

# What is the FAIR Ordinance?



**MULTIFAMILY NW**  
The Association Promoting Quality Rental Housing

## Background

In 2017, Portland City Council tasked the Rental Services Commission (RSC) with developing the Fair Access in Renting (FAIR) housing ordinance.

The ordinance includes sweeping changes to Oregon's rental application and contract procedures that already protect the tenant, the housing provider, neighbors and the rental properties.

The RSC conducted a study,<sup>1</sup> running 5,800 tenants through three current screening procedures - FAIR resulted in more acceptances than the nonprofit Central City Concern's screening criteria. When tested against two private market policies the FAIR formula reversed more than 60 percent of the denials into acceptances. The FAIR screening criteria will be applied to all rental housing in the City of Portland effectively forcing all housing in Portland to be managed as government regulated affordable housing.

Tenant protections are already in place in Oregon state law Chapters 90 to 105. The FAIR ordinances seek to preempt state law.

## The FAIR Ordinance is bad for Portland.

- The FAIR Ordinance creates no new housing
- The FAIR Ordinance will fuel Portland's housing crisis
- The FAIR Ordinance forces tenants and housing providers to resolve disputes in court
- The FAIR Ordinance will put small housing providers out of business

## Ordinances

These two municipal ordinances curtail the ability of providers to manage their properties in a safe and cost-effective manner. The ordinances have the impact of limiting renter choice and creating a confusing system that is at odds with other state regulations.

### Portland City Code Section 30.01.087 by Ordinance

#### 189581 Security deposits

- Oregon has established protections for abuse and fraud related to rental security deposits and prepaid rent.
- When a housing provider returns a tenant's security deposit, the housing provider is still liable to pay the tenant 2 times the security deposit under the FAIR Ordinance.
- The FAIR Ordinance discourages the use of security deposits, instead encouraging tenants and housing providers to resolve disputes through the legal system.

### Portland City Code Section 30.01.087 by Ordinance

#### 189580 Application screenings

- Discriminatory renting practices are already illegal with strict penalties under Federal housing law.
- Rolling back standards for income-to-rent ratios will increase the likelihood of tenants being put into financial jeopardy.
- Small housing providers who do not have the resources to comply with the FAIR Ordinance or its additional liability are already leaving the industry and taking their housing off the rental market.

#### Vacancy notifications

- The 72-hour notice policy will put those best able to game the system at the head of the line, not those who are most in need of the available housing.
- Portland has not delivered on its prior promise to manage a rental housing inventory database and has provided no solutions to the newly proposed notification requirements.
- City of Portland, through close collaboration with property managers, had a directory for accessible apartments called HousingConnections.org that linked those who needed accessible housing with great success. Because of Portland's mismanagement and neglect, it is now defunct.

<sup>1</sup> 'Beta test' of FAIR tenant screening policy. <https://www.portlandmercury.com/images/blogimages/2019/04/02/1554218643-sc.pdf>