

Submitter: Kathleen Fleming  
On Behalf Of:  
Committee: Senate Committee On Housing and Development  
Measure: SB611

SB 611 would do 3 things:

1. It lowers the Rent Cap to just 3% per year + CPI but NOT to exceed 8% total. You have not put a cap on expenses, especially your property taxes. Repair costs have doubled and tripled, insurance has gone way up. This means that if your overhead for providing housing goes up due to inflation, you are unable to recover those costs from your rental property. This would encourage small landlords to get out of the business, which would then turn available rentals into owner-occupied properties.
2. It decreases the exemption from Rent Control for new construction from 15 years (currently) to 3 years. This means investors will look to other markets nationwide to build housing costs where they can generate profit. This would create a major shortage of new housing stock for years to come.
3. It increases the relocation fee for Just-Cause Terminations (for selling a rental or moving back into it, or rehabbing it) from 1 month's rent to 3 x's the monthly rent if you own more than 4 rental units. This would turn a somewhat justifiable moving allowance for tenants into a substantial penalty tax to owners! Why do you want me to pay for deadbeats to move? They can walk out of my rentals anytime and they certainly don't pay me! They aren't even made to pay just the rent that they owe.
4. Rental income is my only retirement source (social security is a joke). You are going to force me to sell those homes because I can't carry those types of costs and give away housing. I simply don't have the money....and can't see why, when you tout how much "affordable" housing means to you, you want to put small landlords out of business.