offer my objective insights. My wife Diane owns a few rental houses and a small apartment complex, but my comments are my own.

We all agree that affordable housing and homelessness are critical issues. The proposed regulations will not help find a solution. The unintended consequences of these rules will make the problems worse.

• Mom and pop landlords will be confused and intimidated; they can't afford lawyers and won't understand the details.

• Landlords with rental houses will be selling them, rather than struggling to comply; landlords with apartment buildings will raise their rents the maximum permitted by law ahead of any "rent control," thereby making apartments less affordable.

• Telling landlords they must rent to people who can't afford the rent is like telling a bank it must lend money to a borrower who doesn't qualify for the loan.

• The ECO Northwest report which was released on March 13 warns that households who spend 50% of their income on rent run the risk of losing their housing from one unexpected medical bill, car repair or missed paycheck. The new ordinance would force landlords to rent to the folks who are on the edge, rather than the traditional standard which requires that rent be not more than 1/3 of household income. The likelihood is that this rule would cause more homelessness, not less.

Williams Kastner Greene & Markley 1515 SW Fifth Avenue. Suite 600 Portland. OR 97201-5449 main 503.228.7967 fax 503.222.7261 www.williamskastner.com WASHINGTON\_OREGON\_ALASKA

Ted Wheeler March 27, 2019 Page 2

• Forcing landlords to rent to folks with a criminal record doesn't create more supply; it simply leaves other qualified tenants unable to rent and threatens neighbors and other tenants.

We need a comprehensive solution. I have a number of ideas I would be happy to share with you. Among other things, there is a push to support ADU construction in low income neighborhoods to create more affordable housing. Subsidies for low income families would also alleviate much of suffering at its source. I admire and applaud all your efforts, but demonizing landlords does not help get us to a sustainable solution.

Please let me hear from you. I would be happy to meet over lunch or coffee if your schedule permits.

Warmest Regards, and S. Ward Greene

189580 Ebucket

Parsons, Susan

From:	Lisa Long <highfiveprop@icloud.com></highfiveprop@icloud.com>
Sent:	Wednesday, September 12, 2018 10:40 AM
То:	Callahan, Shannon
Cc:	Wheeler, Mayor; Commissioner Fritz; Commissioner Eudaly; Commissioner Saltzman;
	Commissioner Fish; Moore-Love, Karla; Parsons, Susan
Subject:	housing reports
Attachments:	testimonies.pdf

Hi,

Lisa Long here.

Please include this in the public testimony.

Below please find a link to a recent article in Bloomberg news concerning decreasing rents in many cities including Portland.

I urge City Council to actually do some research before passing any more restrictions on the rental market.

This is not the first time I have made this request. I have attached four additional pleas to the Mayor and Council members to conduct research and secure data before passing law concerning the rental market.

Clearly data has been collected to support what I have experienced personally in the last year, that rents have not just leveled off but have decreased. This is a normal correction to a market that accelerated very quickly in a very short time. Like all markets, supply and demand will cause a natural correction.

City laws which interfere with the natural market will create a bifurcated market which divides the market into unequal extremes. This will result in units with low rents which never come to the open market because they are never vacated and very high rent units because those are the only units available on the open market. An open supply and demand market naturally causes rents to stabilize across all economic landscapes.

Affordable housing is needed. Subsidized housing is needed. But these are government responsibilities, not the responsibility of the private sector. An open market allows for a natural cost correction which benefits all renters.

Please, take the time to do some research. Collect accurate data before over regulating a market that corrects naturally on its own.

As I so often tell my daughters. You have to do your homework before speaking out in class.

Time to do yours.

https://www.bloomberg.com/news/articles/2018-09-07/rental-glut-sends-chill-through-the-hottest-u-s-housing-markets

From: Lisa Long hightivepropetitizioud com Subject: Rentere rights Date: January 31, 2017 at 6:18 PM

to: MayorWheeler@portlandoregon.gov

H

Lisa from High Five Properties.

