



HOUSING ALLIANCE

June 23, 2020

Speaker Kotek
President Courtney
Joint Committee on the First Special Session
Oregon Legislature
900 Court Street NE
Salem, OR 97301

Dear Co-Chair Courtney, Co-Chair Kotek, Vice-Co-Chair Girod, Vice-Co-Chair Drazan, and Members of the Committee:

I am writing to you on behalf of the Oregon Housing Alliance to request that you take further action to prevent housing instability and protect people to stay in their homes across Oregon. Today, COVID-19 continues to negatively impact our communities, particularly for people with low incomes who may have lost work or income due to the virus.

We are urging the Legislature to immediately adopt an extension of the Governor's eviction moratorium, enact a repayment plan for tenants, and to adopt a foreclosure moratorium to protect homeowners.

The Oregon Housing Alliance is a coalition of ninety organizations from all parts of the state, including non-profit housing developers, residents of affordable housing, local jurisdictions, and organizations working to meet basic needs in every corner of our state. We believe that all Oregonians need a safe, stable, and affordable place to call home.

Housing stability is so critical during this pandemic. The eviction moratorium issued by the Governor, Executive Order 20-13¹, has stopped immediate evictions for people who rent their homes. In addition, a federal foreclosure moratorium² is providing protection to some (approximately 70%) Oregonians who may be unable to pay their mortgage during this time. These early actions were key to helping keep Oregonians in their homes, and they must be continued. Both protections are set to expire in the coming days.

With over 461,000 Oregonians and counting³ having filed for unemployment, we know rent or mortgage payments are a primary concern for many households. Prior to the COVID-19 pandemic, one of every two households with a low income was considered cost burdened, meaning they were paying too much of their income towards rent to leave enough money left over for food, medicine, and other basic needs.

¹ https://www.oregon.gov/gov/admin/Pages/eo_20-13.aspx

² <https://www.nhlp.org/wp-content/uploads/2020.04.10-NHLP-Homeowner-Relief-Info-Sheet-Update2.pdf>

³ <https://www.oregonlive.com/business/2020/06/oregons-new-employment-department-chief-promises-better-results-clear-communication-even-if-it-takes-calling-in-the-national-guard.html>

While many Oregonians have been able to pay all or some of their housing payments thanks to the expanded Unemployment Insurance program and the federal stimulus payments. We know, that many Oregonians may remain ineligible for Unemployment Insurance or haven't yet received their benefits, and some have not and will not receive stimulus payments, or that those payments won't meet their basic needs. We hear regular reports of renters and homeowners making difficult choices to choose between paying housing costs or food, or putting rent or mortgage on credit cards. Oregonians are making extreme sacrifices to continue paying their housing costs, due to the fear of housing instability and homelessness.

Eviction Moratorium Extension & Repayment Period

People who rent their homes need basic protection from eviction for non-payment of rent or no cause. No one should lose their home due to the pandemic and its economic impacts. As included in LC 45, Sections 1 – 6, we would ask that the Legislature immediately adopt a:

- Statutory eviction moratorium for 90 days that prevents people from being given a notice of eviction for non-payment of rent or without cause (inclusive of all causes in ORS 90.427). This moratorium should include a prohibition on late fees, and a prohibition on landlords reporting late payments to credit bureaus during the moratorium.
- Create a requirement that there be six-month repayment period, after the moratorium ends during which tenants are allowed to pay back rent and may not be evicted for failure to pay their back rent. The current eviction moratorium simply delays the requirement that tenants pay rents due for the period covered by the moratorium, and these bills will still come due. For people who have lost work or income, being able to pay several months of back housing payments at once is unrealistic without direct financial assistance.

The Governor's Executive Order 20-13 is set to expire June 30. Other states, who have allowed their eviction moratoriums to expire, have seen a preventable and predictable spike in immediate evictions and homelessness. Wisconsin is currently seeing a 40% increase⁴ in eviction case filings, and New York State is expecting⁵ a severe spike. These evictions are preventable and predictable, and Oregon should act to prevent evictions due to non-payment of rent and no cause to protect housing stability.

