

March 4, 2021

Good Afternoon Committee Members,

I'm here today in my capacity as a small business owner in Portland, OR. I am a rental housing provider with one of my rental units being an ADU at my principal place of residence. Thank you for the opportunity to provide input to the proposed amendments to Senate Bill 282.

I'm speaking in opposition to the amendments. Without adequate stakeholder input, the result is legislation drafted with unintended consequences. National data shows 75% of rental housing providers are small businesses and yet we hear time and again that we need to support small businesses for our best chance of a full economic recovery. Housing providers seem frequently to be reclassified from a small business owner to a dirty word: a landlord.

I provide below market rate rental housing in Portland voluntarily, and have done so for almost 25 years. I've worked hard to maintain beautiful homes that are safe and affordable to Oregon's residents. I've also spent many years as a person experiencing homelessness. With that experience I was determined to work myself out of poverty the best way I could, through homeownership and further investments in real estate. So I'm no stranger to that reality. I also hold no illusions that for a 'middle class' citizen in Oregon, the return to poverty can happen more quickly than most realize. Limiting my ability to run my business as currently allowed by law, does in fact threaten the stability I've worked so hard to achieve.

Using the covid-19 emergency as grounds for changing our current landlord-tenant rules without thorough data and input for all who are impacted is unhealthy for our State's economic recovery. And I believe it makes staying housed even more challenging, as small businesses turn to selling their real property as they find themselves unable to weather the storm. The housing shortage crisis is not unknown to any of you.

All of my tenants have so far been able to continue paying their rent and have been communicating along the way with me about it. The one exception is the occupant of the ADU here at my home. That resident has lived here for almost 3 years. She is retired and lives on benefits. Receiving notice from her that she is now not going to pay rent, as allowed by law, simply by stating so without any burden of proof is shocking at best. Applying each time there's some funds potentially available, to try to keep my business going is hugely challenging, as the system is dysfunctional and continues to crash, and is more than confusing to navigate. I've spent hours trying to use that system, when I need to be working. To be told that my "agreement" for compensation requires a forfeiture of 20% of revenue is egregious. How was that determined? Food is also a basic human need, yet I don't see grocers required to reduce the price of food by 20%, particularly with no data to back that amount. To extend this burden further is a great challenge, without real and meaningful support. You're merely shifting the crisis from one group of Oregonians to the next, perhaps without understanding what's at stake.

What's further complicating my personal situation is that I have recently learned that my electric system is unsafe and is a great fire hazard. In an old 1905 home, making that system safe requires months of deconstruction, including lead paint, possible asbestos disruption and further exposure to covid-19. When you replace the entire electric system in an old house, the wise person uses that opportunity to replace plumbing that is also ancient and failing. With the passage of Residential Infill Project, I'm finally in the position to take this old boarding house and provide even more rental housing units, The Missing Middle. That will include significant remodeling & construction to the ADU and the other areas of the home. I will be under construction conditions for at least a year, moving from section to section of my home. Walls will be opened, mechanicals replaced, fire code improved, not to mention efficiency upgrades

to face the real threat to our population: Climate Change. Yet with this moratorium in place, I cannot simply give notice to my tenant to vacate the premises. Even will the allowable landlord cause, I can easily face accusations of being 'retaliatory' simply because my tenant is not paying rent. Yet the time is here where I must make these changes in my home. For my safety and for the safety of my residents. I feel I have lost most of my rights to provide myself safe & affordable housing. The potential of having to go to court and incur legal expenses and still not be able to regain possession of my premises is frightening. Further, it is clear that there are little to no resources to offer the woman who lives here. Where is her support? Even if I paid her relo fees, gave her 90 days notice, where is the assistance she will need to move? Meanwhile, she's receiving benefits in the mail day after day, and not paying rent. That is confusing at best. Perhaps other issues are going on her life that require those resources. Perhaps she's using the law to simply not pay rent. I will never know. She is not required to prove hardship.

It appears this catastrophic emergency is being used to change laws unrelated to keeping people housed during the crisis. I ask you to oppose SB 282 and instead focus on the #1 issue driving housing instability right now: past due rent. I wholeheartedly support SB 330, which is one of the few solutions for struggling renters who need help.

Respectfully Submitted,
Michele Gila
SE Portland, Oregon