

March 24, 2023

Senate Committee on Housing and Development
900 Court Street NE
Salem, OR 97301

RE: Support for SB 611 – Rent Stabilization

Chair Jama, Vice-Chair Anderson, Members of the Committee,

Metro supports SB 611 as a critical homelessness prevention strategy, to protect seniors, families, individuals and communities across the state from extreme rent increases and displacement.

In recent years, Metro partnered with stakeholders to ask voters to support housing for our region's vulnerable community members. Historically, local systems of homeless services and affordable housing have been deeply underfunded compared to the funding that is needed. In 2018, Metro voters approved an affordable housing bond that will have generated over \$650 million with the goal of creating homes for approximately 12,000 people through the creation of 3,900 affordable homes. In May 2020, voters in greater Portland approved a Supportive Housing Services measure to fund services for people experiencing or at risk of homelessness. In the last couple of years since Metro's voters brought us into the affordable housing and supportive housing space, we know that this housing and homelessness crisis will continue to be exacerbated if we cannot stabilize folks in their current homes and stop the inflow of folks into homelessness. This is why we need SB 611.

The 2019 statewide rent stabilization policy limits rent increases to 7 percent plus inflation, with the current high rates on inflation, rent increases are reaching unforeseen levels and we are seeing loopholes to the original stabilization policy. Under current law:

- 2023 rent increases for properties 15 or more years old can be as high as 14.6%. That is too high for anyone to afford, outpacing wages and Social Security.
- There are no limits at all on rent increases in buildings 15 years or newer. Reports of extreme increases such as 32%, 47%, 50% are becoming more common. These increases are the functional equivalent of an eviction.
- When people have to vacate due to no fault of their own, Oregon's tight and expensive rental market makes it hard to quickly find a new home.

SB 611 would:

- Limit rent increases to 3% + inflation with maximum increase of 8% during a calendar year.
- Narrow the loophole, applying rent stabilization to buildings older than 3 years, which increases the number of people protected while exempting new construction.
- Increase relocation assistance to three-months' rent to help tenants displaced through no fault of their own avoid homelessness. Landlords with four units or less are exempt from this provision.
- Set no limits on rent resets between tenants.

SB 611 is an action that the legislature can take now to have an immediate impact on our state's housing crisis as work on the longer-term solutions of increasing supply and providing support to rehouse our currently homeless neighbors continues to be considered and implemented.

We urge your support on SB 611.

Sincerely,

Jenna Jones
State and Regional Affairs Advisor
Metro

