

From: Ruth Ann Barrett <ruthann@earthsayers.tv>

Subject: 9% Rent Increase

Date: January 29, 2019 at 1:14:23 PM PST

To: assetmanagement@portlandoregon.gov

Cc: PHB Rental Services <RentalServices@portlandoregon.gov>, Kim.McCarty@PortlandOregon.gov, shannon.callahan@portlandoregon.gov, Ted Wheeler <MayorWheeler@portlandoregon.gov>

Re: Portland Housing Bureau – 5% Rent Increase Limit Policy Effective 8/1/2018 (<https://www.portlandoregon.gov/phb/article/684506>)

"It is the City's intent to limit rent increases to not more than 5% for any resident household during a 12-month period."

What does the above policy mean in light of the situation of the folks living in 156 affordable housing units at 333 NW 4th Avenue known

as the Pacific Tower Apartments who are now just learning of rent increase by 9% effective this May.

For most of us in this building that's \$781 to \$855 per month as the majority of apartments are at 60%MFI.

There are and estimated 500 affordable units in this neighborhood at 60%,(35 at 30% and 102 at 50%).

Is this increase is not limited to our building this neighborhood will be affected disproportionately, possibly driving more people into homelessness and certainly restricting the budgets for food and health services.

What does this mean using numbers from social security benefits and examples of low paying wages? Despite stereotypes to the contrary we do have neighbors who work, some of them in the many low paying wages of the "entertainment" and hospitality industry in this one of the poorest neighborhoods in the City, Old Town Chinatown.

By the numbers:

Social Security Benefits and Low Paying Wages

	Rent (60%)	Gross	Net Income	% Rent of Net income	Increase in May	% of rent Increase	New Rent	% of Net Income	Medicare	% Medicare of Gross	% Medicare of Net
Scary (Average Monthly Benefit)	781	\$1360	\$1225	64%	74	9%	855	70%	135	9.9%	
Not Good Either	781	\$1535	\$1400	56%	74	9%	855	61%	135	8.8%	
Could be Worse	781	\$1700	\$1565	50%	74	9%	855	55%	135	7.9%	
OK for Now	781	\$2087	\$1951	40%	74	9%	855	44%	135.50	6.5%	7%
At Best (Overall Maximum)	781	\$2687	\$2552	31%	74	9%	855	34%	135.50	5.0%	5%

I look forward to a reply that explains (1) what actions were taken outside of the City that resulted in permitting this type of increase - the role of HUD; (2) why the intentions of the City to cap rent increases apply (or don't) to this situation; (3) what options are there short of moving, not practical given the long waiting lists in other affordable properties; and (4) is this happening across all affordable housing units in the City?

What is the effect on the amount of rent paid for those in the 30% range?

I look forward to hearing from the offices of Asset Management.

Ruth Ann Barrett

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cc:

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