I would like you to know that I do not support the Renter's rights proposal being reviewed on Thursday February 2nd

I have a client who wants to purchase a home for her parents to live in.

The home is currently tenant occupied.

Will my client need to pay relocation fees in order to vacate the tenant and move her parents into the home under your proposal?

I would like to suggest that you table your no cause notice and rent control proposal for one year.

There are hundreds of new rental units due to come onto the market in the close-in neighborhoods in the next year.

I am expecting that the influx of new units will create a market change and rents will stabilize naturally.

Would you be willing to conduct some market research and apartment forecasts before instituting your proposals?

My experience is that rents have stabilized in the close in neighborhoods. I am not seeing rent increases since fall 2016.

In fact, I am reducing rents on my current vacancies. From my small sampling, I find that rents have reached a plateau.

Concerning no cause notice. I use this process to vacate a problematic tenant without giving them a for cause notice which will impact their ability to secure a future rental.

I use this for tenants who are in conflict with other tenants in the building or who do not abide by the building rules but who pay their rent and might do better in a different rental situation.

If the not cause notice is eliminated, I would have to give these tenants for cause notice to vacate because they have been too loud or didn't follow the parking procedures and upset the HOA.

With a for cause notice, it would be very difficult for a tenant who has had minor infractions find another unit to rent.

Thank you for considering my concerns.

Best.

Lisa Long High Five Properties highfiveprop @ cloud.com

From: Lisa Long hightiveprop@icloud.com

Subject: recent-refiler relocation ruling

### Date: February 3, 2017 at 5:54 PM

To: mek@portlandoregon.gov, MayorWheeler@portlandoregon.gov, Amanda@portlandoregon.gov, dan@portlandoregon.gov, Chice@PortlandOregon.gov

Hi,

Lisa from High Five Properties here.

I am wondering if the council has performed any evaluation of rental units due to come on the market in close in neighborhoods in the next year?

Has there been any research or forecasting for incoming units and how they will effect the rental market?

Please also be aware that first time homeowners may find it difficult to purchase a home because many of the homes available to first time homeowner are rentals. If a Seller has to pay for relocation fees in addition to real estate commissions and repair costs, they will need to pass that expense on to buyers.

\$5,000 can be the difference between a buyer qualifying for their first home and not qualifying.

Not all landlords are unfeeling fat cats. For many of my clients, their rental unit is one of their few assets and one they have worked hard to hold onto during the recession.

I urge you to reconsider the fees for homes that are tenant occupied and on the market for sale. It is already very difficult to coordinate loans so that an owner occupied buyer can move into their new home within 60 days of closing as required by home owner loans while also having owners provide a 90 day notice to their tenants.

Please have the courtesy to reply to my e-mail or at least acknowledge receipt.

Thank you,

Lisa Long

895

From: Lisa Long highfiveprop@icloud.com

Subject: Testimony regarding tenant relocation fees

### Date (February 23, 2018 at 1:01 PM

To: Mayor Ted Wheeler MayorWheeler@portlandoregon.gov, Chioe@PortlandOregon.gov, nick@portlandoregon.gov, dan@portlandoregon.gov, Amanda@portlandoregon.gov

February 23, 2018

Dear Mayor Wheeler and City Council Members,

I have written to you all several times over the last 12 months and have never received a response. Nevertheless I feel compelled to write again.

As you know from my previous e-mails, if you read them, I am a small landlord and work as a property manager and have been since 1996. I am not rich, and my clients are not rich. Some of them are on a fixed income and depend on their rental property to supplement their social security. Some depend on their rental property to help cover the cost of their children's' college education. One of my clients inherited his duplex from his father who in turn inherited it from his own father who built it. This client works full time in another state, rents an apartment and devotes the entire the rent from his duplex to support his mother who is disabled and has no income. He has told me repeatedly that he and his mother cannot afford a vacancy. Steady income is more important to them than a maximize rent.

None of my clients are fat cats who can afford to pay relocation fees. They struggle to cover vacancy periods and repairs. For many of them, their single family rental home or duplex is the only asset they have. Some of these clients do not own their own homes but rent apartments in the cities they live in.

