



February 2016

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NEW FEATURES

- Do You Know?** We'll be combing the world of rental housing to find interesting tidbits and information to surprise you.
- News Around Oregon** – We're gathering news from around Oregon. What's happening in LaGrande is just as important as what's happening in Portland, or Medford.
- National Housing Headlines** – We'll report on rental housing trends across the nation.
- Housing Links** – Want more information? Need contact numbers? Who, what, where and when? Check out these helpful links to sites that can help you.



PRESIDENT'S MESSAGE

By **Terry Turner**, ORHA President

This month has proved loud and clear that your membership is important. The short legislative session is jam packed with bills and tenant advocate groups are hoping you are not paying attention. Thankfully you are and your voices have been heard. The efforts of your calls and emails to our State Representatives and Senators has shown the power of our membership.

There is no question that from Portland to Ashland and Coos Bay to La Grande, we have a housing shortage. Vacancy rates are at the lowest most of us can remember. Many rental owners are just now able to start recovering from the decline of the last 10 years. I've heard

from members that are finally able to invest in improvements to their rentals. They have been unable to replace flooring, upgrade appliances and update bathrooms, until this year. Yes, rents are higher, but tenants are enjoying the benefits of a better market too.

Keep your eye on the ball!! Oregon has a housing crisis – we need more rental units. Building has to increase, red tape and unnecessary restrictions need to be cut, and our economy has to encourage investors to buy and develop new housing. Don't just listen to the media – educate yourself, get involved with your local association – **YOU NEED TO KNOW THE FACTS.** Do not miss the legislative updates and see how our Legislative Director and Lobbyist are working on your behalf.

OREGON RENTAL HOUSING ASSOCIATION

Board Meeting Schedule

March 19, 2016 - Salem

May 21, 2016 - Klamath Falls

July 16, 2016 - Springfield



Report on Special Meeting with Oregon Speaker of the House Tina Kotek – 2/10/2016

By **Jim Straub**, ORHA Legislative Director

Hi all. On February 10th, Speaker Kotek called a special meeting of interested parties regarding HB 4143 and its proposed changes to Oregon landlord tenant

law. (Many of these changes were originally introduced in HB 4001, but were subsequently combined with HB 4143.) I'm pleased to inform you that a tentative compromise on HB 4143

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Report on Special Meeting . . . continued from page 1

was reached, a compromise that we believe is in the best interest of Oregon landlords given the political climate in Salem right now.

The Speaker of the House doesn't call a special meeting on a bill unless there is some doubt that the bill in question will pass. It was clear that our ORHA efforts to reach our legislators through email, letters and telephone calls was incredibly successful and had a significant impact. Our campaign against these bills created enough doubt in legislators' minds that the Speaker sought a compromise with landlord interests. It's so great to see all of our member's hard work pay off.

First, I'll itemize what portions of these two bills we defeated:

- Restrictions on no-cause notices will be completely removed from the compromise bill, so the compromise bill will contain absolutely no restrictions on the use of no-cause notices
- Tenant relocation assistance from landlords is out
- The presumption of landlord retaliation in the event that a notice is given within six months of a repair request is out
- Penalties of up to three months' rent against landlords who don't follow the law on rent increases is out
- Penalties of up to three months' rent against landlords who don't follow the law on notice of termination is out

Removing these items from the bill is a huge victory for landlords. In addition to the above, tenant advocates and Speaker Kotek also compromised on the following items, which benefit landlords:

- The non-compliance fee for tenants smoking in a designated non-smoking unit or area will increase to \$250
- There will be a housekeeping fix to last year's law requiring proper

safety egress from dwelling units.

An unintended consequence to last year's law change meant that some landlords' properties (especially basement dwelling units or high-rise buildings) didn't comply with the new law and might require expensive remodeling.

The new changes will specify that the dwelling units comply with current law as long as the "routes of exit conform to applicable law in effect at the time of occupancy of the building or in effect after a renovation or change of use of the building, whichever is later."

