



Portland Housing Bureau

Mayor Ted Wheeler • Interim Director Shannon Callahan

Rental Services Commission (RSC)

September 7, 2018

2:30 – 5:00 p.m.

Portland Housing Bureau, Suite 500

421 SW 6th Ave.

Portland, OR 97204

September 7, 2018 Meeting Minutes (Approved)

Full audio recordings of all RSC meetings – as well as all documents discussed – are available on the PHB website here:

<https://www.portlandoregon.gov/phb/76570>.

Members Present: Margot Black (*via phone*), Christian Bryant, Ian Davie, Laura Golino de Lovato, Jessica Greenlee, Allen Hines, Katrina Holland (*via phone*), Deborah Imse, Yoni Kahn-Jochowitz, Mike Nuss, Raul Preciado Mendez (*via phone*), Leah Sykes

Members Excused/Absent: (*excused*): Christina Dirks

Staff Present: Jamey Duhamel, Cupid Alexander, Matthew Tschabold, Andrés Oswill, Stacy Jeffries

Agenda Item	Discussion Highlights	Outcomes / Next Steps
Call to Order, Roll Call, Minutes	Co-Chair Christian Bryant called the meeting to order at 2:38 pm. Quorum was reached. Mike Nuss moved to approve the August 21, 2018 meeting minutes. The motion received a second, and the minutes were unanimously approved.	
Mayor’s Office Update	<u>1:35 – 3:20</u> Cupid Alexander relayed the Mayor’s appreciation for the work the RSC is doing. He says the Mayor’s office recognizes the level of technical expertise represented on the commission, and encourages Council members to bring landlord/tenant-related issues to the RSC for that reason. He hopes the Mayor will be able to attend an RSC meeting soon, so that commissioners can engage with him personally. Cupid encouraged members of the RSC to let him know if there was any way he could assist with the work the commission is doing.	
Staff Update	<u>3:21 – 12:36</u> Andrés Oswill solicited feedback from the commissioners on the screening criteria matrix . We will continue to update the matrix, with the hope of breaking the policy down into individual components. Andrés asked commissioners who had not sent feedback via email to do so. Jamey Duhamel gave an update on the screening criteria policy. She has continued to hold meetings and take suggestions on the policy. She informed commissioners that she had just received a proposal for significant	

	<p>amendments from Tyrone at OneApp Oregon, with input from various industry stakeholders. In order to give the proposed changes the consideration they deserve, Commissioner Eudaly’s office will move the hearing date to October 18th. Jamey would like to provide the RSC with a fully amended draft for its next meeting, but says that draft will not be ready in time for the RSC’s regularly-scheduled meeting on September 18th, and asked that the commission move that meeting date to one week later. She suggested they also consider moving the October meeting currently scheduled for the 16th up one week, so that they have time to offer input well in advance of the policy going to Council on the 18th.</p> <p>Andrés assured commissioners who will be unable to attend the rescheduled meetings that they will be able to give input via email.</p>	
<p>Screening Criteria Policy Issues</p>	<p><u>12:37 – 48:00</u></p> <p>Andrés informed commissioners that he would continue collecting comments on screening criteria and expand the list of action items to incorporate any policy changes the commission would like to see.</p> <p>Yoni Kahn-Jochowitz has concerns that the individualized assessment might be removed from the policy, and stressed that the Fair Housing Council of Oregon feels strongly that the individualized assessment needs to be included. Yoni said FHCO is happy to work on ways to make this section less administratively burdensome.</p> <p>Each commissioner was given 2 minutes to express any questions or concerns related to the screening criteria policy. Some concerns expressed include the following:</p> <p>Mike Nuss would like the city attorney to weigh in on Fair Housing Law as it related to the individualized assessment section of the policy in general. He has concerns that this section sets landlords up for fair housing complaints, and that some attorney feedback would make people feel better. Mike also expressed concern about stalking offenses in the individualized assessment; for example, if an applicant with a stalking offense applies to live in a building where the person they’re stalking also lives.</p> <p>Jessica Greenlee would like to see clarity/differentiation in the policy for the definitions of “cosigner” and “guarantor.” She would prefer that guarantors are required to earn 4x the rent (the industry standard is currently 5x). She says date of release is a challenge to obtain, and that it would reduce the cost of screening to use date of conviction instead.</p> <p>Allen Hines stressed that the Fair Housing Act should be the standard when there are questions about people who need ADA units getting access to those units.</p> <p>Leah Sykes would like to see more clarity on what is considered a “completed application,” so that it’s clear when timelines are triggered.</p>	

