

## HOUSE COMMITTEE ON GENERAL GOVERNMENT

February 18, 1999 Hearing Room D

01:15 p.m. Tapes 23 - 25

**MEMBERS PRESENT:** Rep. Carl Wilson, Chair

Rep. Jason Atkinson, Vice-Chair

Rep. Chris Beck, Vice-Chair

Rep. Jo Ann Bowman

Rep. Ryan Deckert

Rep. Bruce Starr

Rep. Terry Thompson

**MEMBERS EXCUSED:** Rep. Steve Harper

Rep. Ron Sunseri

**STAFF PRESENT:** Cara Filsinger, Administrator

Faye D. Trupka, Administrative Support

**MEASURE/ISSUES HEARD:** HB 2636 Public Hearing

These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents, please refer to the tapes.

TAPE/#	Speaker	Comments
TAPE 23, A		

004	Chair Wilson	Opens meeting at 1:15 p.m. and opens public hearing on HB 2636.
<b><u>HB 2636 PUBLIC HEARING</u></b>		
006	Cara Filsinger	Administrator. Explains HB 2636. Distributed written testimony on dais prior to hearing <b>(EXHIBIT A)</b> .
014	Chair Wilson	States testimony guidelines.
034	Martha Gies	Resident of Portland. Testifies in opposition of HB 2636. Reads written testimony <b>(EXHIBIT B)</b> .
093	Rep. Deborah Kafoury	Representative, House District 18. Opposes HB 2636. Questions the legality of HB 2636 and whether a fair process currently exists.
118	Rep. Randy Leonard	Representative, House District 21. Opposes HB 2636. Comments about the lack of discussion at previous hearing regarding the impact on the tenants.
180	Leonard	Reads from <u>The Greatest Generation</u> book. States the need to revere and take care of the elderly in providing affordable housing.
228	Kirk Hamann	Elders in Action. Opposes HB 2636. Explains the terror and frustration that tenants in low-income housing have been facing due to eviction notices.
260	Janet Byrd	Director, Oregon Housing NOW Coalition. Opposes HB 2636. Comments that Mr. Schnitzer's Section 8 contracts do not expire until 2007 and 2012. <b>(EXHIBIT C)</b> . States that mortgage prepayment and opt outs have been a problem nationally.
292	Rep. Bowman	Asks if there is a move to repay mortgages in an effort to get out of their contracts.
303	Byrd	Answers there is no opportunity to exit contracts prior to the expiration date.
<b>TAPE 24, A</b>		
008	Vivian Richardson	Resident of Park Terrace. Testifies in opposition of HB 2636. Reads written testimony <b>(EXHIBIT D)</b> .
053	James Davis	Legislative Director, Oregon State Council of Senior Citizens/United Seniors of Oregon. Testifies in opposition of HB 2636. Reads written testimony <b>(EXHIBIT E)</b> .

091	Mike Ellmaker	Owner of Section 8 housing development. Supports HB 2636. Cites his recent contract extension through HUD which is costing him \$22,000 per month. States that it takes six months to opt-out of a HUD contract <b>(EXHIBIT F)</b> .
130	Robert Cain	Publisher, Northwest Landlord. Supports HB 2636. Says ordinance is end run around rent control. States Portland's ordinance increases mistrust of government.
151	Rep. Deckert	Asks when locally elected councils make a decision, what does it do for public trust in government.
158	Cain	Responds there were numerous hearings held in which property owners were not included.
175	Rep. Deckert	States there is a democratic process where elected officials are chosen to represent the people. Declares it is not the right of state government to overturn a local ordinance.
179	Cain	Points out many decisions are made by bureaucrats and then overturned.
185	Rep. Thompson	Asks Cain if the ordinance stands will it prevent him from participating in low-income housing in the future.
193	Ellemaker	Replies he would never participate in low income housing again.
214	Sam Chase	Testifies in opposition of HB 2636. Reads written testimony <b>(EXHIBIT G)</b> .
235	Steve Weiss	Board President, Community Alliance of Tenants. Testifies in opposition of HB 2636. Reads written testimony <b>(EXHIBIT H)</b> .
275	Rep. Beck	Cites <b>EXHIBIT G</b> , number 7 and asks for clarification of the benefit to the public.
289	Chase	Gives example of owner setting up a project in 1980, with an example of rental increase of 8% per year.
<b>TAPE 23, B</b>		
007	Rep. Beck	Asks about property tax breaks.
010	Chase	Replies there are some tax breaks.
019	Shawn Miller	Oregon Rental Housing Association. Supports HB 2636. <b>(EXHIBIT I)</b> . States

		there is no dispute between city, residents and the rental property owners about the important need for affordable housing.
041	John Beardsley	Owner of Section 8 housing units. Supports HB 2636 ( <b>EXHIBIT J</b> ). States he has no intention of selling to anyone including the City of Portland. Gives history of his building's occupants. States that property owners are not greedy landlords. States he has made no money on his 39 apartments.
099	Rep. Beck	Asks if he received property tax abatement.
102	Beardsley	Responds for the first 15 years, the property was subject to assessment and its pre-rehab basis. States value was \$120,000 and he was taxed on that value for the first 15 years.
134	Rep. Beck	Asks if he has decided to sell.
138	Beardsley	Replies no.
139	Rep. Beck	Asks if Beardsley is hoping to sell in the future for retirement income.
145	Beardsley	Replies that he makes a living owning real estate and developing buildings.
148	Rep. Beck	Asks if the city's investment in the bus mall has created public value in his neighborhood.
156	Beardsley	Replies that the mall is four blocks away. Responds he is in favor of that kind of development.
161	Rep. Beck	Asks if the City of Portland has done a good job of investing taxpayers money on improvements which have enhanced the downtown and helped property retain market value.
164	Beardsley	Replies no.
165	Rep. Beck	Asks if his property has increased in value because of improvements the city has made.
171	Beardsley	Replies yes.
172	Rep. Beck	Asks if Beardsley agrees that public decisions and investments have kept the downtown a strong and viable place to dwell and work.
175	Beardsley	States he does not disagree with that assessment.

