

3/23/2020

To Joint Special Committee on Coronavirus Response,

My name is Jake Henceroth. I am a resident of Portland, a renter, and a social worker who works in the homeless coordinated entry system across the river in Clark County. I am writing today to submit testimony to the committee concerning the state's policy concerning evictions and other tenancy issues during this crisis.

Specifically, as we all know, the current COVID-19 pandemic is projected to have devastating economic impacts on all Oregonians. We've already seen mass layoffs resulting in a major spike in unemployment, school closures, small businesses closing their doors, and a thousand other compounding economic crises that we will likely be navigating for years after the pandemic itself ends. The average worker in the state of Oregon is heading towards a rough patch that some economists are arguing may rival the Great Depression.

The outcome of these developments is obvious. Household incomes are likely to collapse and many will miss payments on their mortgages, utilities, and rent, among other expenses. While the City of Portland and State of Oregon have taken a necessary first step in implementing a moratorium on evictions, these measures are not enough. Specifically, I am writing today to express my support for implementing amnesty for both rent and mortgages during the crisis, as my experience as a social worker tells me that a moratorium on evictions is a necessary but insufficient answer to this crisis.

The issues with a moratorium on evictions that does not include amnesty or some kind of rent forgiveness are numerous, but I would like to focus on three related issues that are very obvious to me as a social worker who works with the homeless. The first, is that by not allowing amnesty, the only thing truly being accomplished is a glorified game of "kick the can". When the moratorium period ends, tenants will be drowning in several months of debt, as it is unlikely that this crisis will end in such a way that sees household income recovering in 90 days or less, and based on current projections, this could last for up until 18 months. This means that at the end of the moratorium period, we will likely see a mass wave of evictions on an unprecedented scale. Those who lost their incomes during the crisis are initially forced into a holding pattern without providing relief, then eventually shoved off of a cliff once the moratorium is ended.

This is directly related to the second issue I wanted to mention, which is the long-term effect of this debt on the ability of renters to find new housing. As a social worker, I've seen that the most common reason that a landlord tends to deny a rental application from a prospective tenant is when said prospective tenant has any amount of debt owed to a previous landlord. Of course, other forms of debt can trigger an application denial, but landlord debt is one of the hardest to erase. This matters for coronavirus response policy for a very important reason: if a massive wave of new non-payment evictions were to occur at the end of the moratorium, you would not only have a huge wave of individuals losing housing but also a wave of individuals who would be functionally barred from seeking new housing due to unprecedented amounts of landlord debt. Without some form of amnesty in place, these moratoriums may provide temporary relief, but will ultimately create a new class of ineligible renters who will likely

face long-term housing instability. We may be able to stop the spread of the virus, but the fallout from this debt and these evictions will last for years if not decades. Amnesty is the only thing that can effectively address this looming problem and I am pressing the committee to take action.

The third issue that needs mentioned is an issue that will arise as the direct result of the two I previously mentioned. In the best of times, our social service infrastructure is wildly ill-equipped to meet the demands of the housing and homeless crisis that existed prior to the coronavirus outbreak. Agencies are chronically underfunded and understaffed, waitlists for programs stretch on for years, the privatized patchwork of non-profit “system partners” is inefficient at best and is arbitrarily complicated on the user end, constant changes in funding sources means that clients can get kicked off of programs without warning, and constant means-testing means that many programs will sit empty for months because no one actually qualifies based on strict and often arbitrary criteria. Now add to this a massive influx of new service-users as the result of a pandemic-induced eviction wave and one can hopefully see where problems will arise. To put it bluntly, the social service infrastructure as it exists is not ready to accommodate such a massive influx in new users and could potentially collapse under its own weight once this inevitably happens. Providing amnesty to renters during this period is a necessary tool in both protecting renters’ safety and security but also in protecting the ability of essential social services to effectively function in their role providing relief to the most vulnerable in our society.

I understand that in a time of crisis, a legislature must do its best to accommodate a large number of competing interests and that this is often easier said than done. Rent amnesty can seem scary and unprecedented and seem as if it inherently conflicts with the needs of landlords, especially small landlords, to provide for themselves. While I do not reject those concerns, I would simply argue that allowing a mass wave of evictions to trap countless renter households in a position of permanent housing insecurity is itself a threat to the stability of the housing market and our social services. If landlords wish to maintain their investments, they will be unable to do so in a world where such a large group of renters are unable to pass an eligibility screening due to a pandemic-induced wave of evictions after the moratorium is lifted. Small businesses will suffer as those same renters lose what little disposable income that they may have had and used to frequent restaurants, bars, or books stores. To put it bluntly: if renters are hurt during this crisis, we are all hurt, which is why I once again would implore the committee to please consider some form of rent amnesty as a way out of this crisis.

I thank you for your time and for your hard work in dealing with this crisis.

Sincerely,

-Jake Henceroth