

From: [Andrew Wenzlaff](#)
To: [Clerk General](#)
Subject: Protect mom-and-pop landlords to protect housing in Portland
Date: Saturday, October 29, 2022 8:21:16 AM

Dear City Council,

In all the talk of affordable housing, what is often overlooked is how many rooms home owners have available: spare bedrooms are all over Portland but they sit vacant. Why? Because city rental codes make it extremely difficult for resident landlords. Rental laws lump in resident landlords with all other types of landlords such as those of large-scale multi-unit apartments and condos. I hope to explain here why resident landlords deserve to be in a category of their own.

To start, the most threatening rule is the relocation assistance. Resident landlords are exempt from paying relocation assistance, and that's a good thing, but upon closer inspection it's actually a booby trap. The law is written such that if the landlord makes a small error in paperwork, the ex-tenant can collect the relocation assistance anyway (\$2,900), plus a penalty amount of 3 times rent as well as reasonable attorney fees and other costs. This enormous payout makes it likely that con artists will predate upon resident landlords, as I'll explain later.

Secondarily, landlords in Portland who want to terminate a lease must give 90 days for their tenant to move. Everywhere else in the country, the rule is only one month or less, but for some reason Portland decided that landlords must tolerate a bad tenant for 90 days. This is not sensible for a resident landlord living with an unsafe tenant. Imagine having an unsafe person in your home for three months with no legal way to have them removed! This is the risk that resident landlords take on.

Finally, there's a rule that landlords can't terminate a rental agreement after a year of tenancy except under very narrow circumstances. This is of detriment to the landlord and tenant because, simply, it incentivizes landlords to terminate tenancies prior to a year just because they know that after a year it will be impossible to do so. Obviously, this creates instability in the housing market.

Let's try to put a human face on this by telling a story. The following is a fictional story, but, because of the ways the laws are written, it's entirely possible that this is happening right now in Portland.

You're a retiree with a vacant room in your house. Someone suggests you rent the room to cover the costs of your dialysis treatment. So you find a tenant who seems nice at first but shortly after moving in starts to terrorize you, making noise at night, being rude and obscene. Some nights they come home drunk and corner you and threaten you. You go to the police, but they're too busy to help you. To your relief, one day the tenant tells you they're going to move out as soon as they find another place. So you wait for this to happen, weeks and weeks, meanwhile feeling unsafe in your own home. An online search tells you to issue a termination of lease. Since you don't know that Portland has special rules for this, you give the tenant a boilerplate lease termination, specifying one month. Unfortunately, you've just given the tenant a weapon they can use against you.

After weeks, the tenant finally moves out, breaking a lot of your belongings in the process. Finally you contact a lawyer who tells you that you can't keep any of the security deposit because there are a lot of rules regarding the security deposit (itemizing every item in the house with a depreciation schedule, doing a walkthrough before and after with the tenant, and having to have stated in the lease where the security deposit was being held.) So you just refund the tenant's security deposit and pay for all the damages yourself.

You didn't earn enough from the renter to pay for the damages they caused, but you caulk it up to a hard lesson, and thank goodness it's over. But it's not over.

The next thing you know, the tenant has a lawyer and you're being informed that you owe relocation assistance plus penalties. Why? Because you didn't know to state in the lease that you have an exemption as a resident landlord. Furthermore, that lease termination you issued was out-of-line with Portland's 90-day rule. How would you have known any of this? You spend time Googling. After wading through a ton of misinformation and dead-ends, maybe

you discover PHB's website where even then it's still a real maze to discover the information that actually applies to you.

This exhausting nightmare is happening every day in Portland. As these stories get around, more and more property owners are deciding to disinvest from this city.

I hope you can see that common sense dictates that the rules need to be different for small-scale landlords, especially resident landlords. "Mom and pop" landlords are not the same as corporate apartment complex developers. We are micro business that fill an important economic niche, and we need to be protected and assisted, not punished when we try in good faith to rent rooms in our house. In helping us, you will help Portland.