

20 March 2020

Joint Special Committee on Coronavirus Response Oregon State Legislature 900 Court St NE Salem OR 97301

Re: Recommendations to mitigate impact from COVID-19 on Renters and Housing Providers

Dear Members of the Committee:

Thank you for your service to our community during these unprecedented times. I am writing to you as President of Rental Housing Alliance Oregon (RHAO). Our members comprise nearly 2000 landlords, property managers, and other small businesses. Most are in the Portland Metro area, where they collectively own or manage ~19,000 rental units. Roughly 60% of our landlords own fewer than four rental dwellings, and 80% own fewer than ten. Our members are doing everything they can to continue to provide safe housing to Oregon renters during the COVID-19 outbreak.

We want to help Oregon workers that have been furloughed or had their employment terminated due to the outbreak, and who may be unable to meet their rental obligation in the months ahead. We urge you to consider the burden that landlords, and especially small landlords, will face if their rental income is simply deferred or eliminated for the next several months. We still have mortgages, utilities, insurance, and taxes to pay. We therefore request you consider the following:

- 1. **Emergency Rental Assistance**: We urge you to act quickly to provide direct rental assistance to individuals and families that have experienced a loss of income due to the COVID-19 outbreak. We support the proposal suggested by our colleagues at Multifamily NW, which would establish an Emergency Rental Assistance Fund. Deferral of rent payments by tenants is not a solution: a three-month deferral paid back over the following six month translates into an effective 50% increase in rent payments for those tenants, a commitment which may be difficult to fulfill.
- 2. **Emergency Zero-interest Loans:** Small landlords will need access to emergency funds in order to fulfill their mortgage and other expense obligations in order to prevent foreclosure and ultimately a reduction in rental housing stock, a commodity already in short supply here in Oregon.
- 3. **Eviction Prevention:** We support a moratorium on evictions that are based on non-payment of rent by residents impacted by the COVID-19 outbreak. This moratorium should be explicitly defined for this purpose and implemented on a statewide level. It should leave other for-cause evictions as an option when needed, such as when the personal safety of a tenant or landlord is at risk. A blanket moratorium banning all evictions is certain to have harmful unintended consequences and put both tenants and landlords in jeopardy.
- 4. **Suspend the Gross Receipts Tax:** We join with Oregon Business & Industry to request temporary suspension of the recently enacted gross receipts tax, a tax that will only aggravate the harm to small business owners.

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Thank you again for your commitment to addressing the needs of all Oregonians during these most difficult times. We will work with you to keep Oregon residents safe and secure throughout the current crisis and beyond. With our colleagues from other Oregon landlord organizations including Multifamily NW and Oregon Rental Housing Association (ORHA), we can quickly and directly communicate with thousands of landlords and hundreds of thousands of renters throughout the state. Please let me know if there is any additional information you need.

Respectfully,

Kenneth E. Schriver, Ph.D.

2020 President

Rental Housing Alliance Oregon

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