Those most impacted by these evictions will be people of color in our communities. In Portland alone, 3 in 4 people who rent their homes are Black, and 6 in 10 are Latinx. Allowing the eviction moratorium to expire will disproportionately impact communities of color, who have already been disproportionately negatively impacted by the pandemic.

Foreclosure Moratorium

During this pandemic, homeowners need basic protection against foreclosure. Homeowners need an opportunity to sit down with their lenders and work out an agreement that will help keep them in their homes. Today, we know this is not the case. We are hearing increased reports that homeowners are receiving conflicting, confusing, or inaccurate information from their servicers and lenders. Legislators should immediately adopt LC 85, to protect homeowners:

- The Legislature should adopt a 90-day foreclosure moratorium (the current draft indicates 60 days) during which foreclosure actions would be prevented;
- A floor of protections for homeowners. All homeowners should have access to an opportunity to roll their payments to the end of the loan period. Homeowners who have lost work due to the pandemic will not be able to pay several months of mortgage payment at once, and moving the payments to the end of the loan period, including interest, means that banks and lenders will still receive payment, and homeowners will not lose their homes.

⁴ <https://www.jsonline.com/story/news/investigations/reports/2020/06/15/evictions-milwaukee-and-wisconsin-jump-over-40/3177897001/>

⁵ <https://www.nytimes.com/2020/06/22/nyregion/nyc-evictions-moratorium-coronavirus.html>

Federal protections have only been voluntarily extended through June 30th, and homeowners may soon be subject to foreclosure without action by the Legislature. While banks and servicers are indicating they are acting responsible, we are hearing different reports from homeowners. Counselors who work directly with homeowners report that mortgage servicers are not being consistent in their messages to homeowners, or the information they provide about next steps. There is a lot of confusion and frustration on the part of homeowners, and Legislative action is necessary to provide certainty and relief.

We urge the Legislature to adopt a policy that requires moving payments to the end of the loan period. The current draft, LC 85, would not preclude banks and homeowners from working out a different option, but would provide immediate and meaningful protections to homeowners.

The eviction and foreclosure moratoriums simply delay the requirement that tenants pay rents or mortgages due during the emergency period. These bills will still come due once the moratoria are lifted. For people who have lost work or income, being able to pay several months of back housing payments at once is unrealistic without direct financial assistance. If relief is not provided, we simply increase the likelihood that more families will experience housing instability or homelessness.

Other provisions to address emergency needs

LC 45, Section 44: Changes to the Oregon IDA Initiative

The Legislature should adopt changes to allow the Oregon Individual Development Account (IDA) Initiative to support people during the pandemic. IDAs are and will be a critical tool to help meet urgent needs of individuals who are struggling to build or rebuild financial stability, and to help communities rebuild after the negative economic impacts associated with the COVID-19 pandemic.

The proposed changes would establish a savings category for emergency expenses to promote financial stability and to protect existing assets. It would also clarify some language around the repayment of funds taken out for an emergency making guidelines less punitive. This would allow IDA savers to have their own funds matched with Initiative dollars to respond to critical financial needs during a period of financial hardship such as unemployment, medical leave or economic downturn.

LC 45, Sections 17-25

Oregon has one of the highest rates of unsheltered homelessness in the nation, meaning people are literally sleeping outside, in a tent, or on the street. People who are experiencing homelessness are often unable to access shelter because of a lack of availability or other barriers. Sleeping on the street or in a tent outside is very dangerous, particularly for women and youth. Shelter is not a permanent solution to homelessness. We need more shelters to provide a safe place to sleep for people experiencing homelessness, while we work to address our housing needs.

The provisions included in sections 17-25 would temporarily remove land use barriers to siting shelters and require local jurisdictions to allow shelters without regard for the land use laws in their communities. HB 4001 would ask local jurisdictions to take into account the health and safety of the building and location, to protect occupants of the shelter from danger.