	<p>Yoni Kahn-Jochnowitz stressed that tenants would have the burden of supplying information at time of application that explains criminal history (including date of release), financial history, or rental history under the individualized assessment. The housing provider would be obligated to consider any supplemental information provided by a prospective tenant.</p> <p>Deborah Imse would like a definition of “nexus” as it’s used in the section on individualized assessment. She has concerns that it’s difficult to determine what’s “first-come” if you get an application via email and an application via snail mail. She says there is confusion over what constitutes 60% ADA compliant. She would like to see the income-to-rent ratio set at 2.5x, and says that going down to 3x for a guarantor is problematic. She also expressed concern over obtaining the release date, and would like to reconsider the inclusion of sex offenses (non-forcible) in the individualized assessment. She stressed that a no-cause notice is not an eviction, and suggested that language be changed.</p> <p>Ian Davie has concerns about person-on-person crimes, arson, and manufacture and sale in the individualized assessment. He would like clarification on the legal language defining the “nexus between” in section (6)(a). He suggests including templates or a sample attachment as an example.</p> <p>Katrina Holland would like to increase the threshold for landlords with fewer than a certain number of units, or increase the number of prior lease violations for potential tenants. She does not think the income-to-rent ratio should include average utility cost. She would like to see a lower threshold for people coming out of jail for non-violent offenses, and doesn’t think (6)(d)(i) should include any number for credit history. She would like to increase the threshold for adverse accounts and property debt under \$500, and lower threshold to 2 years, or eliminate bankruptcy unless it has to do with property debt.</p> <p>Margot Black has lingering concerns about implementing a “first come, first-served” policy, and doesn’t see how it’s any more enforceable than a lottery system. She asked if it would be possible to establish a preference policy similar to the way PPS does school lotteries.</p> <p>Laura Golino de Lovato would like to revisit #18 on the action item list (regarding property debt), and would like more conversation about sections (2)(e), (3)(c), and (7)(c) in the policy. She would propose a timeframe of one year (instead of 6 months) for the waitlist mentioned in section (7)(c).</p>	
<p>Public Testimony</p>	<p><u>48:13 – 53:18 / *1:20:45 – 1:23:13</u></p> <p>Marieh Alyn-Claire from Tenants Priced Out questions if the policy as written is do-able, saying that both landlords and renters in her survey group expressed concern that it is too convoluted. She says it is impractical for landlords to do the level of assessment that the policy calls for, citing as an example the section on criminal history, which has 24 lines of considerations. She says tenants also can’t verify if someone is ahead of them on the first-come, first-served list, and she wants to know who the watchdog will be, and who will enforce that</p>	

	<p>aspect of the policy, since it will be prohibitively expensive for tenants to bring legal challenges. She expressed concern that the extra expense of the time-consuming assessment would lead to higher rents. She advocates instead for something simpler, with three main qualifiers: ID, affordability (income that is two times the rent), and rental history, which she sees as renters’ biggest asset. She suggests that a separate system for “problem renters”—including those with criminal histories—be set up and run by the Housing Bureau in coordination with qualified representatives from the courts.</p> <p>*Tamara De Ridder called in later in the meeting and gave testimony via phone. She is the owner of two single-family properties in Portland, and she has concerns about this policy limiting her ability to review criminal history. She is particularly concerned about renting to someone with a violent criminal history, and sees this limitation on her right to deny an applicant as problematic.</p>	
<p>Security Deposit Action Items</p>	<p><u>53:22 – 1:20:45</u></p> <p>Andrés Oswill assured commissioners that they can continue to send comments and concerns related to screening criteria action items via email.</p> <p>Mike Nuss would like landlords to provide tenants with documentation of their rental history <i>prior to</i> move-out, since they need that information when they’re applying to new places.</p> <p>Margot Black wants to require landlords to provide a rental history form (or a reference) for current tenants upon request, within a certain number of days (she suggested 3).</p> <p>Deborah Imse says a three-day requirement is highly problematic, due to a high volume of move-ins/move-outs at larger complexes during certain times of the year. She suggests at least a week / 5 business days.</p> <p>Commissioners voted on the security deposit action items as follows:</p> <p>#1 (redacted copy of final accounting): Yea: Allen, Margot, Katrina, Laura Nay: Deborah, Ian, Christian, Mike, Jessica, Leah Abstain: Yoni</p> <p>#2 (final accounting sent to PHB for record keeping) Yea: Ian, Margot Nay: Deborah, Christian, Katrina, Leah, Jessica, Yoni, Allen, Laura Abstain: Mike</p>	

