

ORDINANCE No.

Amend relocation assistance regulations in Affordable Housing Preservation and Portland Renter Protections (Ordinance; amend Code Section 30.01.085)

The City of Portland ordains:

Section 1. The Council finds:

1. On February 2nd, 2017 Portland City Council amended the Affordable Housing and Preservation and Portland Renter Protections to include relocation assistance via Ordinance 188219.
2. Ordinance 188219 was passed with an amendment that directed the Portland Housing Bureau to establish an advisory body comprised of representatives from landlords, tenants and other interested parties to review any proposed changes to the law and to report to Council as needed, but at least prior to October 7th, 2017.
3. The advisory body established by the Portland Housing Bureau has met on three occasions and compiled a set of proposed changes to the Relocation Assistance regulations.

NOW, THEREFORE, the Council directs:

- a. The Relocation Assistance section of the Portland Renter Protections outlined in City Code Chapter 30.01 Affordable Housing Preservation are hereby amended as provided in Exhibit A, attached hereto.
- b. The Council directs Portland Housing Bureau to continue staffing the advisory body comprised of representatives from landlords, tenants and other interested parties to review the law and to report to Council as needed, but at least prior to October 7th, 2017.
- c. If any portion of this Ordinance or the Relocation Assistance is ruled invalid, void, or illegal by an order of the court, the remainder of this Ordinance and the Relocation Assistance shall remain in full force and effect.

Passed by the Council:

Mayor Wheeler
Prepared by: Victoria James
Date Prepared: 05/01/2017

Mary Hull Caballero
Auditor of the City of Portland
By

Deputy

5-25-2017 Amendments

- a. Subsection C: remove proposed changes to 14 days.
- b. Subsection D: remove proposed last sentence.
- c. Housing Bureau to return with a recommendation on a and b in 30 days with or without recommendation consensus from the advisory body.

7-12-2017 Proposed Amendments highlighted.

Exhibit A

30.01.085 Portland Renter Additional Protections.

(Added by Ordinance No. 187380, effective November 13, 2015.)

- A. In addition to the protections set forth in the Residential Landlord and Tenant Act, the following additional protections apply to Tenants that have a Rental Agreement for a Dwelling Unit covered by the Act. For purposes of this chapter, capitalized terms have the meaning set forth in the Residential Landlord and Tenant Act.
- B. A Landlord may terminate a Rental Agreement without a cause specified in the Act only by delivering a written notice of termination (the "Termination Notice") to the Tenant of (a) not less than 90 days before the termination date designated in that notice as calculated under the Act; or (b) the time period designated in the Rental Agreement, whichever is longer. Not less than 45 days prior to the termination date provided in the Termination Notice, a Landlord shall pay to the Tenant, as relocation assistance, a payment ("Relocation Assistance") in the amount that follows: \$2,900 for a studio or single room occupancy ("SRO") Dwelling Unit, \$3,300 for a one-bedroom Dwelling Unit, \$4,200 for a two-bedroom Dwelling Unit and \$4,500 for a three-bedroom or larger Dwelling Unit. The requirements of this Subsection do not apply to Rental Agreements for week-to-week tenancies, or to a Landlord who rents out or leases out that has an ownership interest, regardless of form, in only one Dwelling Unit in the City of Portland that is subject to the Act in the City of Portland, or to a Landlord who that temporarily rents out the Landlord's principal residence during the Landlord's absence of not more than 3 years, or to Tenants that occupy the same Dwelling Unit as the Landlord. A Landlord that authorizes a property manager that is subject to, and manages property in accordance with ORS 696, to manage only one Dwelling Unit, does not waive the foregoing exemption as a result of the collective number of Dwelling Units managed by such a property manager. For purposes of the exception provided in this Subsection, "Dwelling Unit" is defined by PCC 33.910, and not by ORS 90.100. For purposes of this Subsection, a Landlord that declines to renew or replace an expiring Rental Agreement ~~fixed term lease~~ on substantially the same terms except for the amount of Rent or Associated Housing Costs terminates the Rental Agreement and is subject to the provisions of this Subsection. The requirements of this Subsection are intended to apply per Dwelling Unit, not per individual-Tenant.
- C. A Landlord may not increase a Tenant's Rent or Associated Housing Costs by 5 percent or more over a rolling 12 month period unless the Landlord gives notice in writing (the "Increase Notice") to each affected Tenant: (a) at least 90 days prior to the effective date of the Rent increase; or (b) the time period designated in the Rental Agreement, whichever is longer. Such notice must specify the amount of the increase, the amount of the new Rent or Associated Housing Costs and the date, as calculated under the Act, when the increase becomes effective. If, within 45 44 calendar days after a Tenant receives an Increase Notice indicating a Rent increase of 10 percent or more within a rolling 12 month period and a Tenant provides written notice to the Landlord of the Tenant's intent to terminate the Rental Agreement request for Relocation Assistance (the "Tenant's Notice"), then, within 31 44 calendar days of receiving the Tenant's Notice, the Landlord shall pay to the Tenant Relocation Assistance in the amount that follows: \$2,900 for a

