



November 2015

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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.
- Case Briefs** – Want to know the latest court rulings that might affect your rental investment? Just turn to this section.
- Housing Links** – Want more information? Need contact numbers? Who, what, where and when? Check out these helpful links to sites that can help you.

# Mind Your Business: Tia's Tips for Better Rental Management

## Tenant Privacy and Records Maintenance

By **Tia Politi**, ROA Board Member, Rental Owner, Lead Property Manager for Acorn Property Management



An acquaintance of mine who is a landlady, thought she was properly protecting her tenant's information, until her errant son who had moved back home and ended up back on drugs found her files containing her tenants' rental applications. He took that information and stole their identities to take out credit cards under their names, charging up unbelievable amounts of debt to pay for his drug habit before he was caught. As you can imagine the fallout was extreme as she faced angry tenants, her son charged with criminal ID theft, and the expense of making her tenants whole.

As a rental business owner, you operate under many of the same laws and regulations as any business owner in regards to your customer's privacy and security of their personal information. A rental application is an ID thief's dream: all personal data in one location, likely including name, birthdate, and social security number. So, what are you doing to protect your tenant's privacy?

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OREGON RENTAL HOUSING ASSOCIATION  
**Board Meeting**  
*Schedule*

- November 21, 2015 - Salem
- January 16, 2016 - Springfield
- March 19, 2016 - Springfield
- May 21, 2016 - Klamath Falls
- July 16, 2016 - Springfield



# Oregon Legislative Update

By **Jim Straub**, ORHA Legislative Director



The Landlord Tenant Coalition steering committee has been meeting every other week in Portland to work on and provide input to legislators that introduced bills in the past legislative session. The coalition worked against these solely because the legislators had not enlisted the comments and support of the Landlord Tenant Coalition in the first place. The coalition made agreements with two of the legislators to work on their bills in the interim. Those bills are a well

water testing bill (which would require mandatory annual well water testing for all Oregon landlords with wells serving their rentals) sponsored by Representative Barton and Senator Gelsler, and an electric vehicle charging station bill sponsored by Representatives Barnhart, Nathanson and Reardon.

We have been devoting the most time and energy to the well water bill in order to collect information, attempt to understand the necessity that all wells be tested at this level on a yearly basis and analyze the financial impact this could have on both landlords and tenants (through the form of possible

increased rent to cover the costs of the tests). These meetings are ongoing.

Regarding the electric vehicle charging, the burden of cost is placed solely and entirely upon tenants requesting the charging stations. We have a few questions and concerns about placement of charging stations and asking for a security deposit equal to the cost of removing the charging station at the end of tenancy, but these compromises seem very obtainable. As always, look for ongoing coverage in future Legislative Updates.

You can contact me at:  
**LD@OregonRHA.com**

## AROUND



## New Portland City Ordinance

By **Christian Bryant**, PAROA & Coldwell Banker Property Management President  
[www.CBPropertyManagement.com](http://www.CBPropertyManagement.com)

As you have most likely heard by now, the city of Portland has passed an ordinance that requires landlords to give tenants 90-days' notice to vacate for No-Cause Notices, and 90-days' notice to increase the rent by more than 5%.

PAROA & ORHA of course have opposed this ordinance and we will definitely be opposing any state wide changes that resemble this. The reason the city of Portland gave for this ordinance is that; rent has gone up considerably over the last 1-2 years, and the steep incline in rent costs hasn't been met by an increase in income.

This new ordinance by the city of Portland doesn't solve the actual problem. It is essentially putting a Band-Aid on an injury that requires stitches. The real "problem" is that demand has heavily outweighed supply in the rental market. This has been caused by a number of things including; out of

state residents moving into Portland, an influx of new renters that used to be home owners prior to the housing market crash of 2008, and financial institutions not being willing to lend on new construction of commercial buildings like apartment complexes.

This ordinance will result in a negative impact for tenants. Many landlords have used No-Cause Notices as an easy option for a tenant to move out peacefully and avoid an eviction being on their record. We will most likely see an increase in for cause evictions due to landlords not wanting to wait 90-days to have a "bad" tenant move. Another serious issue is that adding any regulation to an industry creates more barriers to entry, and will make investors think twice before getting into the rental business. This is the opposite of what really needs to happen to correct this issue.

