# **OREGON SB 608**

### STATEWIDE RENT CONTROL

## ELIMINATION OF NO CAUSE NOTICES AFTER 1st YEAR

#### STATED CAUSE NOTICES

### **3 STRIKES FOR CAUSE NOTICES**

On February 28, 2019 the Oregon Legislature passed Senate Bill 608 (SB 608) a first in the nation statewide rent control bill. The bill also dramatically eliminated no cause notices after the first year while creating a new 90 day "stated cause" notice of termination and a 90 day "3 strikes notice of termination" for fixed term tenancies after the first year.

**Rent increase cap following 1**<sup>st</sup> **year no cause notice.** A landlord terminating a tenancy with a <u>30-day notice without cause</u> as authorized by this new law during the first year of a tenancy <u>may</u> <u>not reset rent for the next tenancy</u> in an amount greater than <u>seven percent plus the consumer</u> <u>price index above the previous rent</u>.

The Bill was introduced in the Senate and a number of amendments were rejected including express pre-emption of local ordinances. It passed the Senate and the House without Amendment and signed into law as introduced. While SB 608 also addresses manufactured homes, that topic is outside the scope of this presentation.

Portland's rules are not superseded, and Portland Landlords must abide by both SB 608 and the ever-changing Portland City Code section 30.01.085 (Additional Renter Protections).

## PART I. SUMMARY

- In the 1<sup>st</sup> year No Cause Notices of Termination are permissible upon 30 days' notice without penalty, subject to statewide rent control caps.
  - Applies to both term and month-to-month tenancies.
  - Note in Portland, you must still pay relocation fees.
- After 1<sup>st</sup> year of occupancy:
  - Prohibits termination of month-to-month tenancies without cause.
  - Requires the conversion of fixed-term tenancies to month-to-month, unless:
    - A new fixed term is agreed on, or
    - Three strikes: the landlord has warned the tenant contemporaneously in writing of three separate violations of agreement within the preceding 12 months, as specified, and provided 90 days written notice.

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- Exempts owner-occupied tenancies (no more than two dwellings, in the same building or on the same property as a landlord's primary residence).
- Stated Cause: Allows landlords to terminate tenancies:
  - $\circ$  To demolish or repurpose the dwelling within a reasonable time; or
  - To renovate or repair premises that are or will be unsafe or unfit for occupancy within a reasonable time; or
  - To occupy the premises as a primary residence for self or immediate family when no comparable unit is available at the same location at the same time; or
  - When the landlord has notified the tenant within 120 days of accepting a buyer's offer to purchase the dwelling as a primary residence.
- Stated Cause Notice must specify reason, date, and supporting facts.
- Upon service of Stated Cause Notice landlord must include payment for one month's rent.
  Unless the owner has four or fewer dwelling units.
- Provides tenant defense against action for possession and three months' rent plus actual damages for violations when tenant brings action within one year.
- Creates rent control cap. Limits residential rent increases within any 12-month period to no more than seven percent above September Western Urban Region CPI.
  - Except when the dwelling has been certified for occupancy less than 15 years, or
  - When rent is reduced pursuant to a government assistance or subsidy program.
- Directs the Department of Administrative Services to publish maximum annual rent increase and maintain other information for the public online.
- Effective on Passage (February 28, 2019).

# PART II. NOTICES OF TERMINATION

- 1. In the 1<sup>st</sup> year if occupancy you can use a no cause notice without paying 1 month's rent penalty statewide. (*Not in Portland. You must still pay Portland relocation fees*)
  - a. Week-to-week, remains a 10-day notice. (ORS 90.427(2)). No reason required.
  - b. Month-to-month, 30 days' notice in the first year (ORS 90.427(3)(b)). No reason required.
  - c. No cause notice from tenant. 30 days' notice at any time during the tenancy prior to term end date (ORS 90.427(3)(a)). No reason required.
- 2. Abolishes No Cause Notices after the 1<sup>st</sup> Year. After the 1<sup>st</sup> year 30- 60- and 90-day Notices of Termination Without Cause are no longer available in Oregon unless it's your primary residence.
- 3. **Cause Based Termination.** After 1<sup>st</sup> year, Landlord may terminate a <u>month-to-month</u> tenancy only for the following cause-based reasons (ORS 90.427(3)(c)(A)):