They are not greedy landlords. And neither am I. I have owned and serviced my own rental property for many years. I don't take vacations. How can I? A new root is typically \$7500-\$16,000, and I need to save money to cover the cost of repairs. Boofers don't root on credit. I am willing to make this investment in my property, but it requires sacrificing on my part and the part of my family.

I make a living managing rental property. What I mean by that is I can cover the cost of health insurance for my family as long as I have a high deductible. I can cover the cost of braces on my two kids as long as the orthodontist has a monthly payment plan. I can cover car payments for one economy car and the mortgage on my home. And that's it. I pay for every expense out of pocket. I have no retirement account, no 401K, no benefits of any kind.

I don't have sick days. I don't have personal days. I don't have paid vacation days. On Tuesday I had a tenant emergency at 1 a.m. I don't have after-hours service so take a guess who was up half the night. I work evenings and weekends every evening and every weekend. But I am not complaining. It's the nature of my work, and it is what I signed up for.

What I am complaining about are politicians who have made no effort to study the pressures of being a property manager and landlord, who make sweeping assessments that all landlords are greedy and evil, and who mandate that financial compensation must be awarded to all tenants in all situations.

I, like many small landlords, have personal relationships with all my tenants. I babysit for one of my former tenants for free, so he and his wife can have a date night without spending a fortune. I have paid my tenant's health insurance premium when they were in an accident and need to get the coverage up to date immediately. I have mourned at a tenant's funeral and have rejoiced at weddings and births. Does that sound like an evil, greedy, landlord to you?

But I have a family too. I have two daughters who want to go to college. I have elderly parents who are in need of support. I can't afford to pay relocation fees and neither can my clients. I can't tell my clients how to address these issues, but I can share with you what I am doing.

I am setting. I have already sold four of my rental properties and I intend to sell the rest. As soon as unit becomes vacant, I sell it. I have sold three single family homes in the last year. All three had been rented by tenants who worked in the neighborhood. Two homes were purchased by homeowners and have been removed from the rental pool. The third property sold to a developer and will be torn down to make way for two high end homes. None of the rental properties I sold will return to the rental market.

I am very disappointed that our local government chose to polarize landlords and tenants instead of seeking agreements based on

common ground. There could have been buy in from the local landlords if even the slightest effort had been made to include their perspective. A program could have been developed to encourage landlords to keep rents below market in return for a tax credit or other incentives. I know that many of my clients would have participated in such a program. My clients are more concerned with keeping their units occupied and well maintained than securing the highest rent possible. Most owner operators value stability in their business and investment over temporary gain, because those of us who have been in the rental business know that rents go up and down as part of an economic market. We also know that what will sink a landlord is an extended vacancy factor, not a reduction in monthly rent.

From my perspective, the actions of the Mayor and City Council Members illustrate lazy government. It is easy to have a knee jerk response to a problem such as housing costs have risen, the problem is the landlords. It is your jobs, as our elected officials, to actually put a little bit of work in your governing. The Mayor, in particular, knows this. With a Stanford undergraduate degree and graduate degrees from Harvard and Columbia University you know the value of research, exploring different trajectories, and arriving at an informed and complex analysis.

The Mayor and Council Members may want to familiarize themselves with the work of <u>Adam Smith</u> if they haven't already. <u>The notion</u> of the Invisible Hand is a well established economic principle for regulating markets. I believe it is the duty of our local officials to consider the well being of ALL of its constituents. You were elected. You have an obligation to us all. It's your responsibility to do the hard work, research, and planning to arrive at an equitable solution. It's time that you stop applauding yourself as a modern day Robin Hoods and actually do your job.

Naturally I don't expect a response but I do want this letter submitted to the public record.

Lisa Long

A voter.

From: Lisa Long high/weproc-indicud.com Subject: Invalid Statistics Date: April 4, 2017 at 12:37 PM

To: MayorWheeleniPportlandcreaps.gov

#### Dear Mayor Wheeler

Please confirm that my e-mail to you shall become part of the public record.