In order to solve the problem of an extremely low vacancy rate the city of Portland needs to investigate ways to incentivize developers to build affordable housing and to speed up the process. If there are permits or zoning changes that need to happen for a rental unit to be built, then it should be fast tracked through the city's system. This will get more units to the market faster and thus equalize the supply and demand issue in the Portland housing market.

This may not be the end of this issue though. There is a good chance that we will see something like this at the state level next year. So be sure to keep your eye out for something like this and reach out to your state representative when that time comes. We need solutions to the actual underlying problems and not short sighted fixes that will cause more problems.

# The Coming Freeze – Rent Control

By **Terry Turner**, ORHA President



Rent Control. It will never happen in Oregon. The people of Oregon will never allow it. It just isn't possible; this is not New York City! Well, it has happened. The City of Portland has decided that they need to address the "Renter's Crisis" and stop rent increases that are "pricing tenants out of housing". To most of us, it's amazing that Portland can bypass Oregon LL/T Law and make their own rules regarding rent increases and no cause terminations, but they can and they have, and so can every city and town in Oregon. How does it affect you right now, if you don't have rental property in Portland? Don't kid yourself. This will be a new trend, it plays well in the media, and it can spread throughout Oregon. Is there a "Renter's Crisis"? What does this mean for rental owners? Can we stop rent control?

Here are the facts; investment property follows the same housing trends that residential property does. In a good market, prices to purchase go up, building slows down as more people decide that they don't want to buy at the higher prices, property prices

lower to meet the demands of buyers looking for better deals, builders stop or severely slow down building, as prices go lower and people start buying again, builders begin to build again to meet the demand for more housing, this process escalates and we see prices start to increase again. Then, we experience overbuilding and it starts all over again. This is a five to fifteen year cycle and it is a reality that all investors understand and plan for. Just ask your friends and business associates who either filed bankruptcy or had investment property foreclosed on in the last 5 to 8 years, the low part of the pendulum caused them to lose a lot of money. Maybe, you are one of the thousands of rental owners who barely made it through the last cycle and are finally breathing easy because rents are finally increasing. You are now able to pay the mortgage, taxes, insurance and upkeep on your rental property without having to take money out of your pocket or savings.

One just has to look at the Eugene area to see overbuilding already happening and wild incentives being offered to fill units. Anyone need a free trip to Hawaii, no deposits, free rent? We must anticipate the same situation in most areas of Oregon; overbuilding and corresponding low rents. We need

you, our members to start now, talking with friends and neighbors, business associates and local governments about the coming pendulum swing. Planning for the future isn't just a tax time tip or a New Year's resolution, a smart investor needs to be constantly aware of the market. Don't allow uninformed people to make decisions for your life. Get educated and help educate others. Get involved with your local association, it's more than just calling a help line or buying forms at a discount.

We all need to take part in the process of shaping the housing industry in Oregon. You don't have to be a speaker, or stand up in front of a group. What do you like to do? What are you willing to do to protect your financial future? Can you help put together a newsletter, make phone calls, put stamps on letters, or bring store bought cookies to a meeting? How about checking names on a sign-up sheet? Are you willing to call or write your representative? How about scanning the internet for articles regarding the industry? Do you attend local city council meetings? Do you belong to a local builders association or chamber of commerce? The options are endless – your future depends on it!



# DO YOU KNOW

## Security Statistics

Here are some home security statistics that may shock you... And hopefully motivate you to take action

- 2,000,000 home burglaries are reported each year in the United States.
- About 30 percent of all burglaries are through an open or unlocked window or door.
- Nearly 66 percent of all burglaries are residential (home) break-ins.
- Renters are just as likely to be the victims of property crime as homeowners.
- The highest percentage of burglaries occur during the summer months.
- Homes without security systems are up to 300% more likely to be broken into.



