

Good Afternoon Senators and Representatives,

Thank you for your service on this important committee and for working together to provide some sense of financial stability for so many Oregonians facing a great deal of uncertainty. As it pertains to housing, I am re-sending to you our letter that was submitted last night along with the excel spreadsheet for where we obtained the **\$348 million/month needed to offset the loss of rental income due to the eviction moratorium.**

The spreadsheet can be adjusted with a different % of revenue NOT received and that would change the total number needed each month to keep all rental housing providers from defaulting on their loans, until such time the federal government can come to some kind of an agreement as to how best to provide multifamily housing debt relief and refinancing.

As April 1st is rapidly approaching, we are needing some assurances of financial relief so that we can prepare for the loss of rental income which will impact our loans, the timing of our payroll and property taxes and insurances which are still required to be paid.

On behalf of my client, it cannot be expressed enough that since housing is now an emergency, we are requesting that with the emergency declaration on eviction moratoriums and stay in place orders: is the very strong desire to have our property managers and maintenance personnel deemed essential personnel. With stay in place orders, we need to maintain the properties since more people will be home and the managers serve as a point of contact for first responders and the elderly whom are without family, etc. As it is, we are already experiencing an increase in DV situations and need to have some way to protect the victim and other tenants from those that are abusive and violent.

We greatly appreciate your considering our requests. We know you have a monumental set of tasks in front of you and we look forward to working with all of you.

All the Best,

Molly

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MULTIFAMILY NW
The Association Promoting Quality Rental Housing

Oregon State Legislature
900 Court Street NE
Salem, Oregon 97301

March 22, 2020

RE: RECOMMENDED IMMEDIATE APPROACH TO HOUSING PRESERVATION

Dear Governor Brown, President Courtney, Speaker Kotek, and Members of the Legislature:

The battle against COVID – 19 has presented housing providers with an unprecedented challenge to property owners providing a total of 602,000 homes to families and individual Oregonians that are vital to sheltering people in a manner that combats the spread of the virus.

With job losses in Oregon related to the COVID -19 virus becoming far more extensive than anyone expected, the perspective of the Multifamily industry now operates under an Emergency Management footing. As providers of rental housing for over 250,000 Oregon families and individual Oregonians, Multifamily NW understands the immediate need to ensure people remain housed. We must keep people out of hospitals and in their homes per the shelter-in-place directives that are rapidly becoming the norm. We also understand that there are many moving parts to this situation, and we know you are doing your best to find solutions as quickly as possible in the midst of an emergency of uncertain duration.

A typical multifamily property, whether conventional or affordable, typically has no more than a fraction of a month of operating cash available at any time. Housing providers generally do not have cash reserves **at all**, especially those owned by smaller providers, are highly vulnerable to immediate service interruptions.

We have evaluated many alternatives, but wish to put forth four essential recommendations:

1. Designate Property Management Operations as “Essential”

We recommend that Oregon keep in line with other states such as California and New York and follow the Homeland Security Guidance on essential services designating property management functions as essential businesses. Staff must be present to respond to emergencies such as fires, water leaks and floods, utility interruptions, monitor alarm systems, garbage and recycling services, facilitate immediate property maintenance including maintenance of critical systems such as elevators and life safety systems. Resident health and well-being will be at risk should lack of incoming rent prevent management companies from making timely and essential payroll disbursements to employees.

Our dedicated employees form the front line for many of our most vulnerable residents and for services that will be even more critical at this time:

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- Security Considerations - providers can change locks, coordinate with police, ensure that common areas are properly cleaned to prevent the spread of the virus, and perhaps most importantly, aid first responders in **de-escalating tenant-to-tenant conflicts.**
- Communication – providers serve as the information hub for property and have the ability to communicate with the full resident population directly, particularly as it relates to COVID – 19.
- Social Service – providers are often the only ones to know the status of sick and vulnerable residents at their properties, and often see to it that these residents are visited.
- Access - They coordinate package delivery, particularly for time sensitive, critical medicines and food.

2. Establish a Statewide Emergency Rental Assistance Program

Oregon should establish an Emergency Rental Assistance fund in the amount of \$348,275,000 per month. Data from the Oregon Office of Economic Analysis shows the vast majority of Oregon’s workforce cannot work remotely. This will inhibit their ability to pay their rent timely and meet their other financial obligations. The best way to serve concerned Oregon renters is to expedite the issuance of sufficient short-term rental assistance. Assistance should not be limited to just very low-income renters. Depending on the duration of the emergency, there will be many households at the Area Median Income and above who will be negatively impacted. The aid should be available statewide, as the problem could be even more acute in smaller cities and towns throughout Oregon where there are fewer employers and limited opportunities for residents to find other employment, even after the current crisis is ameliorated. ([see attached cost spreadsheet](#)).

3. Deferral of Mortgage Payments and Debt Relief

Multifamily NW strongly urges that any measure allowing for mortgage or other financial obligation (tax, insurance, utility etc.) forbearance, be extended to rental property owners of all sizes where a loss of rental income will very likely cause an interruption to critical services to residents and place the financial stability of many rental properties at risk. One such plan would be for state chartered lenders to grant, on request of the borrower, a 120 day moratorium on debt service payments with a review in 90 days at which time an extension can be considered if the crisis has not eased.

