



# Portland Housing Bureau

Mayor Ted Wheeler • Director Shannon Callahan

## Rental Services Commission

Tuesday, July 16, 2019

2:30 – 5:00 pm

Portland Housing Bureau

421 SW 6<sup>th</sup> Ave., Suite 500

Portland, OR 97204

**July 16, 2019**

Meeting Summary - approved

**Members Present:** Margot Black, Christina Dirks, Laura Golino de Lovato, Jessica Greenlee, Allen Hines, Katrina Holland, Deborah Imse, Yoni Kahn-Jochnowitz, Mike Nuss (*via phone*), Leah Sykes (*via phone*)

**Members Excused:** Christian Bryant, Ian Davie

**Staff Present:** Shannon Callahan, Stacy Jeffries, Kim McCarty, Andrés Oswill, Antoinette Pietka, Matthew Tschabold

Audio for the "recording time" column below can be found under "[Meeting Recordings by Year](https://www.portlandoregon.gov/phb/76570)" here: <https://www.portlandoregon.gov/phb/76570>

<i>Agenda Topic</i>	<i>Key Topics Covered</i>	<i>Recording Time</i>
<b>Call to Order, Roll Call</b>	<ul style="list-style-type: none"> <li>Yoni Kahn-Jochnowitz called the meeting to order.</li> <li>Roll call was taken.</li> <li>Jessica Greenlee motioned to approve the June 18<sup>th</sup> meeting summary; Deborah Imse seconded the motion. June 18<sup>th</sup> meeting summary unanimously approved.</li> </ul>	00:00:00 – 00:01:39
<b>Staff Update</b>	<ul style="list-style-type: none"> <li>Andrés Oswill provided a timeline for the rulemaking process for mandatory relocation assistance.</li> <li>In response to a question from Margot Black, Andrés clarified that the role of the RSC with respect to the rulemaking process would be to give feedback now and suggest revisions.</li> <li>The Rules and Bylaws Committee will meet in July; the Bylaws will come to the full Commission for review. Yoni Kahn-Jochnowitz expects to have a document in front of the whole group for the August RSC meeting.</li> <li>Matthew Tschabold reminded the Commission that we would be following Civic Life's new standards for processes and procedures.</li> </ul>	00:01:40 – 00:12:00
<b>Rental Registration Fee Framework</b>	<p><i>For information in this section, refer to <a href="#">the presentation</a>.</i></p> <ul style="list-style-type: none"> <li>Rental Registration is currently being recorded through the business tax platform; there are plans to procure a stand-alone system that can collect more data in the future.</li> </ul>	00:12:00 - 00:44:16

	<ul style="list-style-type: none"> <li>• The per-unit fee will be adjusted to account for inflation or deflation based on the CPIW (Consumer Price Index West).</li> <li>• Shannon Callahan clarified that – there are no exemptions for registration – everyone has to register. With an average monthly rent of \$1425, the proposed \$60 yearly per-unit rental registration fee is less than ½ of 1% of the average rent.</li> <li>• Matthew Tschabold gave an overview of programs and services currently funded with one-time funding that would be funded by the rental registration fee in the future. Additional factors for consideration include: <ul style="list-style-type: none"> <li>○ The cost of procuring and maintaining a new stand-alone registration system;</li> <li>○ Limits to the information that can be collected through the current (business tax) platform;</li> <li>○ Years to get to full compliance. Estimates are that the compliance rate will be 60% in year 1 and will reach 85% - 90% in 5 years.</li> </ul> </li> <li>• In response to a question from Christina Dirks, Matthew said he believes the penalty is \$500 per violation, but will need to confirm.</li> <li>• Margot Black asked if there would be a way for tenants to see if their landlord has registered – maybe through Portland Maps?</li> <li>• Matthew Tschabold said other bureaus have confirmed that their data warehouses can't handle the registration data, so that is not an option. He said it is likely we will not be able to integrate with Portland Maps either.</li> <li>• Mike Nuss asked if fees would go down as collection goes up.</li> <li>• Jessica Greenlee feels the fee is on the high side, and currently doesn't come with an inspection program. She asked if thoughts had been given to rolling it out in phases.</li> <li>• Shannon Callahan reminded Commissioners that Portland is an outlier among cities our size for not having a rental registration system. She clarified that the program is being rolled out in phases; during the first year, there is no fee and no penalty.</li> <li>• Matthew Tschabold reiterated that the proposed fee would be used to cover the functions of the Rental Services as assigned by Council, as well as any Directions to Develop assigned by Council.</li> <li>• In response to Margot Black's question about how many units were registered during the current (first) year of the program, Matthew Tschabold replied that the Revenue Division would need a full year to process extensions and have a final number.</li> </ul>	
<p><b>Public Testimony</b></p>	<p><i>There was no public testimony for the July 16<sup>th</sup> meeting.</i></p>	

<p><b>Relocation Assistance Permanent Administrative Rules</b></p>	<p><i>For information in this section, refer to the <a href="#">proposed draft rules</a> and <a href="#">tracked changes for the proposed draft rules</a></i></p> <ul style="list-style-type: none"> <li>• Andrés Oswill gave an overview of significant changes being proposed for the permanent administrative rules for relocation assistance.</li> <li>• There was discussion about what constitutes “a substantial change to lease terms.” Andrés Oswill said this was ultimately up to judges to decide, since there is no case law to draw from.</li> <li>• If defining “a substantial change to lease terms” is within PHB’s scope / purview, it was suggested that definition should be provided.</li> <li>• There was discussion about Exemption #5. Margot Black expressed concern that landlords were using this exemption to sell the house and still be exempt from paying relocation, while the spirit of the law was to allow an exemption only for landlords who intended to return to the house.</li> <li>• It was suggested that the phrase “or it must be sold” be removed from the language for Exemption #5.</li> <li>• Margot Black expressed concerns that Exemption #7 was being abused and asked if the family member moving in could be required to sign an affidavit.</li> <li>• Andrés clarified that PHB did <i>not</i> do any kind of “spot auditing” to see if family members had moved in.</li> <li>• The question was raised of how to connect people with other resources if they find themselves in an immediately uninhabitable building (as in Exemption #10).</li> <li>• For Exemption #12, ownership is looked up in county assessor data.</li> <li>• There was a request for copies of the difference acknowledgement letters for each exemption, and a breakdown of exemptions by category.</li> <li>• Andrés Oswill reminded the RSC that the FAIR ordinance is effective 03/2020, which is motivation to have permanent rules for relocation assistance in place.</li> <li>• Matthew Tschabold told Commissioners that PHB will want to finalize proposed rules for FAIR in time to implement training, ideally before the end of the calendar year. He encouraged Commissioners to provide timely feedback in response to his email soliciting their input.</li> </ul>	<p>00:45:18 – 01:52:10</p>
<p><b>Bylaws Discussion</b></p>	<ul style="list-style-type: none"> <li>• Margot Black requested that the remaining meeting time be used to discuss the bylaws. Discussion was focused on how the Commission should respond to public testimony.</li> </ul>	<p>01:52:11 – 02:21:53</p>