So why did we compromise? We did not have the votes to stop this bill on the House side of the legislature. On the Senate side, we were tied 15-15. We could block the bill, but one person changing their position and we would lose. When you have the Speaker who can hold up bills in the House from the Senate side, she has tremendous power. We felt her ability to change one Senator's mind was too risky for us. The cost-benefit ratio in this scenario was too high for Oregon landlords. The essence of politics is a willingness to compromise and, with the Speaker championing this bill, the ORHA Board of Directors and I, as your Legislative Director, recognized the need to compromise on a few issues in order to succeed in our negotiations on the above issues. The compromised bill will include the following two items for tenants:

- For month-to-month tenancies, no rent increases for the first year *(If you want to increase the rent during the first year of tenancy, you can still do a fixed-term lease of less than one year and raise the rent upon lease renewal. For example, if you rented your unit at an inopportune time of the year, say January, and anticipate needing to raise the rent in June when the rental climate is more favorable, you could simply sign*

a six month fixed-term lease in January and raise the rent in June, upon lease renewal.)

- Rent increases require a 90 day written notice after the first year *(if at least one of the tenants has resided in the rental for one year or more)*

One final item will move forward in the compromise bill with ORHA support – inclusionary zoning. Inclusionary zoning is not rent control, but grants certain benefits to builders and developers (low or no cost permits and developer fees, tax breaks, etc.) in exchange for setting aside a certain portion of a development for affordable housing. The compromise bill will allow a city or county, if the local area believes there is enough need to implement it, to provide concessions to new developments only which contain at least 20 units. The city or county may not require more than 20% of a development be affordable.

It was the concerted efforts of our entire ORHA organization that caused HB 4143 to begin losing support in the legislature, which put us in a strong position to negotiate the many landlord benefits in this compromise bill. Thanks to all our members who took the time to communicate with their legislators. You made a huge difference.





DAMAGES -

Residential Tenants Ordered to Vacate Uninhabitable Unit Seek Emotional Damages Under Washington's Residential Landlord-Tenant Act

Tenants argue emotional damages are "actual damages" allowed under the statute, which provides relocation assistance to tenants.

Citation: Segura v. Cabrera, 2015 WL 6549175 (Wash.2015)

This case addresses the issue of whether RCW 59.18.085 of Washington's Residential Landlord-Tenant Act of 1973, which is intended to provide relocation assistance to tenants, allows displaced tenants to recover emotional distress damages.

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OREGON RENTAL HOUSING ASSOCIATION PRESENTS

EDUCATION IN PROPERTY MANAGEMENT

NOW AVAILABLE

WORKSHOPS (3-4 hour)

- Landlord/Tenant Law
- LARRC
- Evictions
- Section 8
- Conflict Management
- Property Management
- Landlording 101
- Landlording 102
- Landlording 103
- Landlording 301
- Tenant Selection
- Maintenance

NEW!
Section 8

Workshop

SEMINARS (1 hour)

- Tenant Screening Tips
- Temporary Residents
- Security Deposits
- Abandoned Property
- Marijuana & Landlords
- Radon

Also, courses by request tailored to local's needs



ORHA offers workshops and seminars to our member locals to improve skills in managing property. ORHA is a certified provider with the state of Oregon and these courses qualify as hours required for licensed certification. Presenters have extensive experience in the property management field.

For more information contact:

Maren Winters, ORHA State Office

1462 Commercial Street NE • Salem, OR 97301

Ph: (503) 364-5468 • Fax: (503) 585-8119 • Email: maren@oregonrentalhousing.com

Contact Violet at 503-364-5468 for customized classes to fit your needs.

We have what you are looking for - just call today!

AROUND



Do You Want to Travel to One of Our Chapters for a Seminar? Here is the Class Schedule for February and March.

Central OR ROA - Bend

COROA@541MediaLLC.com

February 23, 2016 – 2 credit hours

Property Management 101 & LLTL

Lane Co. ROA – Eugene

info@laneroa.com

March 12, 2016 – 7 credit hours

Landlord Boot Camp

Linn Benton RHA – Albany

lbrhaoregon@gmail.com

March 17, 2016 – 4 credit hours

Laws and Required Rules Course (LARRC)

Portland Area ROA – Portland

maren@oregonrentalhousing.com

February 23, 2016 – 1 credit hour

Maintenance (Part 1)

Salem RHA – Salem

Contact@salemrha.com

March 24, 2016 – 4 credit hours

Fair Housing

Southern OR RHA – Medford

Info@soroa.net

March 22, 2016 – 3 credit hours

Intro to Landlord Tenant Law

SW OR ROA – North Bend

coltercindy@gmail.com

January 23, 2016 – 1 credit hour

Lead Paint, the EPA and You!