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- a. 86.782(6)(c) Property purchased at trustees' sale with a tenant must follow ejectment procedure. Note: prior owner may be evicted with 10 days' notice of termination.
- b. 90.380 (5) Government agency posts as unsafe or unfit to occupy after tenancy begins 24-hour notice of termination to tenant.
- c. 90.392 30-day notice of termination "For cause notice" material violations of the rental agreement or Oregon landlord tenant law,
- d. 90.394 72-hour notice of termination for non-payment of rent.
- e. 90.396 24-hour notice of termination for outrageous conduct.
- f. 90.398 48-hour notice of termination for drug and alcohol violations in substance free housing.
- g. 90.405 10-day notice of termination for unpermitted pet.
- h. 90.440 24-hour notice of termination for group recovery home (drugs).
- i. 90.445 24-hour notice of termination for committing criminal act of physical violence.
- j. Qualifying Reason or Stated Cause. (ORS 90.427(3)(c)(B))
- 4. For fixed term tenancies (ORS 90.427(4))
  - a. The above cause-based notices apply (ORS 90.427(4)(a)).
  - b. 30 days' notice within 1<sup>st</sup> year. If the fixed term end date falls within the first year, Landlord may terminate without cause upon 30 days' notice prior to the end date. The termination date will be the later of the fixed term or the notice termination date. (ORS 90.427(4)(b)). (*Not in Portland*)
  - c. After 1<sup>st</sup> year generally. If fixed term end date occurs after the first year of occupancy, tenancy becomes month-to-month unless ORS (90.427(4)(b)):
    - i. Landlord and tenant agree to new term tenancy, or
    - ii. Tenant gives 30 days' notice, or
    - iii. Qualifying Reason or Stated Cause
    - iv. Or for "3-Strikes."
- 5. **Stated Cause.** (ORS 90.427(5). 90 days' notice prior to end of term or month-to-month if:
  - a. **Demo.** The landlord intends to demolish the dwelling unit or convert the dwelling unit to a use other than residential use within a reasonable time;
  - b. **Substantial Repairs.** The landlord intends to undertake repairs or renovations to the dwelling unit within a reasonable time and:
    - i. The premises are unsafe or unfit for occupancy; or
    - ii. The dwelling unit will be unsafe or unfit for occupancy during the repairs or renovations;
  - c. **Immediate Family Member.** The landlord intends for the landlord or a member of the landlord's immediate family to occupy the dwelling unit as a primary

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residence and the landlord does not own a comparable unit in the same building that is available for occupancy at the same time that the tenant receives notice to terminate the tenancy; or

