

LATE

ChunOakland2 - Tyrell

From: Dusty Woodstock [dustycrs@hawaii.rr.com]
Sent: Wednesday, February 02, 2011 5:41 PM
To: HMS Testimony
Subject: SB 909

Senator Suzanne Chun Oakland, Chair
Senator Les Ihara, Jr., Vice Chair
Members of the Committee on Human Services Hearing on February 3, 2011 at 1:15 pm in
Conference Room 016
FAX: 586-6659
Email: HMSTestimony@Capitol.hawaii.gov

Dear Chair Chun Oakland, Vice Chair Les Ihara and Members of the Committee:

I am a Property Manager and a member of NARPM (National Association of Residential Property Managers). Our Oahu Chapter is the largest in the United States, with 180 members who manage over 20,000 rental units. I oppose SB 909, a bill that would prohibit discrimination in real property transactions based on lawful source of income.

The Section 8 process is time consuming. The paperwork will take 1-2 weeks, depending on the Case Worker assigned to the tenant. The inspection can take another week, depending on the Inspector. Even if the entire process goes smoothly, it can take 3-4 weeks before the tenant is finally able to move into the unit. By contrast, a non-Section 8 tenant could be in the unit and paying rent within 1-2 days.

Inspections are another problem with a Section 8 tenant. It can take a week or longer for the Inspector to visit the unit. The units should be a safe and healthy place to live, but sometimes the requirements from the Inspectors seem overly stringent.

Determining whether a Landlord engaged in a discriminatory process based on source of income would be very subjective. I have a credit screening process that I use for all applicants and that a Section 8 tenant would probably not pass.

Even for professional property managers, the Section 8 process is complicated and frustrating. It would be very difficult for small Landlords to navigate the Section 8 complexities. Depending on when the tenant finally moves in, the first rent payment may not arrive for 4-6 weeks, making it difficult for some Landlords to meet monthly payments. In addition, it could create an economic hardship when they are forced to constantly make minor repairs that are not related to the safety or habitability of the unit. Because the Section 8 tenant's income is limited due to Section 8 restrictions, the collection of monies owed, should a tenant damage a unit or fall behind on their rent, would be very difficult and hurt the owner who may be relying on that income.

Once again I urge you to oppose SB 909. Thank you for your time and consideration.

Sincerely, Dusty Woodstock

Linda C. "Dusty" Woodstock – R, CRB, CRS, GRI, RMP
Principal Broker/Property Manager
Woodstock Properties, Inc.

(808) 488-1588

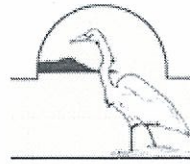
(808) 487-8300

(808) 487-0557 Fax

(808) 371-7711 Cell

Email: DustyCRS@hawaii.rr.com

Web: WoodstockPropertiesInc.com



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February 3, 2011

Senator Suzanne Chun Oakland, Chair

Senator Les Ihara, Jr., Vice Chair

Members of the Committee on Human Services Hearing on February 3, 2011 at 1:15 pm in
Conference Room 016

FAX: 586-6659

Dear Chair Chun Oakland, Vice Chair Les Ihara and Members of the Committee:

I and the other Property Managers at **RE/MAX Kai Lani** are Property Managers and members of NARPM (National Association of Residential Property Managers). Our Oahu Chapter is the largest in the United States, with 180 members who manage over 20,000 rental units. We are unified in our opposition to **SB 909**, a bill that would prohibit discrimination in real property transactions based on lawful source of income.

While we fully understand the need for section 8 applicants to find suitable homes to live in, the requirements of the Section 8 system make it very difficult and expensive for us to place Section 8 candidates in the homes we manage. Nevertheless, we place these candidates in properties whenever we can reasonably do so.

Before considering the implementation of SB 909, every effort should be made to remove the systemic impediments of the Section 8 System so that the cost to both the Property Manager and Private Landlord will not be so onerous.

The Section 8 process is unnecessarily time consuming. The paperwork generally takes 1-2 weeks, depending on the Case Worker assigned to the tenant.

The inspection may take another week or more, depending on the Inspector. It may take a week or more for an Inspector to visit the unit. Once they get there, their inspections are generally perfunctory because RE/MAX Kai Lani does not manage "slumlord" properties; we keep the properties livable and neat and clean for all prospective tenants.

Even if the entire process goes smoothly, it may take 3-4 weeks before the tenant is finally able to move into the unit. By contrast, we at RE/MAX Kai Lani can generally place a non-Section 8 tenant in one of our units in one or two days.

The government just cannot claim to be fair when a struggling low income owner has to bear the cost of nearly a month of lost rental income because of the inefficiency of the Section 8 system.

Determining whether a Landlord engaged in a discriminatory process based on source of income would be systemically subjective. We at RE/MAX Kai Lani have a credit screening process that we use for all applicants. Most Section 8 tenants cannot pass our screening test, and when there are those who do, we work hard to put them in the property, but the Section 8 system makes this unnecessarily expensive for us and the landlords to whom we owe our fiduciary loyalty.



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Even for professional property managers, the Section 8 process is complicated and frustrating. It is nearly impossible for independent owners and "small" Landlords managing a small number of properties to navigate the Section 8 complexities.

Depending on when the tenant finally moves in, the first rent payment may not arrive for 4-6 weeks, making it difficult for some Landlords to meet their monthly mortgage payments.

SB 909 will create an economic hardship for many of our owners that can be expected to be unable to keep up their payments for their rental homes during these difficult economic times. It is simply not the time to implement SB 909 or anything similar to it. Please remember, no one has any money, and to think of most of our landlords as being wealthy is grossly inappropriate. Most are landlords simply because they are upside down on their properties and unable to afford to take the loss of selling their home.

Please stop and think then table SB 909.

Thank you for your time and consideration.

Sincerely,



Jerry Bangerter, RA
Property Manager



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ChunOakland2 - Tyrell

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 03, 2011 4:37 PM
To: HMS Testimony
Cc: yous808@yahoo.com
Subject: Testimony for SB909 on 2/3/2011 1:15:00 PM

Testimony for HMS 2/3/2011 1:15:00 PM SB909

Conference room: 016
Testifier position: oppose
Testifier will be present: No
Submitted by: S. You
Organization: Individual
Address:
Phone: (808)943-9103
E-mail: yous808@yahoo.com
Submitted on: 2/3/2011

Comments:

I believe it is unfair to require by law landlords and their agents to accept Section 8 tenants. Because the housing allowance provided by the State does not cover the entire monthly rent, the tenant is required to pay the remaining portion. In all of my past experiences, the tenants did not pay all or a large portion of their rent, which then required landlords and/or their agents to evict the tenants, which is a lengthy and time-consuming and very costly process (lost rent and legal fees). Also in all my experiences, the tenants have left the property in deplorable condition, requiring the landlord to expend a lot of money, much more than the deposit, to clean up the premises and fix the damages left by the evicted tenant. Is there going to be a guarantee that all rents will be paid, plus any cleanup expenses and/or damages repaired, by the State? I think not.