180	Rep. Beck	Points to the amount of money the public has put into downtown Portland over the last 20 years.
189	Rep. Thompson	Asks if \$28,000,000 was spent for office buildings for city employees.
186	Beardsley	Replies yes. States that information was from the Northwest Pilot Project.
187	Rep. Bowman	States that is incorrect.
188	Rep. Thompson	Asks what kind of building the city purchased.
189	Beardsley	States it was to house the Bureau buildings, Planning Department and the Portland Development Commission.
191	Rep. Bowman	States the importance of discussing the \$28,000,000 for a new office building. Reports that after long term rental, it is often times more cost effective to build.
203	Richard Meyer	Association of Oregon Community Development Organizations. Opposes HB 2636. Gives history of organization. States that each community should have the right to enact their own rules and regulations in regard to affordable housing projects.
250	Peter Grundfossen	Association of Oregon Housing Authorities. Opposes HB 2636. <b>(EXHIBIT K)</b> . States we need an additional 60,000 units of housing for people who earn 50% or less of median income.
300	Richard H. Boyle	American Association of Retired Persons and Capital City Task Force. Testifies in opposition of HB 2636 and reads written testimony <b>(EXHIBIT L)</b> .
335	Rev. Carolyn R. Palmer	Opposes HB 2636. Testifies in opposition of HB 2636 and reads written testimony <b>(EXHIBIT M)</b> .
<b>TAPE 24, B</b>		
009	Rep. Thompson	Asks how she feels about the city building multi-million dollar facilities when they are saying money is not available for low-income affordable housing.
011	Palmer	States she thinks the city made the right decision.
022	Emily Cedarleaf	Multifamily Housing Council of Oregon. Testifies in support of HB 2636. Reads written testimony <b>(EXHIBIT N)</b> .
078	Ian Slingerland	Community Alliance of Tenants. Opposes HB 2636. States he worked with Park

		Terrace residents to negotiate contracts. Explains notification of tenants process. Comments about the tenants' attempt to find a unit which would accept the vouchers.
138	Vicki Hersen	Director of Operations, Elders in Action. Opposes HB 2636. Explains history of organization. Stresses the City of Portland's ordinance was thoroughly researched. States HB 2636 would nullify the time and effort that went in to creating the ordinance. Comments on the trauma to the elderly population when faced with relocation.
200	Marian Keyser	Advocate Coordinator, Elders in Action. Opposes HB 2636. States their mission is to allow seniors to live with dignity. Comments on young people and families who also are in need of affordable housing.
235	William Gordon	Gray Panthers, Elders in Action and United Seniors. Comments on the gap between affordability and ability to pay rent. Cites an example of an adult son who was interested in finding housing for his father. Opposes HB 2636.
287	Britt Parrott	Coalition for a Livable Future. States without Portland's preservation ordinance, that HB 2636 would increase pressure on outlying jurisdictions. Opposes HB 2636.
319	Josh Keen	Community Alliance of Tenants. Asks for hearing on HB 2636 to be held in Portland. States HB 2636 undermines local decision making. Opposes HB 2636.
387	Mary Loos	Resident of Portland. Asks about Oregon Tax forms, refers to a clause for charitable donations, suggests that The Housing Trust Fund be given a place on that form. Opposes HB 2636.
<b>TAPE 25, A</b>		
019	Enid Hansen	St. John's Tenants Association. States with her limited income of \$536 she is paying 30% for housing. Opposes HB 2636.
042	Chair Wilson	Closes public hearing on HB 2636 and adjourns meeting at 3:09 p.m.

Submitted By, Reviewed By,

Faye D. Trupka, Cara Filsinger,

Administrative Support Administrator

## **EXHIBIT SUMMARY**

**A ñ HB 2636, written testimony, staff, 6 pp.**

**B ñ HB 2636, written testimony, Martha Gies, 2 pp.**

**C ñ HB 2636, written testimony, Janet Byrd, 3 pp.**

**D ñ HB 2636, written testimony, Vivian Richardson, 3 pp.**

**E ñ HB 2636, written testimony, James Davis, 1 p.**

**F ñ HB 2636, written testimony, Michael Ellmaker, 2 pp.**

**G ñ HB 2636, written testimony, Sam Chase, 1 p.**

**H ñ HB 2636, written testimony, Steve Weiss, 1 p.**

**I ñ HB 2636, written testimony, Shawn Miller, 1 p.**

**J ñ HB 2636, written testimony, John Beardsley, 13 pp.**

**K ñ HB 2636, written testimony, Peter Grundfossen, 2 pp.**

**L ñ HB 2636, written testimony, Richard Boyle, 1 p.**

**M ñ HB 2636, written testimony, Carolyn Palmer, 2 pp.**

**N ñ HB 2636, written testimony, Emily Cedarleaf, 1 p.**