- d. Accepted Purchase Offer. The landlord has:
  - i. Accepted an offer to purchase the dwelling unit separately from any other dwelling unit from a person who intends in good faith to occupy the dwelling unit as the person's primary residence; and
  - ii. Provided the notice and written evidence of the offer to purchase the dwelling unit, to the tenant not more than 120 days after accepting the offer to purchase.
- 6. **Form of Notice.** (ORS 90.427(6)(a)) A landlord that terminates a tenancy under subsection for a qualifying reason shall:
  - a. Specify in the termination notice the reason for the termination and supporting facts;
  - b. **90 days.** State that the rental agreement will terminate upon a designated date not less than 90 days after delivery of the notice; and
  - c. **One Month Rent Penalty.** At the time the landlord delivers the tenant the notice to terminate the tenancy, pay the tenant an amount equal to one month's periodic rent.
    - i. **Applies to ownership of 5** + Dwellings. Exceptions (ORS 90.427(6)(b) one-month penalty <u>does not apply</u> to a <u>landlord</u> who has an ownership interest in <u>four or fewer</u> residential dwelling units. (*Note in Portland, you must still pay Portland relocation fees*)
- 7. Three Strikes. (ORS 90.427(7)) A fixed term tenancy <u>does not</u> become a month-tomonth tenancy upon the expiration of the fixed term <u>if</u> the landlord gives the tenant notice in writing not less than 90 days' prior to the specified ending date for the fixed term or <u>90 days</u> prior to the date designated in the notice for the termination of the tenancy, whichever is later, <u>and</u>:
  - a. The tenant has committed <u>three or more violations</u> of the rental agreement within the preceding 12-month period and the landlord has given the tenant a written warning notice at the time of each violation;
  - b. Each written warning notice:
    - i. Specifies the violation;
    - ii. States that the landlord may choose to terminate the tenancy at the end of the fixed term if there are three violations within a 12-month period preceding the end of the fixed term; and
    - iii. States that correcting the third or subsequent violation is not a defense to termination under this subsection; and
  - c. Contents of Notice. The 90-day notice of termination:

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- i. States that the rental agreement will terminate upon the specified ending date for the fixed term or upon a designated date not less than 90 days after delivery of the notice, whichever is later;
- ii. Specifies the reason for the termination and supporting facts; and
- iii. Is delivered to the tenant concurrent with or after the third or subsequent written warning notice.
- 8. **Primary Residence.** ORS 90.427(8) If the tenancy is for occupancy in a dwelling unit that is located in the same building or on the same property as the landlord's primary residence, and the building or the property contains not more than two dwelling units,
  - a. After 1<sup>st</sup> year of Occupancy. The landlord may terminate the tenancy at any time after the first year of occupancy:

#### i. For a month-to-month tenancy:

- For cause and with notice as described in ORS 86.782 (6)(c), 90.380 (5), 90.392, 90.394, 90.396, 90.398, 90.405, 90.440 or 90.445;
- Without cause by giving the tenant notice in writing not less than 60 days prior to the date designated in the notice for the termination of the tenancy; (No reason required) or
- 3. Without cause, no reason required, by giving the tenant notice in writing not less than 30 days prior to the date designated in the notice for the termination of the tenancy if:
  - a. The dwelling unit is purchased separately from any other dwelling unit;
  - b. The landlord has accepted an offer to purchase the dwelling unit from a person who intends in good faith to occupy the dwelling unit as the person's primary residence; and
  - c. The landlord has provided the notice, and written evidence of the offer to purchase the dwelling unit, to the tenant not more than 120 days after accepting the offer to purchase.

#### ii. For a fixed term tenancy:

- During the term of the tenancy, only for cause and with notice as described in ORS 86.782 (6)(c), 90.380 (5), 90.392, 90.394, 90.396, 90.398, 90.405, 90.440 or 90.445; or
- 2. At any time during the fixed term, without cause, no reason required, by giving the tenant notice in writing not less than 30 days prior to the specified ending date for the fixed term, or 30 days prior to the date designated in the notice for the termination of the tenancy, whichever is later.

#### 9. Penalties. (ORS 90.427(9))

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a. Three months' rent plus actual damages and violation of the timelines are a defense to eviction.

### 10. Pro-rated rent. (ORS 90.427(10))

- a. "The tenancy terminates on the date designated and without regard to the expiration of the period for which, by the terms of the tenancy, rents are to be paid."
- b. Rent is uniformly apportioned from day to day.

### 11. Tenant hold over after notice. (ORS 90.427(11))

- a. Landlord may sue for possession, actual damages from holdover including prorated rent until landlord knows or should know tenant has surrendered.
- 12. No cause notices generally. No reason required (ORS 90.427(12)).
  - a. The notice is given without stated cause;
  - b. The recipient of the notice does not have a right to cure the reason for the termination; and
  - c. The person giving the notice need not prove the reason for the termination in a court action.

