

## 2023 REAL ESTATE LEGISLATIVE UPDATE

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The Oregon Legislature and Governor Kotek accomplished more this year than just authorizing us to pump our own gas. Several bills were passed and have now been signed that will impact commercial real estate in Oregon.

Attached is a legislative update from a sub-committee for the Real Estate and Land Use Section of the Oregon State Bar on which I serve.

Many of the new bills demonstrate the Legislature's continued commitment to building affordable housing, as well as altering the legal relationships between residential landlords and tenants.

Some the key bills are summarized briefly below as follows:

- **HB 3395:** This is a major omnibus policy and funding bill. Among many things, the bill directs the Housing and Community Services Department to establish a loan fund for first time home buyers. The HCSD is also to develop an Affordable Housing Loan Guarantee Fund to be used by community development financial institutions to support investment in the construction of affordable housing. A total of \$48.5 million is allocated to support various projects.
- **SB 611:** Sets the maximum increase in residential rents to 7% plus the year-over-year change in the Consumer Price Index, or a maximum of 10%, whichever is less. In addition, landlords can only raise the rent once in any 12-month period. These changes apply to rent increase notices served beginning on July 6, 2023.
- **HB 2001:** Landlords must now give 10-days' notice of termination of a residential non-payment of rent. Previously, only 72 hours' notice was required. The notice must include certain language advising the tenant of available assistance with the eviction. In addition, with regard to eviction proceedings (sometimes called "FED" proceedings), the time for the first appearance is now 15 days, up from 7 days. Moreover, a tenant may now cure the deficiency at any time while the eviction is pending.
- **SB 1069:** Allows residential landlords and tenants to agree that both parties may deliver written notices via email.
- **HB 2680:** Requires a landlord to provide a tenant with confirmation that the landlord has actually performed a screening.
- **HB 3042:** Provides additional protections for those who rely on subsidized housing. Expands notifications requirements where a landlord withdraws the property from a publicly supported housing program.

- **HB 3151:** Prohibits landlords of manufactured dwellings from requiring tenants to pay a fee for improvements, system development charges, or to construct or repair an improvement that cannot be reasonably removed and owned by the tenant at the end of the tenancy.
- **HB 3417:** Expands the range of landlords who may apply for financial assistance for unpaid rents, property damage, and the like.

Oregon's rent stabilization measures over the recent years changed the landscape for investment in multi-family projects. Whether these new laws have further changed the landscape, for the better or less optimally, remains to be seen.