My nartie is Lisa Long and I am very concerned about a recent article in the Oregonian that stated the statistics City Council used to evaluate the availability of housing in Portland, the statistics that led City Council to endorse a rental ordinance, were in fact bogus statistics. I have included a link to the article below.

I am one of those small landlords who have become collateral damage in the recent rort ordinance. I am not rich. I do no gouge my tenants. I have a personal relationship with each of my tenants. They all know me by name. They all call me Lisa. I don't have a receptionist or a staff of employees. I have a bookkeeper who comes in twice a month to update my books. I have a general contractor who I have worked with for fitteen years. We text each other every day with the list of tenant maintenance jobs. I have a plumber who knows me so well he will meet me after hours and on a Sunday. I have an HVAC contractor who has worked with me for so long that I am now working with his son.

And I have tenants who have been part of my life for over 20 years. One of my tenants called me when his wite was in an accident and asked me to run down to his health care provider's office and pay his premium so that his health care would not lapse during their emergency. I dropped what I was doing, wrote a personal check to Blue Shield, and ran downtown to the Blue Shield office.

Another tenant asked me to take care of her dog after her husband was in a near tatal accident. I did. Her husband recovered.

Another tenant called me from a business trip and said that his pregnant wife had slipped in the shower. I ran over and brought his wife and his young daughter over to my house. We made dinner for them and visited. When she telt well enough to go home, she left for the house I rented to her, and I told her to call it she needed anything.

#### I have always told my children, our tenants are our clients.

One of my tenants has become such a close personal friend that I beg to babysit his son while he takes my daughters, who have known him since intancy, out to play got!

I have taught my children by example and have benefited from wonderful relationships with people I truly care about.

#### That is my personal story

I have managed rentals since 1996. Some I own, some I manage for private owners. None of my dients is nich. Most own one or two properties and most have held onto their properties to provide for a retirement income or for their children. I have one owner who inherited his duplex from his father. When my client knew he was dying, he came to Portland to prepare the property tor his children to inherit. We installed a new roof, had the siding updated, and had the property painted. He and I talked on the phone when he was on his deathbed about what kind of tile we should put in the shower. When he died, i helped his children through the transition on the duplex and now they share the income from the units. My client was a published writer. The duplex gave him a small income which allowed him to live his life as an artist. His children are using the income to support their mother who is too ill to work and does not have any savings.

My owners are not greedy people. They are ordinary people who have invested in real estate for very personal reasons. One of my owners is an under employed academic. She is counting on her rental home to help support her daughters' college education. She lives very modestly and has a very limited income.

That is the story of some of my owners.

Now let me address my protessional story

Over the last 20 years I can tell you that the rental market is just that. It's a market. Like the stock market, if goes up and down. I have raised rents some years and have reduced rents some years. Typically I don't raise rents very much when tenants are occupying. I raise rents at turnover which is when I do my significant improvements. Improvements like gutting a battroom, installing, all new stears in the shower, and tile.

Landlords, like everyone else, live by the market. When rents are up, we make more money and more often than not, that money goes back into the property to pay for improvements. In the last two years I have had owners install more new roots, tile more bathrooms, and install more insulation, more energy efficient furneces, and more new energy efficient windows than I have in my entire rental career. These improvements are expensive. One of my clients just spent \$26,0000 on a new root after three years of patching the root on his 5-piex. He installed a new root because he could afford it.

Another owner just spand \$20,000 installing new energy efficient windows and doors in her four-plex. The tenants tell me that they enjoy the new windows which all have screens and which keep their units warmer in winter. This immediately translates to savings for the tenants on their energy bills

For last 6 months I have experience a deflation of rents in the close-in market. This is on hand experience. A house I manage that was rented for \$2100 in 2016 is now rented for \$1995. Another property that was rented for \$1800 in 2015 is now rented for \$1650. I could go on.