# PART III. RENT CONTROL

ORS 90.323 governing rent increases was changed.

### 1. The landlord may not increase the rent:

- a. During the first year after the tenancy begins.
- b. At any time after the first year of the tenancy without giving the tenant written notice at least 90 days prior to the effective date of the rent increase.
- c. During any 12-month period, in an amount greater than seven percent plus the consumer price index above the existing rent. CPI from September of the prior calendar year.
- 2. Notice Requirements. The notices required under this section must specify:
  - a. The amount of the rent increase;
  - b. The amount of the new rent; [and]
  - c. Facts supporting an authorized exemption if the increase is above the amount allowed in subsection.
  - d. The date on which the increase becomes effective.
- 3. **Exception**. A landlord is not subject to the 12-month periodic cap where:

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- a. The first certificate of occupancy for the dwelling unit was issued less than 15 years from the date of the notice of the rent increase; or
- b. The landlord is providing reduced rent to the tenant as part of a federal, state or local program or subsidy.
- 4. **Exemption.** This section does not apply to tenancies governed by ORS 90.505 to 90.850. Manufactured housing.
- 5. **Rent increase cap following 1<sup>st</sup> year no cause notice.** A landlord terminating a tenancy with a <u>30-day notice without cause</u> as authorized by ORS 90.427 (3) or (4) during the first year of a tenancy <u>may not reset rent for the next tenancy</u> in an amount greater than <u>seven</u> percent plus the consumer price index above the previous rent.
- 6. **Penalties**. Three months' rent plus actual damages suffered by the tenant.
- 7. **Consumer price index** refers to the annual 12-month average change in the Consumer Price Index for All Urban Consumers, West Region (All Items), as published by the Bureau of Labor Statistics of the United States Department of Labor in <u>September of the prior calendar</u> <u>year.</u>
  - a. Maximum allowable rent increase will be published by Oregon Department of Administrative Services.
  - b. 3.4% in September 2018
    - i. <u>https://www.bls.gov/regions/west/news-release/consumerpriceindex\_west.htm</u>

Therefore, the first in the nation statewide rent control cap for Oregon is 10.4% until the September 2019 BLS Report.

Unless you are in Portland, where its effectively 10%.

## **PART IV. Questions and Some Answers**

- 1. Effective date is February 28, 2019.
- 2. Effect on Termination Notices
  - a. Applies to month-to-month and fixed term tenancies entered into or renewed on or after the effective date of this 2019 Act; and
  - b. Terminations of month-to-month and Term tenancies occurring on or after the 30th day after the effective date of this 2019 Act must comply with the Act.
  - No-Cause Termination Notices served before the February 28, 2019 effective date and that propose to take effect after March 30 must comply with the new law. SB 608 Section 11 (2) says that the good-cause-only termination provision applies to "terminations of month-to-month tenancies occurring on or after" March 30.

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- 3. Effect on Rent Increases. Law takes effect immediately. Outstanding notices are void, unless the notice complies with the new law.
  - a. A rent increase notice served on February 28 is void. SB 608 Section 12 applies the rent control laws to "rent increase notices delivered on or after the effective date."
- 4. Local ordinances not displaced.
  - a. Portland Problem. SB 608 does not contain any preemption language. Therefore, it does not preempt local laws (absent a conflict between laws), and landlords must comply with both SB 608 and any local law.
  - b. Example 1.
    - i. A Portland owner would have a stated cause exception to avoid payment of a month's rent under SB 608 if they are moving themselves or spouse into their primary residence.
    - ii. That owner would be required to pay relocation fees under Portland City Code 30.01.085.
  - c. Example 2.
    - i. A Portland Owner cannot serve a 30-day notice of termination without cause at the end of the 1<sup>st</sup> year.
    - ii. That owner would have to serve the notice of termination 90 days in advance and pay the relocation fees.
- 5. Property Manager has multiple clients with fewer than 4 properties. The exceptions apply to the owner, not the property manager.
- 6. It is easier to sell a vacant home than an occupied one.
  - a. Does this mean the owner has to list the home for sale while it is still occupied? Yes.
  - b. Or can we ask the tenant to leave and then provide a copy of the accepted offer within the 120 days of acceptance? No. Notice is from accepted offer.
  - c. What part of the offer do we have to provide them? The last page with the signatures or the entire offer package? A letter or memorandum of contract with the purchaser's name and the closing date would suffice as written evidence
  - d. Also with the mortgage laws, a purchaser of a primary residence has to occupy it within 60 days if we give the tenants a 90-day notice when we accept an offer how does the buyer manage those extra 30 days? This is likely to be litigated. While SB 608 provides that it does not pre-empt local laws, Federal law does pre-empt state law.