4. Funding of Payroll for Essential Management Employees

If adequate Emergency Rent Assistance is not forthcoming in the amounts provided in the QCEW data attached, \$40 million per month in funding for direct Essential Management Employees should be made available promptly, no later than mid-April to prevent widespread layoffs. ([See attachment](#)) Essential Personnel on Management Teams must remain intact because highly skilled teams are needed to guide emergency management of the properties. Any furloughing of these employees will immediately place resident health and well-being at risk. ([See attachment for essential services functions.](#))

We are grateful to our leaders for their efforts to tackle the enormity of our State’s rapidly evolving challenges. As the problems mount, and as our state and nation continues to prepare for and respond to the COVID- 19 outbreak, please know that the 2,500 members of Multifamily NW are partners with you and your efforts to deal with this crisis. Please don’t hesitate to contact me at any time with any questions. We stand ready to help in any way possible.

Sincerely,

Deborah Imse
Executive Director

City	Average Rent	# Rental House	Renter %	Total Households	Anticipated Delinquency Rate
Albany	1100	8259	41%	20,049	4,088,205
Agate Beach	1181	2686	35%	7,724	1,427,475
Aloha	1469	5458	27%	20,186	3,608,011
Beaverton	1413	18611	43%	43,303	11,833,804
Bend	1301	14770	38%	38,458	8,647,097
Bethany	1512	1731	21%	8,375	1,177,772
Boardman	989	1200	33%	3,600	534,060
Bull Mountain	1369	473	15%	3,170	291,392
Canby	1328	1866	29%	6,412	1,115,122
Cedar Mill	1512	1500	25%	6,101	1,020,600
Cedar Hills	1359	1494	42%	3,531	913,656
Other Clackamas County	1110	11201	29%	38,624	5,594,880
Cornelius	1093	875	24%	3,631	430,369
Corvallis	695	13540	59%	23,013	4,234,635
Eugene	1356	35945	50%	71,509	21,933,371
Fairview	1400	1214	33%	3,651	764,820
Forest Grove	1115	2775	33%	8,320	1,392,356
Florence	765	1628	36%	4,473	560,439
Four Corners	1124	1688	30%	5,591	853,790
Garden Home	1375	6741	35%	19,486	4,170,994
Gladstone	1312	1635	36%	4,577	965,304
Grants Pass	1312	7763	50%	15,473	4,583,275
Gresham	1310	18400	41%	44,651	10,846,800
Happy Valley	1429	1991	30%	6,636	1,280,181
Hillsboro	1567	17720	45%	39,445	12,495,258
Hayesville	1020	1929	27%	7,243	885,411
Jacksonville	852	559	36%	1,562	214,321
Jennings Lodge	1164	1425	42%	3,388	746,415
Keizer	1058	4543	33%	13,850	2,162,922
Lake Oswego	1699	5363	33%	16,492	4,100,282
Lebanon City	1084	2550	38%	6,795	1,243,890
Lincoln City	515	1981	52%	3,835	459,097
Other Marion County	823	46305	184%	25,148	17,149,057
McMinnville	816	4833	38%	12,825	1,774,678
Metzger	1375	684	43%	1,582	423,225
Medford	1223	14680	45%	32,615	8,079,138
Milwaukie	1330	6626	43%	15,480	3,965,661

City	Average Rent	# Rental House	Renter %	Total Households	Anticipated Delinquency Rate
Other Multnomah County	1417	27063	48%	56,382	17,256,952
Newberg	1186	2991	35%	8,443	1,596,297
Newport	881	2199	48%	4,588	871,794
Oak Grove	1300	3200	44%	7,309	1,872,000
Oakridge	762	567	37%	1,518	194,424
Oak Hills	1497	1022	24%	4,183	688,470
Oregon City	1332	4184	31%	13,480	2,507,890
Portland	1538	149494	52%	287,489	103,464,978
Redmond	1106	3841	34%	11,292	1,911,666
Rogue River	1121	658	55%	1,190	331,928
Salem	1061	28560	43%	65,992	13,636,186
Seaside	984	1781	42%	4,241	788,627
Sherwood	1580	2528	21%	12,037	1,797,244
Sisters	2270	403	41%	991	411,665
Sheridan	2109	619	38%	1,624	587,462
Silverton	1027	1269	34%	3,758	586,468
Springfield	1391	11861	47%	25,118	7,424,393
Tigard	1369	8196	38%	21,775	5,049,146
Tualatin	1443	5371	47%	11,429	3,487,922
Troutdale	1325	1718	28%	6,136	1,024,405
Other Washington County	1371	16520	39%	42,358	10,191,780
West Haven-Slyvan	1479	1929	48%	3,987	1,283,846
West Slope	1359	1396	45%	3,126	853,724
Other Wheeler County	589	172	26%	662	45,589
West Linn	1689	2343	24%	9,846	1,780,797
Wilsonville	1449	3916	40%	9,789	2,553,167
Woodburn	1015	6261	72%	8,695	2,859,486
Yoder	683	460	17%	2,742	141,381
Other Undefined Housing *	1000	39015			17,556,750
		602178			348,724,195

* See US Census Data

Summary Short Term Rental Assistance Needs

Anticipated Household Need %	45%
Weighted Avg Rent	1286.90
Total Monthly Need	348,724,195
Total Rental Households	602,178