I thought that perhaps this decline in rents was specific to my rental pool since there has been non-stop insistence both politically and through the media that Portland is experiencing a rental emergency. Imagine my reaction when I read in the Oregonian that my experience of declining rents was in fact valid and that the statistics of a rental crisis were bogus.

I have to say that if feels very much like our politicians have targeted landlords as being responsible for anyone's misfortune around housing. It feel very personal, and from my expensive it is completely unfounded.

The concept of a fair return on an investment calls to mind the suffering my close friends endured trying to run a furniture business in his native Cuba. The government did not want its citizens to make a profit. My finend sold his business, hired a coyote, and escaped with his family to the U.S. My triend is now an independent businessman who makes furniture and has sold his work at the Joinery and other well regarded establishments. His son is going to realize his dream of being a pilot and is about to enroll in flight school. My finend is a U.S. ottzen, and he loves this country because he has had an opportunity to profit from his hard work. He wins his own house. He has helped other immigrants to find jobs and obtain clitzenship. Would he have been drawn to our country if he was only ottered what a politician considered a Hair Heturn, on his business r

Our economic system is a supply and demand system. So far, it's worked pretty well. Yes rents are higher, but so are wages. It's true that you can no longer live 2 blocks from S.E. Division and 34th in an apartment that cost \$600 a month in rent. It is also true that our city is no longer economically depressed. There are better paying jobs. There are more opportunities. Coffee tastes better than it did in 1996, and it costs a lot more. Is there a tair return on a cup of coffee? No. The patron decides it they want to pay \$3 for an americano or it they want to save money and make coffee al home. All the coffee shops price their americanos at about the same price. That's a supply and demand economy in action.

189580

People who want to pay a premium to live in expensive neighborhoods, whether as renters or homeowners, make that choice. People who can't afford those costs move farther out. And guess what? Farther out is now befter out!

Folks on more modest incomes can move East of S.E. 82nd and still find coffee shops and nice neighborhoods. I just helped a family I have been friends with for years buy a house on NE 122rd and Sacramento. It cost \$250,000. That's is affordable housing. It is a nice house, in a nice neighborhood that is walking distance to a playground and still commutable to S.E. Portland. My friend still rides his bike from his house to is job on S.E. Belmont. It takes him 20 minutes

Everything I am sharing with you in this e-mail are my incidental observations. Now I find there is quantifiable evidence that my observations are anything but incidental.

#### Why am I so distressed by all of this?

Because I have worked like a dog improving my properties and providing good service to both owners and tenants so that I will have the funds I need to send my two daughtars to college and provide some kind of retirement for my husband and myself. I don't have a 401K. I don't have a stock portfolio. My children go to public school. I pay for my own health insurance out of pocket. I pay selfemployment taxes, business taxes, high property taxes, and now otly council wants me to pay a fee to be in a registry simply in order to do business. All have are my properties and I need to pay off my mortgages in order to see any profit from them.

Anyone who has owned property knows that YOU DON'T MAKE ANY MONEY UNTIL YOU PAY OFF YOUR MORTGAGE. It's like savings account that does not mature for 30 years. I have worked my whole adult life to pay off my mortgages. Small owners like myself work harder than anyone you know. We don't go on vacations. We don't indulge in luxures. How can we when a new root costs \$15k?

And finally, I just want to include in this letter that anyone who is a property manager will tell you that there is no such thing as a no cause end of tenancy. All end of tenancy notices are for a reason. The no cause notice was just a means to remove a problematic tenant without going through the extensive documentation you need in a for cause notice and without damaging their rental history.

I would like this letter to become part of the public record and I would also like a written response to my concerns.

It's too easy to point a finger at one business, landlords, and make them responsible for all the housing difficulties of an entire city or state.

If you feel that landlords are a stab in the back to the hardworking offizens of Portland and are the cause of what is now an unsubstantiated housing crisis. I think you would be wise to look to your history books or at least go on line and see the last time one party was considered responsible for the all woes of their fellow citizens. Let me give you a hint, it did not end well.

