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October 4, 2021

Deputy Secretary Wally Adeyamo Deputy Assistant Secretary Noel Andrés Poyo United States Department of the Treasury 1500 Pennsylvania Avenue Washington, D.C. 20220

# Re: Oregon Emergency Rental Assistance Program Exceeds 65% Benchmark, OHCS Requests Additional ERA Funds

Hello Mr. Wally Adeyamo and Mr. Noel Andrés Poyo,

The Emergency Rental Assistance (ERA) Program has been a lifeline for tens of thousands of Oregonians. Oregon Housing and Community Services (OHCS) is a grateful ERA partner, and we extend our gratitude to Congress and U.S. Treasury for focusing on households hardest hit from the COVID-19 economic fallout. OHCS continues to be nimble and take bold action expedite assistance to people in need; OHCS is a high-performing grantee in a high-need state. We will complete the forthcoming form to request funds on or near October 15<sup>th</sup>, as soon as it is published.



\$266,097,038 Amount Requested from Complete Applications

As we pass the first benchmark of September 30<sup>th</sup>, I am proud to report OHCS' progress on the distribution of ERA 1 (\$204 M) funds and our bold plans for ERA 2 (\$156 M). Despite these incredible investments, Oregonians need more assistance. With more than \$266 M requested as of September 30<sup>th</sup>, **OHCS anticipates fully exhausting ERA 1 and 2 requests within the next 3-6 weeks,** and the need is not going away. The program has not explicitly opened for recertification or formally launched ERA 2 yet, which includes additional community outreach following national best practices. We've exceeded the obligated benchmark with 71% of OHCS' ERA funds expended or obligated. In total, OHCS has expended \$70.5 M to households for direct payments and housing stabilization services, all \$20 M in administrative funds are expended, and we have obligated an additional \$55 M to eligible households (See Oregon Emergency Rental Assistance Program Data Dashboard for household assistance details). More assistance is needed, and OHCS is formally requesting any excess ERA funds.



#### **Oregonians are in Need**

Tenants are hurting. In the wake of the end of the state and federal eviction moratoria, we all fear mass evictions as we emerge from the COVID crisis. Oregon's <u>Statewide Housing Plan</u>, completed in 2019, found that 27% of renters face severe housing cost burden and spend more than half their income on rent alone. The economic fallout of the pandemic intensified these needs, as <u>academic reports</u> showed in late 2020 despite the nearly \$80 M in rental assistance available last year.

OHCS could not predict the nearly \$400 M allocated by Congress (ERA 1, \$204 M) and the Oregon Legislature (\$200 M) on December 21. When the American Rescue Plan Act passed, and an additional \$156 M funds were headed to Oregon, we hoped to meet the need for rental assistance and stabilize renters across the state. We're now learning that these resources will be insufficient to serve all those in need.

Since the launch of the Oregon Emergency Rental Assistance Program (OERAP) in May, we've seen nearly 38,000 Oregon households ask for \$266 M in assistance, and the OERAP data dashboard has additional information. Additionally, we know additional outreach efforts are needed to reach Latino/a/x communities, Asian communities, non-English speaking communities, rural communities, and Oregonians with limited technology access.

## **Continuous Program Improvements**

OHCS has taken new steps to expedite delivery of these federal resources to the people of Oregon and has quickly become a leading state per analysis from the National Low Income Housing Coalition. OHCS has overcome many challenges and has initiated multiple program interventions since OERAP launch on May 19<sup>th</sup>. The program was designed with a central, online application intake and a network of local program administrators supporting intake, processing applications, and making payments. In June, we added approximately 40 staff to support agencies process applications. In July, after the Oregon Legislature enacted a safe harbor period providing temporary eviction protections for those that applied for rental assistance, OHCS hired approximately 20 staff to help tenants complete their applications and access protections.

In late July, application processing did not pick up in the way we envisioned. OHCS took the unprecedented step of <u>bringing on a vendor</u> to process applications on behalf of local program administrators. Once on board and trained, the vendor began processing 8,000-8,500 applications in mid-August. As of Thursday, 1,848 applications are submitted for funding and an additional 5,053 are in process. We announced last week that we're expanding that partnership and increasing their work.

#### **ERA 2: Taking Lessons Learned**

OHCS will receive more than \$150 M in additional resources for ERA 2. Based on the success of centralized processing in other states, like Texas and Illinois, OHCS will change our structure for ERA 2. We will streamline and centralize the program. Our vendor will take over the behind-



the-scenes application processing and check cutting, allowing local program administrators to focus on intake. Due to staffing issues at the local level, we believe this will increase processing speeds and allow assistance to reach Oregonians more efficiently.

### **Oregon Eviction Protection Landscape**

Throughout the pandemic, Oregon leaders have enacted tenant protections through two bills during the 2021 legislative session that made changes to Oregon eviction law, Senate Bills 282 (grace period for past due rent) and 278 (safe harbor period). The grace period gives renters time to pay back rent due April 2020 – June 2020. The <u>safe harbor</u> period established by the Oregon Legislature in June protects tenants from eviction for 60 days when documentation of rental assistance is provided to their landlord (that period is 90 days in Multnomah County and unincorporated Washington County). This documentation can be provided up until the first court appearance. OHCS has adapted our program to meet the current landscape. It's vital we increase ERA resources, as OHCS hopes to keep open our application portal so tenants have access to eviction prevention.

#### **Taking a Step Back**

OHCS is grateful for the incredible rental assistance available in 2021. In the last nine months, we've allocated more rental assistance than we allocated in the previous decade. This investment is incredible, and it doesn't meet the need. Our concerns of eviction continue to grow and would exacerbate Oregon's humanitarian crisis. For decades Oregon has the dubious distinction of being one of the states with the highest percentages of people experiencing homelessness who are unsheltered (Oregon is currently one of the top five states). OHCS continues to take bold steps to expedite getting ERA out the door to keep families stably housed before they slip into homelessness. Oregonians desperately need additional assistance now more than ever during a global health pandemic. OHCS continues to take proactive steps to improve and streamline our process. We're ready for more ERA resources, and Oregonians need additional assistance. We look forward to formally requesting funds in the coming weeks.

In partnership,

Margaret Salazar

Executive Director, Oregon Housing and Community Services