Communities across our state – Corvallis, Portland, Bend, LaGrande, and others – have all struggled to site shelters for a range of reasons. The bold action proposed will help support the siting of shelters temporarily, in order to address the emergency of people experiencing unsheltered homelessness.

The Legislature should pass sections 17-25, to provide emergency authority for communities to site shelters with more flexibility. This bipartisan legislation was poised to pass during the 2020 regular session, and is still urgently needed.

We would urge the Legislature to consider an amendment that would ensure communities that enter the process can complete the process. The bill as currently written imposes a 90 day timeline for communities to begin and complete the process.

Without a stable home, people will not be safe, nor will they be able to return to work and school. We need to do all we can, as a state, to ensure we do not see a wave of evictions after the moratorium ends, or that people take on crushing loads of rental debt they simply can't afford. We are deeply concerned that economic evictions and foreclosures will begin as soon as the eviction moratorium is lifted, and people will face either crushing past debt or homelessness, which will make this bad situation worse.

Thank you very much for your time, and for your service to our state during these challenging times. We hope you will act urgently to provide relief to all Oregonians struggling as a result of this pandemic.

Sincerely,

A handwritten signature in black ink that reads "Alison McIntosh". The script is fluid and cursive, with the first name "Alison" being more prominent than the last name "McIntosh".

Alison McIntosh
On Behalf of the Oregon Housing Alliance

Housing Alliance Members

1000 Friends of Oregon
211info
Aging in the Gorge
Benton Habitat for Humanity
Bienestar
Bradley Angle
BRIDGE Housing
Business for a Better Portland
CASA of Oregon
Chrisman Development
Central City Concern
Church Women United of Lane County
City of Beaverton
City of Eugene
City of Forest Grove
City of Hillsboro
City of Portland
City of Tigard
Clackamas County
Coalition of Community Health Clinics
Coalition of Housing Advocates
College Housing Northwest
Community Action Partnership of Oregon
Community Action Team
Community Alliance of Tenants
Community Development Partners
Community Housing Fund
Community Partners for Affordable Housing
Community Vision
Cornerstone Community Housing
DevNW
Ecumenical Ministries of Oregon
Enhabit
Enterprise Community Partners
Fair Housing Council of Oregon
Farmworker Housing Development Corp.
FOOD for Lane County
Habitat for Humanity of Oregon
Habitat for Humanity Portland/Metro East
Hacienda CDC
Housing Authorities of Oregon
Housing Authority of Clackamas County
Housing Development Center
Housing Oregon
Human Solutions
Immigrant & Refugee Community Organization

Impact Northwest
Innovative Housing, Inc.
Interfaith Alliance on Poverty
JOIN
Lane County Health and Human Services
League of Oregon Cities
League of Women Voters of Oregon
Lincoln County
Looking Glass Community Services
Mainstream Housing Inc.
Metro
Mid-Columbia Housing Authority
NAYA Family Center
Neighborhood Partnerships
NeighborImpact
NeighborWorks Umpqua
Network for Oregon Affordable Housing
Northwest Housing Alternatives
Northwest Pilot Project
Oregon AFSCME Council 75
Oregon Coalition of Christian Voices
Oregon Center for Public Policy
Oregon Coalition on Housing & Homelessness
Oregon Council on Developmental Disabilities
Oregon Food Bank
Our Children Oregon
Partners for a Hunger-Free Oregon
Portland Community Reinvestment Initiatives
Portland Homeless Family Solutions
Proud Ground
Raphael House
REACH CDC
Residents Organizing for Change (ROC) Oregon
Rogue Action Center
Rose CDC
St. Francis Shelter
St. Vincent de Paul of Lane County, Inc.
ShelterCare
Sisters Habitat for Humanity
Sponsors, Inc.
SquareOne Villages
Street Roots
Think Real Estate
Transition Projects
Washington County
Welcome Home Coalition