You may respond to me at LHL@teleport.com

Thank you

#### Lisa

### Bogus Numbers:

http://www.oregonlive.com/portland/index.ssf/2017/03/bogus statistics und ercut\_city.htm

## Parsons, Susan

From:	Lisa Long <highfiveprop@icloud.com></highfiveprop@icloud.com>
Sent:	Friday, September 14, 2018 11:33 AM
То:	Callahan, Shannon; Wheeler, Mayor; Commissioner Fritz; Commissioner Saltzman;
	Commissioner Fish; Commissioner Eudaly
Cc:	Moore-Love, Karla; Parsons, Susan; Leah Sykes; Deborah Imse
Subject:	Criminal Screening Proposal

Hi,

Please include make this e-mail part of the public record.

I have some technical questions concerning the proposed changes in criminal screening.

I have written to Council Members many times but will repeat here that I am a one woman property management business and have managed rentals in Portland since 1996.

My current screening process requires tenants to meet my criteria for credit, criminal, eviction, rental references, and income.

In the event that the Council's proposed screening criteria changes are approved, who will be responsible if a tenant who would not have been approved by my criminal screening criteria is approved due to the city mandated screening criteria and that person performs a criminal act against another person or damages property? Will the city take responsibility for damages or a lawsuit filed by the victim of the crime?

I recently had a situation with some tenants that speaks to this. I rented a two bedroom unit to a couple and their friend. In time the friend moved out, and the couple asked me to screen one of their work colleagues, so he could move into their unit.

I screened the individual, and he had criminal charges which did not meet my criteria, so I denied his tenancy.

The couple allowed him to move in anyway, and then called me because he was threatening them. They had barricaded themselves into their bedroom and were afraid to come out.

This is a perfect example of how my screening criteria PROTECT my tenants. One of them knew the guy from work and thought he was a good guy. The applicant's criminal history alerted me that he was a dangerous person, and by denying his tenancy I was in protecting my tenants.

News Flash, Criminals are dishonest. This guy deceived my tenants. The changes put forth in the criminal screening proposal will deny me the means I need to PROTECT my tenants who are, in fact, my clients.

Similarly, I require my applicants to have 2.5 gross income to rent in order to qualify for the unit. Most property managers require 3 times the rent. I have found that a household that makes less than 2.5 gross income to rent cannot afford the unit.

City Council's proposal reduces the income requirement to income of 2 times the rent to qualify. Tenants will not be able to afford the rent at this ratio. Should this go into effect, I will be forced to evict tenants because the City policy forced me to rent them a unit that they simply could not afford. The City mandated income requirement is too low to cover expenses. In this situation, will the City of Portland cover the cost of the eviction?

No one wants to evict tenants. It's not fun for landlords, and it does not make us feel good. It's also expensive and a giant amount of paperwork. My job is to rent units, not to kick people out of units.

It is a disservice to both tenants and landlords to require landlords to rent units to tenants who will not be able to afford the unit.

A bank is not going to lend a buyer more than they qualify for on a home loan. Lender qualifications are based on a financial standard. The government cannot go to US Bank and force the mortgage department to give a loan to a buyer when that buyer does not qualify for the loan amount because they lack the income.

No car dealer is going to give financing on a car that if the applicant does not meet the financial requirements.

City Council is sending a lot of mixed messages to landlords and tenants alike.

If you want to protect tenants and ensure a safe environment, you must allow landlords to deny criminals tenancy.

If you want tenants to live comfortably in their units without putting them in a position where they struggle each month to make their rent payment, you must allow landlords to set a reasonable criteria for income to rent, and the industry standard has long been 3 times income to rent. Individual landlords may reduce that ratio if they choose. I have mine set at 2.5 income to rent, but that is my choice.

Please consider the reality of the situation rather than your lofty dreams. If you want to provide people with safe and affordable housing, you need to allow the providers of that housing to keep it safe and rent to tenants who can afford the housing.

Once again.

Lisa Long

**High Five Properties** 

highfiveprop@icloud.com