

September 22, 2020

Multifamily NW Testimony
Senate Committee on Housing and Development

Good Afternoon Chair Fagan, Vice-Chair Boles and Members of the Committee;

Thank you for the opportunity to testify on behalf of the 2,500 members of my association whom provide over 250,000 units of rental housing in Oregon. I was asked to prepare remarks reflecting the impact that Coronavirus COVID – 19 has had on rental housing providers.

Let me start by saying thank you for disbursing over \$114 million in rent and utility assistance from the CARES ACT. We are still working on obtaining accounting of where and how that money has been disbursed to community action agencies in the form rental assistance. That rental assistance has provided many community action agencies within the state the opportunity to address the immediate needs of tenants, many of whom were still waiting on unemployment insurance or PUA funds.

Secondly, I think it's important to remind everyone on the committee that since the beginning of the pandemic, rental housing providers have been deemed essential – if not a critical, to reducing the spread of Coronavirus COVID-19 and they've had to do it while not being fully compensated for their efforts at the local, state and federal levels.

Instead of being encouraged and incentivized to continue to provide housing, such has been done in neighboring states like Idaho; local and state policies have continued to drive a hostile wedge between housing providers and tenants, imposed egregious fines on rental housing providers for communicating with tenants, and have passed legislation encouraging tenants, regardless of their ability to pay rent, to not do so because they are shielded from any negative reporting under HB4213.

Meanwhile, the rental housing provider is expected to pay mortgages – the majority of which are not covered by the state’s foreclosure moratorium, local and state taxes, utilities and fees without any assurance of any rental income. Furthermore, they are not protected from negative credit reporting in the same manner as their tenants.

It’s against this profound dichotomy of being labeled ‘essential’ while also simultaneously forced to endure extraordinary financial hardship that our members no longer feel that providing rental housing in Oregon is important nor a desirable investment, as evidenced by the survey that I’ve shared with all of you.

And despite the last several months of advocating alongside my housing colleagues for more rental income assistance it is with profound disappointment that we are faced with the fact that the largest city and county, alongside their community partner, 211.org, has chosen to withhold rental assistance afforded to it under the CARES ACT since August, while simultaneously advocating for an extension of the eviction moratorium.

Prior to the pandemic, there was never enough rental assistance to go around and that problem still persists today. Many of my members provide housing to low income Oregonians and have done so for many years, something that they felt was born out of an obligation and opportunity to do so. But they cannot continue to provide that rental housing for much longer without rental income assistance and frankly, there won’t be enough to justify the unconstitutional takings that has occurred.

Many of you received an email from our lobbyist the other day, based our urgent need to make you aware of what the City of Portland and Multnomah County are doing. They are leveraging their rental housing providers to the breaking point while knowing that many of those same providers have not received rental income for months, don’t qualify for PPP or PUA ,or even unemployment; in order to begin providing rental assistance on October 1, 2020.

Their need to withhold rental assistance will not lessen the burden on already rent-burdened tenants because it won't prevent those same tenants from facing future collections charges from unpaid rent, or from the IRS looking to collect tax payments on that same unpaid rent, which will be considered income. By holding onto rental assistance in order to avoid evictions under HB 4213, they are running down the clock on rental assistance granted to them under the CARES. ACT, which needs to be spent by December 31, 2020 and with the number of people needing that assistance today, there won't be enough working days in the year to disburse it.

In closing, I'm asking you on behalf of the rental housing providers in my association to ensure that rental assistance made available to all community action agencies become immediately available, without hesitation or delay in order to pay back rent and current rent in order for rental housing providers to continue to provide housing.

Thank you for your time.