



22 June 2020

Joint Interim Committee
First Special Session of 2020
Oregon State Legislature
900 Court St NE
Room 453
Salem OR 97301

Re: Residential Eviction Moratorium as proposed in LC-45 and LC-90

Dear Members of the Committee:

Thank you for your service to our community and for addressing many exceedingly difficult issues facing Oregon citizens during this COVID-19 emergency. I am the President of Rental Housing Alliance Oregon (RHAO). Our members comprise roughly 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. Approximately 60% of our landlords own fewer than four rental dwellings, and 80% own fewer than ten. Our members continue to work diligently to preserve safe housing for Oregon renters during the COVID-19 outbreak. Please keep in mind that small landlords, who provide housing for almost half of all renters nationwide, are receiving no loan assistance under the CARES act. We are ineligible for PPP or Small Business Administration Emergency Disaster Loans.

Regarding the proposed Eviction Moratoriums: While we support legislation that will keep those affected by COVID-19 safely housed, we are generally opposed to broadly written legislation that creates an economic moral hazard, shifting all of the financial burden from the tenant to the landlord. This has been a primary concern of our members with respect to the current statewide moratorium on evictions, and the specific moratorium in Multnomah County. We urge you to require means testing with any such moratorium, and to limit the nonpayment balance that a tenant may accrue during the emergency period to not more than two months' rent. We promote this with the belief that any tenant that falls behind by more than this amount is extremely unlikely to ever catch up. In the case of a tenant that has accrued a nonpayment of two months' rent and is required to pay that back over six months, this is equivalent to a 33% rent increase during that six-month period. Who can credibly argue that someone who has been unable to find a way to pay their current rent for two months will suddenly be able to afford 33% higher rent?

Many of our landlords have already made significant concessions to keep our tenants in place for the long term. These actions, in combination with the CARES stimulus funds and increased processing of unemployment claims, have resulted in full rent collections of between 80 and 90% for our members over the past three months. However, some tenants are already more than one month behind. Without means testing and a concomitant program to provide emergency vouchers for deserving tenants, the proposed legislation is effectively "kicking the can down the road" for tenants that are unable to access housing support or the few tenants that choose to take advantage of the moratorium even if they are unaffected by

the COVID pandemic. This will not stop a “flood of evictions;” it merely delays some evictions to the detriment of landlords. For small landlords in our organization, many of whom are wholly dependent on their rental income for their own welfare, this is an untenable financial burden that will ultimately lead to a reduction in affordable workforce housing units in diverse neighborhoods as these landlords leave the market.

We will continue to work with you to keep Oregon residents safe and secure throughout the current crisis and beyond. Please let me know if there is any additional information you need.

Respectfully,



Kenneth E. Schriver, Ph.D.
2020 President
Rental Housing Alliance Oregon
10520 NE Weidler
Portland, OR. 97220
(503)-410-1782 (cell)