### SEE BELOW

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- 7. At the time the landlord delivers a notice of termination with stated cause the landlord is required to pay the tenant an amount equal to one month's periodic rent. Can Landlord just waive the last month's rent or we are required to send them an actual check? Landlord is required to send a check unless tenant agrees in writing to accept a rent credit in exchange. The law sets up tenant not paying for the last month while Landlord is giving tenant moving money.
- 8. I sent out a 60 day notice to vacate on Feb 20, 2019 to vacate by April 30, 2019. (Tenancy is MTM) Is that still valid? No, the 60-day notice has been removed from the statute. Notices including a termination date after March 30, 2019 are not valid.
- 9. I sent out a no cause notice notice to vacate on Feb 20, 2019 to vacate at the end of a lease on June 30, 2019 is that still valid? It depends....
  - a. If it was in the first year, yes. Note Rent Control Cap.
  - b. After the first year, no. You must give Notice for Stated Cause of not less than 90 days and pay one month's rent when you are serving the notice.
    - i. Demo.
    - ii. Substantial Repairs.
    - iii. Immediate Family Member.
    - iv. Accepted Purchase Offer.
- 10. Landlord sends a No Cause Notice to a MTM tenant in month 17. Invalid statewide, including Portland.
- 11. Can I serve a 3-strikes notice of termination on a month to month tenant in month 15? There are some gymnastics in the statute which make it seem like that could be an option, but the 3 strikes provision specifically applies to term tenancies. You may continue to serve 30 day "For Cause" Notices of Termination. Note that if a tenant commits the same or a substantially similar violation within 180 days of service of a 30-day notice of termination, you can terminate with a 10-day notice that they do not have an option to cure.
- 12. Effect on Portland Relocation Rules. LANDLORDS MUST COMPLY WITH BOTH- SEE BELOW:
  - a. A rent increase of 10% or more triggers payment of relocation fees. 10.4% or more is not allowed, subject to 3 months rent and actual damages. In addition to relocation fees.
  - b. In Portland, you cannot serve a no cause notice in the 1<sup>st</sup> year without being subject to the relocation fees. Even in the 1<sup>st</sup> year if you serve a no cause notice in Portland you may be subject to the following:
    - i. Relocation fees
    - ii. Actual damages

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- iii. 3 months' rent
- iv. Attorney fees and costs
- 13. In Portland you may give a no cause notice in the 1<sup>st</sup> year, but it must be 90 days and you must pay Portland relocation fees.
- 14. In Portland the immediate family exception does not apply to owner or owner's spouse. It does apply statewide.
- 15. As of March 13, 2019, Landlords can deduct the state relocation penalty (one month rent) from the Portland penalty ONLY IF they make the entire payment at the same time the notice is given (which is required under state law).
  - a. They can either pay the Portland relocation at the time the notice is served; or
  - b. Pay state penalties (one month rent) at the time the notice is served, AND pay full Portland penalties (with no discount) 45 days before the termination date.

