



Housing Committee Testimony

February 19, 2024

SB 143 An Act Concerning Evictions for Cause
HB 5156 An Act Requiring Notices of Rent Increases

To: Senator Marilyn Moore, Representative Maryam Khan, Ranking Members Tony Scott, Rob Sampson and esteemed member of the Housing Committee

My name is Carrie Rowley and I am submitting testimony representing the Connecticut Apartment Association (CTAA) and I am also employed by a housing provider here in Connecticut.

Thank you for giving our members the opportunity to comment on SB 143 An Act Concerning Evictions for Cause and HB 5156 An Act Concerning Notices of Rent Increases. I do not support either bill.

Property managers, property management companies, “landlords,” are in the business of housing people. Our communities and businesses work when people are occupying homes. I always have said my office may be where I work, but it’s where my residents live.

Regarding SB 143, a lease is a contract and at the end of the term, both parties have the option to move forward or terminate the contract/relationship. The end of the lease term is often when “lapse of time” may be used. The following are a few examples from my experience as a property manager:

I had a resident who became disruptive and abusive in a building. This person’s rent was paid every month on time. However, this person was threatening other residents, intentionally causing safety concerns (leaving lit cigarettes in common area hallways as an example), accosting residents and staff as they were trying to park and enter their homes. I had multiple conversations with this resident and the resident’s neighbors to try to resolve the issue, but the resident and issue persisted. I don’t believe it would have been fair to my other residents to continue to rent to this person. The resident was at the end of the lease term, and we made the decision not to renew the resident’s lease.

Other uses of lapse of time include when there may be issues in the condition of the home which require extensive repair. I had a resident who wasn’t reporting maintenance issues. He misused a garbage disposal, so much so that regular backups caused cabinets around the sink to fail, and rot set in where the sink had overflowed and destroyed even the flooring in the home. Once the resident moved out, we had thousands of dollars in repairs to bring the home back to a rentable condition. The rent was always paid on time, but the resident seriously misused and damaged the home.

There are times that the lapse of time is not used just in regards to damage or safety issues. Connecticut has a significant number of aged rental properties and has been falling short in the amount of housing that needs to be built to accommodate the housing needs of residents and businesses of this State. New owners are buying older communities and buildings to update and restore them to better condition. I managed a portfolio in which this was the case. The new owner went in and updated the kitchens and bathrooms, replaced all the appliances, added amenities like washers and dryers, replaced all the flooring and more. The rents on these homes did increase once the improvements were made, but residents and applicants were going on waitlists to get into the homes.



Taking away a property owner(s)' rights to utilize the lapse of time becomes prohibitive in the rehabilitation of older properties. Legislation such as this further exacerbates issues of declining and older stocks of homes in Connecticut because people and businesses will not want to invest in housing.

For HB 5156, An Act Requiring Notices of Rent Increases, while I appreciate the desire for notice of an increase in rent, the current wording of the proposed does not account for varying models of leases and lease renewals. For example, as a property manager, we had shorter term leases available to allow for flexibility in terms for our residents. If you have a three month lease, a requirement of 60 day notice of increase, thirty days after the start of the lease, actually feels like harassing a resident who has potentially just signed an agreement.

Additionally, there are changing conditions in costs which are not always going to happen a few months out. For example, a re-valuation of my home was done the end of 2023. The assessed value on my home was increased almost 160% with the statement that the tax rate has not yet been determined. My property taxes could significantly increase, but I won't know by how much until the city budget is approved.

This situation is not just happening to me as a homeowner, but to property owners who manage apartments, homes and communities. Owners and managers may not know 60 days in advance by how much their costs are increasing. By not allowing flexibility in the notice, they may not be able to adequately project and prepare for increased cost, causing the property to suffer as a result. For example, if I were renting my home, and the mill rate stayed as it is with the new assessment, this would look like an extra \$300 a month in taxes that I could not recoup for potentially another 12 months. To prepare for the unanticipated increase, if I can delay items that need to be done (i.e. parking areas, roof replacement and repairs, etc.), I will. The effects on a larger scale are far more significant. A 250 unit property, the monthly cost to the owner or manager would increase \$75,000 a month or \$900,000 a year. Those numbers are very significant to a property owner already working on small margins.

I urge the Housing Committee to consider the long term effects of legislation like SB 143 and HB 5156, and to work with Owners and Property Managers in Connecticut to come up with solutions that work for both the Landlord and the Tenant.

I and other members of the CTAA are happy to make ourselves available to your committee for further information on this issue and to assist in any way we can.

Sincerely,

Carrie Rowley
Assurance Manager
CTAA Board Member