

# Oregon's Landmark Tenant Safeguards Haven't Protected Deb Mayer

The retired teacher is spending almost 70 percent of her income on rent.



Deb Mayer's rent is unaffordable. (Briana Ybanez)

**[By Rachel Monahan |](#)**

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For the past decade, Deb Mayer has lived in a 600-square-foot studio apartment near the Portland Art Museum. A retired teacher, she has long had to spend half her income on rent.

But in October, her landlord raised her rent more than 16 percent, and Mayer fears she may soon be forced onto the street.

That's not supposed to happen to people like Mayer who are fortunate enough to have secured government-subsidized housing.

Mayer, 70, lives in one of the 28 "affordable" units set aside for low-income residents in a 140-unit building at 1030 SW Jefferson St. And yet the double-digit percent hike places her apartment beyond her means.

It's a troubling development, especially since Oregon passed a law last year aimed at stopping rent gouging in a state where there is a shortage of affordable housing.

The new law capped rent increases for apartments and homes at about 10 percent a year. Yet Mayer's landlord is not violating that law.

That's because the new state law applies only to market-rate, i.e., unsubsidized housing. Subsidized housing for low- and fixed-income Oregonians (there are more than 8,000 such units in Portland alone) are not covered by the rental cap created by Senate Bill 608.

Mayer is caught in a bind. Rent increases on her subsidized apartment are pegged by federal rules to the median family income for the local area. That means Mayer's rent rises as the average Portlander's income goes up. So when the economy booms, her landlord can hike her rent—even though her income is fixed.

The Legislature could have included subsidized housing in its cap on rent increases, but House Speaker Tina Kotek (D-Portland) decided against it. "It was our understanding that these programs already have regulatory oversight and tenants would not experience rent gouging," says Kotek.

Kotek assumed wrong. For apartments like Mayer's, there are no limits on how fast rent can rise. Such units house some of the most vulnerable tenants in Oregon—many of them elderly, disabled or living on fixed incomes. Neither the city nor the state has figured out a plan to protect such tenants from unmanageable rent spikes as Portland's economy flourishes.

Mayer, who ran for the Portland School Board in 2019 and volunteers with the education advocacy group Parents Across America, says that amounts to a failure

to protect renters left behind by Portland's economic boom. "The result is a cruel policy," she says.

Portland-area governments are making a massive investment in affordable housing.

But as Portland incomes have climbed over the past decade, tenants like Mayer have effectively become poorer as their rents have grown far faster than their fixed incomes.

Of the 50 largest U.S. cities, Portland has seen the fastest growth in the share of high-earning households, according to rankings by Apartment List. Median income here has risen nearly 20 percent in the past five years.

In other words, as more workers get jobs as Nike executives and Oregon Health & Science University hires more doctors, Mayer's rent goes up.

Tom Cusack, a retired federal housing official who writes the Oregon Housing Blog, says renters like Mayer are doubly unlucky.

"There are two different sets of programs; there are programs that are deep subsidy programs, in which rent is a function of actual tenant income; your rent won't go up if income doesn't come up," says Cusack. "Those are the gold-standard programs for low-income people."

But Mayer couldn't find a way into such programs, which have long waitlists, so her rent is tied to other Portlanders' income. "And as such, there are not the same protections in place," Cusack says. "If median income increases in an area, that could increase the maximum rent."

Uncapped rent on units that are supposed to be affordable creates a painful irony.

"We've set up a housing policy that decimates people living in the central city," says Ruth Ann Barrett, 73, a former marketing professional, who lives in an Old Town affordable housing building that's also seen a rent increase this year. "It's a form of gentrification, in the end."

Greystar, the company that manages Museum Place, where Meyer lives, has not replied to multiple requests for comment (nor did it explain the increase after an inquiry from the city, according to the mayor's office).

Mayer's case is an extreme example of a problem afflicting some of the state's most vulnerable tenants. In 2018, the Portland Housing Bureau calculated that 57 percent of households living in its affordable housing buildings pay more than 30 percent of their income in rent. That's the percentage point at which most experts say housing costs become too large a burden.

The city didn't anticipate this problem when it provided \$6 million in loans to finance the development of Museum Place in 2003. The Portland Housing Bureau failed to establish a mechanism for keeping apartments affordable for the tenants living there. And the Legislature's attempts to address this issue last year fell short.

The city is aware of the problem and says, since 2018, it has required all new projects it finances to be subject to a 5 percent cap on rent increases per year, even more restrictive than the state law.

But that limit on rent increases is not retroactive, so it won't help Mayer. And other renter protections created by City Hall haven't yet been applied to Museum Place.

Kotek says she'd be willing to expand the statewide rent caps she created so they would apply to affordable housing units. "I'm open to exploring ways to tighten

up the exemption," she says, "if there are abuses that are making these housing programs unstable for tenants."

Since her October rent hike, Mayer now pays \$717 a month for her studio apartment at Museum Place, almost 70 percent of her income.

Mayer is alarmed as she watches a growing portion of her income go to rent. Meanwhile, market-rate tenants in her building barely saw a rent increase in the past year, she says.

"The burden of paying higher rent is falling on the people who can least afford it," Mayer says. "It doesn't make any sense in the real world. It makes perfect sense in the world we're living in now, where all the spoils go to the very rich."

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About [\*\*Rachel Monahan\*\*](#)

Rachel Monahan joined Willamette Week in 2016. She covers housing and City Hall.