	<p>#3 (provide documented rental history within 5 business days at the request of the tenant) Yea: Katrina, Margot, Laura, Mike, Allen Nay: Deborah, Christian, Leah, Jessica Abstain: Yoni, Ian</p> <p>Margot Black would like the RSC to put together a list of best practices regarding “normal wear & tear.” Mike Nuss and others feel this is something that should be taken up after the policy is passed.</p> <p>In response, Ian and Katrina announced the creation of a technical sub-working group of the RSC that would evaluate the impact of the policy and address any technical fixes that didn’t get worked out, refining and tweaking as time goes on. The Executive Committee voted to create the group, which would include a mix of RSC and community members (up to 6 from the RSC; 5 members from the public).</p> <p>Matthew Tschabold offered suggestions on managing expectations, and explained that this new working group—unlike the Mandatory Relocation Technical Advisory Group—did not have a mandate to present City Council with proposed changes. He cautioned that we cannot anticipate the appetite of Council for this input, and that there is no guarantee that code will change as a result if the commission moves ahead.</p> <p>Cupid Alexander echoed Matthew’s comments, stating that the Mayor has no appetite for creating a technical advisory group. The Mayor would have interest in a strong letter from the RSC, but, as of now, he has no interest in input from an additional working group.</p> <p>PHB staff will poll RSC members via email to determine interest in /availability for the proposed working group.</p>	<p>Poll RSC members for interest in working group via email.</p>
<p>Screening Criteria Action Items</p>	<p><u>1:23:32 – 1:57:00</u></p> <p>Deborah Imse is interested in seeing a bibliography for the sources used to inform the screening criteria policy, particularly where recidivism is concerned. Deborah emphasized that it’s not just about housing, but about the services people are able to access when they’re released; she says those who don’t get casework help within 6 months of release are more likely to recommit crimes.</p> <p>In response to Margot Black’s questions about applicability (Could landlords still rent to a friend or family member without screening? What about roommates searching for other roommates, or homeowners renting out rooms?), Jamey Duhamel responded that screening criteria only apply to landlords who are publicly advertising their units.</p> <p>Additionally, Margot has concerns that there is no timeline associated with approval; for example, how long does the landlord have to get back to the applicant, and how long does the applicant have to accept? She</p>	

	<p>asked how housing providers would handle time stamping multiple parts of an application, as well as time stamping applications that are emailed v. mailed v. completed in person.</p> <p>Jessica Greenlee would like to know how the tenant chapter will be structured, and asked if Commissioner Eudaly’s office had given thought to student housing or shared living environments. Concerning lender requirements, she suggested the language be changed from “law” to “requirement.” She expressed reservations about creating a technical advisory group / working group, in light of Matthew and Cupid’s comments.</p> <p>Katrina Holland replied that the renter protections being proposed don’t really exist elsewhere around the country, and that the working group would provide the RSC with information on what aspects of the policy might need to be refined or tweaked.</p> <p>Christian Bryant asked that action item #24 be broken down into debt sent to collections v payment arrangement with the landlord.</p> <p>Katrina Holland asked that additional consideration be given to evictions, especially a one-time event as opposed to multiple evictions.</p>	<p>Andrés will work on wording for action item #24.</p>
<p>Screening Criteria and Security Deposits in Conjunction</p>	<p><u>1:57:11 – 2:20:38</u></p> <p>Jamey Duhamel confirmed that the appeals section may be removed from the policy. She clarified that appeals can still exist—as they do now—without this policy, for example under Fair Housing Law. The concern is that the mandatory appeals process described in the policy could double screening fees, so it might be best to eliminate it.</p> <p>Mike Nuss added that the individualized assessment as written is more administratively burdensome than creating a waitlist. He also requested that landlords be allowed to re-run credit and criminal history for applicants on the waitlist, because a lot can happen in 6 months.</p> <p>Katrina Holland voiced concern that security deposits could be passed first, with the screening criteria policy going to Council at a later date. She advocates strongly against this, as landlords have been clear that increasing restrictions on security deposits will make screening criteria more restrictive.</p> <p>Jamey Duhamel confirmed that Commissioner Eudaly’s office intends to run both policies at the exact same time.</p> <p>Leah Sykes said it would be difficult for landlords to differentiate between a request for reasonable accommodation and a request for an appeal under this policy. Yoni says he’s open to working on a compromise for that. Leah says it would almost be ideal to remove anything related to disability requests from</p>	

	<p>this policy, so that it's a straight-up appeal based on the factors herein. She has particular concerns about the reference to "participation in a rehabilitation program," and suggests removing that item, (6)(g)(viii).</p> <p>(Christian Bryant had to leave the meeting early.)</p> <p>Margot Black has lingering concerns about the line-item depreciation item in the security deposit policy.</p> <p>Katrina Holland worries that the intent behind these renter protection policies is being misrepresented, and urged commissioners to avoid tactics that could come across as "fear-mongering".</p> <p>In response, Deborah Imse said that her group (Multifamily Northwest) believes there are items in the policy that are problematic for the majority of their residents. She stressed that she was at the table to address barriers for the most vulnerable tenants, without putting others at risk.</p>	<p>Andrés will f/u on line-item depreciation for next meeting</p>
<p>Good of the Order</p>	<p>Next meeting: September 28, 2018</p>	