### Links

[www.clarkhoward.com](http://www.clarkhoward.com)

<http://www.thisoldhouse.com/toh/photos/0,,20219708,00.html>  
life expectancy of home components

<http://fhco.org>

<http://www.osbar.org/index.html>

<http://www.oregon.gov/pages/index.aspx>

## Case Briefs

*Batista v. Cooperativa de Vivienda, 13-1817* *Batista v. Cooperativa de Vivienda, 13-1817* In this case, plaintiff is a disabled tenant who alleges that the Fair Housing Act's (FHA) requirement that landlords must make reasonable accommodations for their disabled tenants entitles her to stay in her apartment of many years, despite having been told that she is no longer eligible for the federal subsidy on which she had been relying to make the rent. She further alleges that her landlord impermissibly discriminated against her because of her disability and retaliated against her for pursuing her FHA rights. Summary judgment in favor of the defendants is affirmed in part, reversed in part, and remanded in part, where: 1) because there is no way this suit against a private landlord could result in an order to the administering agency for the federal subsidy program to reverse course and reinstate the rental subsidy, the requested accommodation is not a reasonable one; 2) plaintiff put forward no evidence to suggest that an impermissible, disability-based discriminatory purpose motivated defendants' actions; and 3) plaintiff has a right against retaliation that the FHA secures, and on remand the claim must be decided on the merits. *Appellate Information Decided 01/13/2015 Published 01/13/2015 See more at: <http://caselaw.findlaw.com/summary/opinion/us-1st-circuit/2015/01/13/272527.html#sthash.Zi6PsWuH.dpuf>*



Mind Your Business . . . continued from page 1

**Privacy laws are based on Fair Information Practices**, first developed in the United States in the 1970s by the Department for Health, Education and Welfare (HEW). The basic principles of data protection are:

- For all data collected there should be a stated purpose.
- Information collected by an individual cannot be disclosed to other organizations or individuals unless authorized by law or by consent of the individual.
- Records kept on an individual should be accurate and up to date.
- There should be mechanisms for individuals to review data about them, to ensure accuracy.
- Privacy of records shall be maintained by all appropriate means.
- Data should be deleted when it is no longer needed for the stated purpose.
- Transmission of personal information to locations where “equivalent” personal data protection cannot be assured is prohibited.
- Some data is too sensitive to be collected, unless there are extreme circumstances (e.g., sexual orientation, religion).

**The Fair Debt Collection Practices Act** similarly limits dissemination of information about a consumer’s financial transactions. It prevents creditors or their agents from disclosing the fact that an individual is in debt to a third party, although it allows creditors and their agents to attempt to obtain information about a debtor’s location. It limits the actions of those seeking payment of a debt. For example, debt collection agencies are prohibited from harassment or contacting individuals at work.

If you are pursuing a past tenant for monies owed, you must comply with this law while continuing to:

1. Insure the security and confidentiality of customer information;

2. Protect against any anticipated threats or hazards to the security or integrity of such information; and
3. Protect against unauthorized access to or use of such information that could result in substantial harm or inconvenience to any customer.

In an attempt to provide further safeguards of personal information, in 2012, the Obama administration, set forth its Consumer Privacy Bill of Rights that would be implemented through codes of conduct and serve to encourage legislative action in regards to the following areas of privacy. Specifically, it provides for:

- **Individual Control:** Consumers have a right to exercise control over what personal data companies collect from them and how they use it.
- **Transparency:** Consumers have a right to easily understandable and accessible information about privacy and security practices.
- **Respect for Context:** Consumers have a right to expect that companies will collect, use, and disclose personal data in ways that are consistent with the context in which consumers provide the data.
- **Security:** Consumers have a right to secure and responsible handling of personal data.
- **Access and Accuracy:** Consumers have a right to access and correct personal data in usable formats, in a manner that is appropriate to the sensitivity of the data and the risk of

adverse consequences to consumers if the data is inaccurate.

- **Focused Collections:** Consumers have a right to reasonable limits on the personal data that companies collect and retain.
- **Accountability:** Consumers have a right to have personal data handled by companies with appropriate measures in place to assure they adhere to the Consumer Privacy Bill of Rights.