Damages . . . continued from page 3

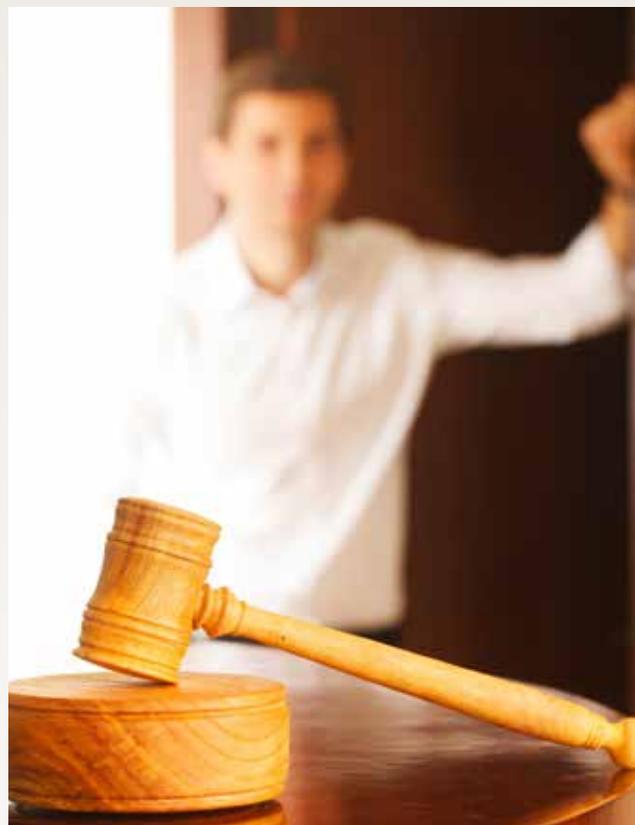
The Background/Facts:

On July 3, 2011, Rogaciano and Raquel Cabrera leased the basement unit of a house to Jose Segura and Tabetha Gonzalez. Five days after the lease commenced, the city of Pasco inspected the property, found that the Cabreras had converted the single family dwelling into a duplex without a permit and that the basement unit was uninhabitable. The City ordered the Tenants to vacate the premises within 20 days.

The Tenants demanded from the Cabreras a refund of prepaid deposits and rent, as well as monetary relocation assistance as provided by Washington's Residential Landlord-Tenant Act (RLTA). Under RLTA, prohibits a landlord from renting a unit that does not meet applicable codes. Under RCW 59.18.085 (3), a displaced tenant may be entitled to relocation assistance when a government agency finds a rental unit unlawful to occupy.

Among other things, the statute "sets the amount of relocation assistance (\$2,000 or three times the monthly rent, whichever is greater), and notes other damages the tenant is entitled to from the landlord..." The damages available to a tenant under the statute includes, among others: "any relocation assistance, prepaid deposits, and prepaid rent; and any actual damages sustained by them as a result of the condemnation, eviction, or displacement that exceed the amount of relocation assistance that is payable..."

When Cabreras failed to respond to the Tenants' demands, the Tenants sued the Cabreras for damages. Among the damages sought by the Tenants was \$1,000 in emotional distress damages. Finding there were no material issues of fact in dispute, and deciding the matter



on the law alone, the trial court granted summary judgement for the Tenants – except that the trial court rejected the Tenants' request for emotional distress damages. The court concluded that such damages were not recoverable under RCW 59.18.085(3). The Tenants appealed, and the Court of Appeals affirmed the denial of emotional distress damages. The court found that the "actual damages" provided in RCW 59.18.085(3) were "limited to reasonable moving expenses." The Tenants again appealed.

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DO YOU KNOW

Property Management Resolutions for the New Year

Get organized

You'll be amazed at how much more smoothly your rentals are managed when you can locate everything quickly and easily. If you've not yet reached your goal to get organized, take the time to do it now. The increase in efficiency is more than worth the time you spend now to get your tenant and owner files in order.

And while you're at it, now is the perfect time to audit your tenant files and make sure that you have all of the required addendums signed and in place.