studio or SRO Dwelling Unit, \$3,300 for a one-bedroom Dwelling Unit, \$4,200 for a two-bedroom Dwelling Unit and \$4,500 for a three-bedroom or larger dwelling unit. After the Tenant receives the Relocation Assistance from the Landlord, the Tenant shall have six (6) months from the effective date of the Rent increase (the "Relocation Period") to either: (i) pay back the Relocation Assistance and remain in the Dwelling Unit and, subject to the Act, shall be obligated to pay the increased Rent in accordance with the Increase Notice for the duration of the Tenant's occupancy of the Dwelling Unit; or (ii) provide the Landlord with a notice to terminate the Rental Agreement in accordance with the Act (the "Termination Notice"). In the event that the Tenant has not repaid the Relocation Assistance to the Landlord or provided the Landlord with the Termination Notice on or before the expiration of the Relocation Period, the Tenant shall be in violation of this Subsection. For purposes of this Subsection, a Landlord that conditions the renewal or replacement of an expiring ~~lease Rental Agreement~~ on the Tenant's agreement to pay ~~an increase in the a~~ Rent increase of 10 percent or more within a rolling 12 month period ~~Rent or Associated Housing Costs increases the Tenant's Rent, and~~ is subject to the provisions of this Subsection. The requirements of this Subsection do not apply to Rental Agreements for week-to-week tenancies, or to a Landlord that has an ownership interest, regardless of form, in who rents out only one Dwelling Unit that is subject to the Act in the City of Portland, or to a Landlord who that temporarily rents out the Landlord's principal residence during the Landlord's absence of not more than 3 years, or to Tenants that occupy the same Dwelling Unit, as defined in Subsection B. of this Section, as the Landlord. A Landlord that authorizes a property manager that is subject to, and manages property in accordance with ORS 696, to manage only one Dwelling Unit, does not waive the foregoing exemptions a result of the collective number of Dwelling Units managed by such a property manager. The requirements of this Subsection are intended to apply once for a tenancy per in a Dwelling Unit, not per individual Tenant.

- D. A Landlord that fails to comply with any of the requirements set forth in this Section 30.01.085 shall be liable to the Tenant for an amount up to three months Rent as well as actual damages, Relocation Assistance, reasonable attorney fees and costs (collectively, "Damages") within a reasonable timeframe. Any Tenant claiming to be aggrieved by a Landlord's noncompliance with the foregoing has a cause of action in any court of competent jurisdiction for Damages and such other remedies as may be appropriate. If a Tenant, after receiving Relocation Assistance from the Landlord, does not move out of the Dwelling Unit in accordance with the Tenant Notice, the Tenant shall repay the Relocation Assistance to the Landlord within a reasonable timeframe.
- E. The provisions of this Section 30.01 .085 concerning Relocation Assistance shall be in effect for the duration of the Housing Emergency declared by Council on October 7, 2015 by Ordinance 187371 and extended for a period of 1 year to October 6, 2017 by Ordinance 187973, and shall apply to all notices of termination and to all notices of increases of a Tenant's Rent or Associated Housing Costs pending as of the effective date of those provisions, subject to the following provisions:
1. If, as of the effective date of the Relocation Assistance provisions of this Section, a Landlord has given notice of termination, but the termination has not yet occurred, the Landlord, within 30 days of the effective date of these provisions, either shall notify the Tenant in writing that the Landlord has rescinded the notice of termination, or shall pay the Relocation Assistance provided for in Subsection B. of this Section.

2. If, as of the effective date of the Relocation Assistance provisions of this Section, a Landlord has given notice of an increase of a Tenant's Rent or Associated Housing Costs that triggers the obligation to pay Relocation Assistance under Subsection C. of this Section, the Tenant shall have the right, within 14 days of the effective date, to notify the Landlord that the Tenant is terminating the Rental Agreement, and the Landlord shall have 14 days thereafter within which to give written notice to the Tenant either that the Landlord has rescinded the increase or has reduced it below the level that triggers the obligation to pay Relocation Assistance, or, in the alternative, to pay the Relocation Assistance.

Working Draft

IMPACT STATEMENT

Legislation title: *Amend relocation assistance regulations in Affordable Housing Preservation and Portland Renter Protections (Ordinance; amend Code Section 30.01.085)

Contact name: Victoria James

Contact phone: 503-823-3403

Presenter Name: Victoria James

Purpose of Proposed Legislation and Background Information:

The Relocation Assistance legislation passed under Ordinance 188219 in February 2017 mandated that landlords in the City of Portland pay relocation assistance to tenants experiencing rent increases of 10% or more and tenants being evicted for no cause. The legislation aimed to mitigate the cost of involuntary displacement for Portland renters. The legislation was passed by the City Council on the condition that an advisory group of landlords, tenants, and other interested parties assess and fine-tune the relocation assistance regulations. The proposed changes to Ordinance 18829 here presented reflect the input of said advisory group.

Financial and Budget Impacts:

N/A

Community Impacts and Community Involvement:

The regulations passed under Ordinance 188219 have substantial impacts on both renters and landlords. By assembling a group of representatives reflective of both landlord and tenant interests and using their input to make changes to the relocation assistance regulations we hope that the reformed legislation is responsive to impacts on both affected parties (landlords and renters). This reformed legislation is the product of several public meetings wherein the testimony of renters and landlords was heard. The changes proposed by this legislation have been agreed upon by the advisory group assembled by the Portland Housing Bureau.

Budgetary Impact Worksheet

Does this action change appropriations?

- YES:** Please complete the information below.
- NO:** Skip this section