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## PART V. PORTLAND'S INITIAL RESPONSE

#### **30.01.085 Portland Renter Additional Protections.**

(Added by Ordinance No. 187380; amended by Ordinance Nos. 188219, 188519, 188558,

188628 and 188849, effective March 7, 2018.)

- 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, unless otherwise defined herein, capitalized terms have the meaning set forth in the Act.
- B. A Landlord may terminate a Rental Agreement without a cause or for a qualifying landlord reason 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. For purposes of this Subsection, a Landlord that declines to renew or replace an expiring Rental Agreement is subject to the provisions of this Subsection. The requirements of this Subsection are intended to apply per Dwelling Unit, not per individual Tenant. In the event that a Landlord is selling a Dwelling Unit to a buyer that is required to take occupancy of the Dwelling Unit within 60 days of closing as condition of the buyer's federal mortgage financing, then the notice period for the Termination Notice will be adjusted to accommodate the federal 60-day-occupancy requirement so long as the landlord pays the Tenant the required amount of Relocation Assistance prior to the termination date.
- C. <u>As allowed by the Act, a</u> 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. The Increase Notice must specify the amount of the increase, the amount of the new Rent or Associated

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Housing Costs and the date, as calculated under the Act, when the increase becomes effective. If, within 45 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 request for Relocation Assistance (the "Tenant's Notice"), then, within 31 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 dDwelling uUnit. After the Tenant receives the Relocation Assistance from the Landlord, the Tenant shall have 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 "Tenant's Termination Notice"). In the event that the Tenant has not repaid the Relocation Assistance to the Landlord or provided the Landlord with the Tenant's 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 Rental Agreement on the Tenant's agreement to pay a Rent increase of 10 percent or more within a rolling 12-month period is subject to the provisions of this Subsection. For purposes of this Subsection, a Landlord that declines to renew or replace an expiring Rental Agreement 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. For purposes of this Subsection, a Tenant may only receive and retain Relocation Assistance once per tenancy per Dwelling Unit.

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- D. A Landlord shall include a description of a Tenant's rights and obligations and the eligible amount of Relocation Assistance under this Section 30.4-01.085 with each and any Termination Notice, Increase Notice, and Relocation Assistance payment.
- E. A Landlord shall provide notice to <u>the Portland Housing Bureau</u> (PHB) of all payments to Tenants of Relocation Assistance within 30 days of making such payments. This Subsection shall be effective beginning May 1, 2018.
- F. For the purposes of this Section 30.4-01.085, the expiration of Rent concessions <u>specified in the Rental Agreement</u> is not considered a substantial change to a Rental Agreement.
- G. For the purposes of this Section 30.01.085 and determining the amount of Relocation Assistance a Landlord shall pay, a Rental Agreement for a single bedroom in a Dwelling Unit as defined by PCC 33.910 is considered a SRO Dwelling Unit.
- H. For the purposes of this Section 30.01.085 and determining the amount of Relocation Assistance a Landlord shall pay, if a Landlord is paying relocation assistance required by the Act and Relocation Assistance required by Section 30.01.085 to the Tenant for the same Termination Notice, the Relocation Assistance required by Section 30.01.085 may be reduced by the relocation assistance required by the Act if both payments are paid at the same time and as a single payment.
- **GI.** After a Landlord completes and submits the required exemption reporting forms to <u>PHB</u>, tThe provisions of this Section 30.-01.085 that pertain to Relocation Assistance do not apply to the following so long as the Landlord has submitted a required exemption application form to PHB for which PHB shall have issued an exemption acknowledgement letter, a copy of which the Landlord shall have provided to the Tenant:
  - **1.** Rental Agreements for week-to-week tenancies;
  - 2. Tenants that occupy the same Dwelling Unit as the Landlord;
  - **3.** Tenants that occupy one Dwelling Unit in a Duplex where the Landlord's principal residence is the second Dwelling Unit in the same Duplex;
  - 4. Tenants that occupy an Accessory Dwelling Unit that is subject to the Act in the City of Portland so long as the owner of the Accessory Dwelling Unit lives on the site;