Do those interior fixes that have been put off (painting, cabinets, etc.)

Delayed maintenance does not benefit your business. Take special care to stay on top of those little fixes that are easy to put off, but can mean damage to your property over the long term if not repaired.

Don't forget your property inspections

Because of the weather this time of the year, it's a good time to make sure that roof or window leaks aren't going unaddressed.

Any inspection is a good time to check that your smoke & CO₂ detectors are in good working order, too.

Trim the fat and reduce expenses.

Think your business is as lean as it can be? There are many ways to control your costs.

Get competitive landscape bids, get a free energy audit, get rid of a phone line or two (ready to let go of that landline if you're using your cell phone almost exclusively?), find a less expensive tax preparer or do them yourself, etc.

Hire a property manager!

Is it time to reduce the work and stress you put into your rental business? A professional property manager is one expenditure that may pay for itself with cost savings and higher rent income. Maybe it's time to let a professional manage your property for you. Check with your local Rental Housing Association to find a reputable licensed property manager in your area.

Katie Poole-Hussa can be reached with questions or comments at 971-352-6760 or email Katie@AcornPM.net.

Damages . . . continued from page 4

DECISION: Judgement of Court of Appeals affirmed.

The Supreme Court of Washington held that RCW 59.18.085 of the RLTA does not allow for recovery of emotional distress damages by tenants. In so holding, the court looked to the plain language of the statute. Reading the provisions of the statute together, the court found that the plain language provided that tenants "are entitled to receive relocation assistance amounts as calculated in subsection (3)(b) but may also seek, via legal action against the landlord, the tenant's actual costs of relocation that exceed the relocation assistance amount. The court concluded that "the statute provides relocation assistance; it simply does not address or encompass emotional distress damages." The court found its statutory interpretation was supported by the legislature's purpose for the statute – the provision of "funds for relocation."

The Tenants had maintained that the "actual damages" allowed under RCW 59.18.085 included damages for emotional distress. They pointed to other case law that had found that actual damages – available under the Fair Credit Reporting Act and Washington Law Against Discrimination – were found to include emotional distress. The Supreme Court of Washington distinguished those cases by noting that the purpose of those other statutes was to "guard against harm to the person," and that the inclusion of emotional distress damages comports with that purpose. Again, here, the court found that with RCW 59.18.085, the legislature was "concerned only with return of a tenant's money and assisting the tenant in getting relocated, not in providing redress for a personal injury or protecting against harm to the person." Thus, while "actual damages" may include emotional distress damages in some contexts, – such as that here – "actual Damages" includes "only pecuniary harm," said the court.

National Housing Headlines

OREGON: Landlord sues to block Portland ordinance requiring 90-day notice for certain evictions and rent increases.

Source *Portland Tribune*; <http://portlandtribune.com>

A Portland property management firm has reportedly “filed suit to block renter protections recently approved by the Portland City Council.” The renter protections, which were approved in an ordinance and took effect on November 13, require landlords to give tenants 90-day notice for non-fault evictions and rent increases greater than 5% in a year. The Oregon Residential Landlord and Tenant Act requires only a 30-day notice.



FORMS HIGHLIGHT:



ORHA Forms are Available Online!

Oregon Rental Housing Forms are just a click away!

- 1 www.oregonrentalhousing.com
- 2 Click (top right): “Click to Get ORHA Forms Online”
- 3 Input your local association code in the field labeled “Enter Your Member ID” to receive ORHA forms **1/2 PRICE**
- 4 Choose a form
- 5 Click on the form
- 6 Input your information
- 7 Click “Generate PDF”
- 8 Click “Check Out” – This will direct you to PayPal
- 9 Follow payment directions. Once complete, PayPal will return to the ORHA Forms page to “Print Link.” This link will also be sent to your email address.

Links

<https://www.landlordology.com/deal-with-hoarder-tenants/>

www.multihousingnews.com/post/policy-priorities-top-2016-multifamily-agenda/?utm_source=whatcountsemail&utm_medium=daily%20news&utm_campaign=daily

<http://www.rentprep.com/legal/the-top-three-legal-disputes-that-involve-landlords-whether-they-like-it-or-not/>

oregonrentalhousing.com

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