

RE: HB 2004

To Whom it may concern:

I am extremely concerned about HB 2004. It does not address the housing shortage. I started out as a single mom on low income housing and welfare. I bought my first home on "Crack alley" on a handshake in Portland, OR 25 years ago. It had a caved in basement wall and roof. I put A LOT of sweat equity into that home. I gave up a lot of time to sit and relax. Later, I traded that home for my 8plex. That 8plex had the nickname of "felony flats." My seven children and I worked hard to turn that place around with little income. My rentals ARE my job. Most landlords work with those who help themselves. Do not punish me because of a few bad apples! I do do no cause evictions because they are easier, faster, and less contentious than for cause evictions. Most of the time there is a cause but to evict for cause, on the record, hurts the tenant in the long run and may deny them the opportunity to really learn from the eviction/notice and limit their ability to further secure housing. In addition, I for one, do NOT have the money to pay a tenant a month's rent to help with their moving costs! I recently had a tenant tell me they were going to move and they didn't. It is not so unusual. They finally left, leaving over \$6000 in damage. With this proposal I would have to pay the tenant before they move out plus lose out on damages. (I have rarely been able to collect for damages...can't get money out of a turnip.) This bill, in reality, steals from those hard working landlords like me and gives to another without without any longterm affects.

I believe that Section 2 of 91.225 (1) SHOULD and must remain in the bill as originally written. Affordable housing is an issue. The restrictions on housing rents WILL disrupt an orderly housing market, increase deferred maintenance of my existing rentals, and lead to my abandonment of the residential housing market..instead moving to the commercial market.

IF YOU WANT TO ADDRESS THE HOUSING MARKET, start with those things that are encouraging the lack of development and the increase in rents. Let me give you two examples that, as a landlord, as infuriated me because it is unjust and it is happening throughout the state of Oregon.

I have an 8 plex. Each unit is 400-500sq ft including the common areas. I've had tenants moving out recently because it is cheaper to live in an RV. My rents are in the lower 20% of the market (They could be more). My actual expenses this last year have risen about \$100 per month PER unit due to sewer rate adjustments (I am now being charged the same as a 1000sq ft apartment rather than my previous commercial rates), water rates, taxes, and a doubling of garbage hauling costs. Some of this is attributed to an increase in the minimum wage which transfers directly to these costs. However, motels near me are charging up to \$900 per month for a ROOM. RV Parks started in my area and were claimed to be used for "tourism purposes" when in fact they are being used for residential purposes with people living in them year round. The RV Park residents are residents of the city and county. However, because the RV Parks pay "commercial" rates for water rates rather than residential rates (at least where we

live), they can afford to charge much less rent (\$40-\$50/mn per unit). My current 8plex units sewer bills, which are not really larger than an RV when you count the RV Park's club houses and bath houses, are a whopping \$69/mn. I use the same amount of water and sewer as an average RV per unit! Yet, the RV Parks in the area pay about \$9-\$11/unit per month! In addition, with our property taxes, I pay to help support the streets, fire, and police departments. They do, but minimally, since their charges are based only upon the value of the land regardless of the residents...If they are for vacation and tourism purposes, they pay a tourism tax. However, there are three parks near me that have never, in three years, paid any tourism tax. So, as a property owner, I am subsidizing through my taxes and public utility bills the RV Parks and their residences. This means that even my low income tenants are supporting the RV Park owners and their profit.

The System Development charges and costs to build an RV park are far cheaper than building long term housing and the risks are lower since there is little to no chance of tenant damages. To make matters even better for the RV Park owners, they pay "commercial" rates far below the rates that apartment or housing owners do....thereby giving them a continuing benefit not granted to any other. These only encourage the further development of RV Parks and their use for permanent housing. The RV parks in my area are in direct competition with my apartment complex. I cannot afford NOT to raise rates. Sometimes the rates must be raised on a short notice because no matter how much I try to reduce my costs, the cities and county (at least where I live) refuse to see or address the inequities and the resulting housing shortage that is encouraged by this. In fact, developers CANNOT afford to build small places Since there are hotels who rent rooms to permanent residents and RV parks that do the same....but who get special treatment because their charges are based as if they are for "tourism" (hence not as high of use as a home) rather than their actual use. Part of this problem is due to zoning issues, where there is insufficient ability to even build. It is far easier to build an RV park in an agricultural or commercial tourist zone.....

I have a piece of land zoned for 40 units. I wanted to build ADA one story units at an affordable price with the use of manufactured housing. In our area, on multi-family zoned land, only ONE manufactured home is allowed per piece of land. In addition, a multi-family unit is defined as units which are connected as one building. That means I can't build site build housing with four indiv single family units, kind of like a PUD...making the use of the land less efficient and building costs more. I also can't use manufactured home duplexes on the land, again, making it affordable to build. And because my land isn't zoned agricultural, I can't have RV's, even if permanently lived in, without applying to become a manufactured home park, having larger lot sizes per unit, and meeting far stricture and far more expensive development costs. Yet my neighbor, who closed and kicked out 10-12 mobile home owners in an old manufactured home park, applied for a zone zone change to agricultural (under false pretenses that we needed more tourism spaces despite the city knowing the facts and having evidence to the contrary as to the need), is allowed to have 31 RV's used for permanent residential use in a zone that only allows one residential unit per 10 acres (agricultural zone)...solely because the RVs are "designed for vacation purposes." This is absurd. There are at least 500 RV units in 10 parks within a 20 min drive of my home like this. That's 500 less housing units developers are encouraged to build solely due to the irrational development costs, inequitable public utility costs, and zoning discrepancies.

If the state wants to address the housing shortage, a) start with the impact of the RV parks upon affordable, smaller housing units, the lack of zoning, the absurd restrictions upon that zoning (as I have faced), and the violations of our land use laws that encourage the RV parks to continue to “offer” month to month rentals under the guise that they are not residential and b) address the inequitable sewer rates that some jurisdictions charge....that can reduce rents by as much as \$40-\$50 per month in my area for smaller units....where the greatest need remains.

In regards to rent control, it will only encourage me to increase my rents further. If I must be subject to rent controls and I decide to rent at less than market value but am punished by it, I will need to increase my rents now rather than later. In addition, I like to reward my faithful tenants and those tenants who are working hard to not have the system support them....but with rent controls, I would lose this ability most likely and it is a risk I cannot take. It will also make it much more difficult to rent to higher risk tenants, which is my focus. Instead of charging the equivalent of one or two month's rent, I would have to reject their application.

Please, reject this HB 2004. This will not address the situation and, I believe, will only make it worse in the long run. It does not address the reasons behind the housing crunch. No more units will be made available. In fact, if anything, it will increase the use of transient housing (motels, RVs parks, living in cars) rather than the development of affordable permanent housing.

Thank you,

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