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- **5.** a Landlord that temporarily rents out the Landlord's principal residence during the Landlord's absence of not more than 3 years;
- 6. a Landlord that temporarily rents out the Landlord's principal residence during the Landlord's absence due to active duty military service;
- 7. a Dwelling Unit where the Landlord is terminating the Rental Agreement in order for an <u>iI</u>mmediate <u>fF</u>amily member to occupy the Dwelling Unit;
- 8. a Dwelling Unit regulated <u>or certified</u> as affordable housing by a federal, state or local government for a period <u>of</u> at least 60 years; is exempt from paying <u>Relocation Assistance for a Rent increase of 10 percent or more within a</u> <u>rolling 12-month period:</u>

<u>a. so long as such increase does not increase a Tenant's portion of the Rent</u> payment by 10 percent or more within a rolling 12-month period; or

<u>. in Lease Agreements where the Rent or eligibility is periodically calculated</u> based on the Tenant's income or other program eligibility requirements and a Rent increase is necessary due to program eligibility requirements or a change in the Tenant's income.

This exemption by Subsection 30.01.085 1.8. does not apply to private market-rate Dwelling Units with a Tenant who is the recipient of a federal, state, or local government voucher;

This exemption by Subsection 30.01.085 1.8. applies to Rent increases and does not apply to Termination Notices;

- **9.** a Dwelling Unit that is subject to and in compliance with the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970;
- 10. a Dwelling Unit rendered <u>immediately</u> uninhabitable not due to the action or inaction of a Landlord or Tenant;
- 11. a Dwelling Unit rented for less than 6 months with appropriate verification of the submission of a demolition permit prior to the Tenant renting the Dwelling Unit;
- 12. a Dwelling Unit where the Landlord has provided a *fFixed tTerm tTenancy* and notified the Tenant prior to occupancy of the Landlord's intent to sell or permanently convert the Dwelling Unit to a use other than as a Dwelling Unit subject to the Act.

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A Landlord that authorizes a property manager that is subject to, and manages property in accordance with ORS 696, to manage only-one <u>a</u> Dwelling Unit, does not waive the one <u>a</u> Dwelling Unit exemption as a result of the collective number of Dwelling Units managed by such a property manager. For purposes of the exemptions provided in this Subsection, "Dwelling Unit" is defined by PCC 33.910, and not by ORS 90.100. For purposes of the exemptions provided in this Subsection, "Duplex" is defined by PCC 33.910. For purposes of the exemptions provided in this Subsection, "Duplex" is defined by PCC 33.910. For purposes of the exemptions provided in this Subsection, "Duplex" is defined by PCC 33.910. For purposes of the exemptions provided in this Subsection, "Immediate Family" is defined by PHB in administrative rules.

- **HI** 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 3 times the monthly Rent as well as actual damages, Relocation Assistance, reasonable attorney fees and costs (collectively, "Damages"). 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.
- **1**<u>K</u>. In carrying out the provisions of this Section 30.01.085, the Director of PHB, or a designee, is authorized to adopt, amend and repeal administrative rules to carry out and administer the provisions of this Section 30.01.085.

Charles A. Kovas is a partner at the Portland law firm of Warren Allen LLP. Admitted to practice in Oregon and Washington state and federal courts, Mr. Kovas represents landlords in FED trials, stay hearings, post-foreclosure disputes, and all other facets of landlord-tenant law. Mr. Kovas also practices in family law, real property disputes, business planning, litigation, estate planning and serves as general counsel for a number of small businesses. He has been named a SuperLawyer Rising Star for 2014 through 2018 and he is a Board Member for the Rental Housing Alliance. Before law school he started his career in Washington DC working for the U.S. Senate Committee on Government Affairs, and in development with The Woodrow Wilson International Center for Scholars. His personal interests include skiing, gardening, live music, and studying pre-Columbian and American history.

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