**You are holding private and sensitive information about your tenants.** As such, you are required to protect that information from misuse and access by unauthorized persons. Your obligation extends well beyond the termination of tenancy.

- Keep all tenant information under lock and key, keep the key location confidential, and do not give out any information about a tenant, including a rental reference, without a signed release.
- Take care when providing rental references for past tenants; only answer the questions you are asked, do not volunteer information.
- Keep all tenant records for a minimum of six years.
- Destroy all documents with sensitive information in a lawfully approved manner.

*This column offers general suggestions only and is no substitute for professional legal counsel. Please consult an attorney for advice related to your specific situation*



# Bend City Council Discusses Rent Control

Bend, OR – see the link below for the full discussion. Bend, just like many cities in Oregon, is watching the new Portland Rent Control and Additional Notice Ordinance. Sadly, many people who are not landlords are in positions of power and have the authority to make rules that affect us. Unfortunately, they don't understand the effect that they will have on the local economy.

The current housing shortage in Oregon is already showing signs of easing. Affordable housing is an issue that many cities in Oregon have been working on for several years. Bend is working diligently to encourage new affordable rental housing. In a free market (without Rent Control or

other government control) there will be changes to the rental rates due to building, population increases and other economic factors. Artificially capping rents for any period of time will adversely affect builders, investors and tenants. Instead of building more units, we'll see less available because the new units will not pencil out. Lenders will not be able to write loans for units that do not follow the normal market flow. Cities will see fewer applications for permits, fewer taxes paid, and a steep drop in fees for new developments – this is the opposite of what most cities want to see. If a builder or investor can get the same "deals" in a city that doesn't artificially change rates of return, why

would they choose Bend or Portland? The answer is they will not, they will go to Medford, Eugene or Roseburg. What can you do? Write a letter to council members, attend meetings and stay informed. Rent control and re-writing Oregon's Landlord/Tenant Law – it can happen in your city too!

What will be next? City ordinances for raising the minimum wage to over \$15.00 because your city's employers don't pay enough? Don't think it will happen? Neither did Portland Landlords!

Here is the link to the City Council Meeting:

[http://bend.granicus.com/MediaPlayer.php?view\\_id+358](http://bend.granicus.com/MediaPlayer.php?view_id+358)

## 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

#### SEMINARS (1 hour)

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

Also, courses by request tailored to local's needs

**NEW!**  
Section 8

Workshop



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](mailto: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!*

# National Housing Headlines

## CALIFORNIA

### Richmond approves rent control ordinance

Richmond City Council has approved a rent control ordinance that restricts how much landlords can charge on 9,900 out of nearly 34,000 rental units in the city. Under the new ordinance, effective December 1, 2015, rent increases for rent-controlled units will be capped annually based upon the Consumer Price Index. Also effective December 1, a just cause eviction ordinance will take effect.

Source: *The Richmond Standard*; <http://richmondstandard.com>

## WASHINGTON

### Seattle seeks to penalize landlords who undertake “economic evictions”

Seattle City Council is considering a bill that would “make it possible for the city to deny building permits and levy fines if there [was] evidence landlords were pushing low-income tenants out” in an economic eviction (i.e., raising the rent so high that the tenants move out, allowing for a building remodel).

Source: *KPLU*; [www.kplu.org](http://www.kplu.org)

## FORMS HIGHLIGHT:

## ORHA Forms are Available Online!

Oregon Rental Housing Forms are just a click away!

- 1 [www.oregonrentalhousing.com](http://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.

# oregonrentalhousing.com

## Officers 2015-2016

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For more information contact  
Maren at: (503) 364-5468  
or [maren@oregonrentalhousing.com](mailto:maren@oregonrentalhousing.com)

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## ORHA ADMINISTRATIVE & LEGISLATIVE STAFF

Maren Winters, Administrator | [maren@oregonrentalhousing.com](mailto:maren@oregonrentalhousing.com)

Shawn Miller, Lobbyist | [shawn@millerpublicaffairs.com](mailto:shawn@millerpublicaffairs.com)

Jim Straub, Legislative Director | [legislativedirector@oregonrentalhousing.com](mailto:legislativedirector@oregonrentalhousing.com)