



Office of Mayor Ted Wheeler
City of Portland

June 5, 2020

Senator Shemia Fagan, Chair
Senate Interim Committee on Housing and Development
900 Court Street NE
Salem, OR 97301

Dear Chair Fagan and Members of the Committee,

Thank you for the opportunity to share some of the recent actions the City of Portland has taken to respond to the novel coronavirus, with a particular focus on housing supports. The coronavirus came on fast and has impacted Portland profoundly. The greater Portland metropolitan region is the economic heart of the state with the largest, densest and most diverse population in Oregon. With that comes special challenges for our region, including the most confirmed coronavirus cases and subsequent deaths in the state, the largest number of unemployed individuals and the highest number of individuals with associated risk of increased housing instability, to name a few.

Pre-COVID-19, Portland households were split roughly 47 percent renters/53 percent homeowners. In the month of May, an estimated 12 percent of Portland renters were not able to pay rent – this is equivalent to 15,000 renters. Based on current rents, this means that there may be \$22 million of rent owed, just for the month of May. It is also important to note that this impact is significantly and disproportionately experienced by BIPOC communities. BIPOC communities disproportionately rent and are disproportionately employed in service occupations, the industries impacted most substantially by the COVID-19 pandemic and the stay at home orders.

In my budget, approved by Portland City Council, we prioritized the needs of renters and dedicated \$8.35 million in emergency rent assistance to Portland households impacted by the COVID-19 crisis starting in July and are expected to provide at least three months of emergency rent assistance to approximately 2,000 households. The Portland Housing Bureau is working in coordination with Home Forward, the Joint Office of Homeless Services and Multnomah County to plan for distribution of the funds. Our goal is to develop the best possible program design to assist communities most disproportionately impacted by the pandemic – Black, Indigenous, Latinx, and People of Color, people with disabilities, and those facing significant barriers to access.

We know this will not be enough. If people are not reemployed and the current level of non-payment continues for the next six months, we estimate close to 100,000 missed rent payments could occur. We are working to identify and reprogram funding from CDBG, HOME, CARES and other sources, but know we will need partnership and support from the state. With May estimates of rent assistance needed at \$22 million, 6 months of continued crisis could see the total Portland need

exceed \$130 million. We are also convening four work groups to further develop and refine frameworks around stabilization of recovery of (1) renters, (2) homeowners, (3) affordable housing development, and (4) affordable housing operations.

We have also heard from our constituents about the challenges of making ends meet for basic needs. Portland Parks & Recreation anticipates serving up to five times the average number of free meals this summer. That's why we are dedicating over \$4 million in Emergency Coordination Center COVID-19 Response Funding through the end of the year to stand up food security programs like the Parks Lunch + Play program, a Food Security Card program and distribution of food boxes.

Support for our small businesses is another way we have acted swiftly to help stabilize and preserve our community. Prosper Portland, the economic development agency for the City quickly established Small Business Relief Fund grants and loans in April. The scale of the need was overwhelming and has not diminished since then. We received over 11,000 grant submission and over 3,500 loan applications. Ultimately, we only had the resources to support 200 businesses with grants. We know our businesses need more resources to survive, adapt and outlast this pandemic.

In addition to working on small business support, food security and housing assistance, we are making significant investments to support and expand our shelter operations, which Chair Kafoury discussed at today's informational meeting. Our sincere hope and goal is to stabilize people in their housing and not have more individuals experience homelessness as a result of this crisis. Unfortunately, we know this outcome is all too likely and that is why our partnership with Multnomah County in creating safe shelter space has been so critically important.

On that note, I want to take a moment to acknowledge the role of partnership and collaboration. We were able to help provide grants to support our small businesses thanks to strong partnerships with private, philanthropic and community partners. Our shelter and sanitation response is founded on a close working relationship with Multnomah County and so many committed service providers. Federal government support from the CARES Act and other early relief legislation is bolstering our response and recovery work; but as we look ahead we know continued partnership with the state and federal government will be crucial to protect our community and help Oregon rebuild. My Portland City Council colleagues and I are here to work with you.

Thank you for this opportunity to provide an update on some of the efforts underway in the City of Portland as part of our response to the COVID-19 pandemic. If you have any questions about our actions or plans, please contact Elizabeth Edwards, Director of Government Relations for the City of Portland at Elizabeth.edwards@portlandoregon.gov.

Sincerely,

A handwritten signature in black ink, appearing to be 'Elizabeth Edwards', with a long horizontal line extending to the right.