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responding to tenant needs during COVID-19

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THE EVICTION MORATORIUM

With historic levels of layoffs during the COVID-19 pandemic, cities and states have struggled with how to limit spread of the virus and keep tenants in their residences without a stable source of income.

Responding to the crisis, Oregon Governor Kate Brown signed Executive Order 20-13 on April 1, 2020, which created a state-wide temporary moratorium on certain evictions and terminations of rental agreements and leases. This executive order was scheduled to be in effect for a three-month period until June 30, 2020.

OREGON TENANT RIGHTS DURING COVID-19

Free legal information from Legal Aid Services of Oregon & Oregon Law Center (updated April 9, 2020)

- 1** It is illegal for a landlord to give you an eviction notice or a notice of violation for non-payment of rent, non-payment of fees, or non-payment of utilities between now and June 30th. You need to tell your landlord as soon as possible that you cannot pay your rent. If you cannot pay your rent now, you will need to pay it after June 30, 2020.
- 2** It is illegal for a landlord to charge you a late fee for any kind of non-payment between now and June 30, 2020.
- 3** It is illegal for a landlord to give you a no-cause notice between now and June 30, 2020.
- 4** It is illegal for your landlord to file for an eviction based on non-payment or a no-cause notice between now and June 30, 2020.
- 5** Your local government may have protections. Tell your landlord in writing if you've lost income due to COVID-19, and send written proof of loss of income as soon as possible.
- 6** If you live in subsidized housing, your landlord cannot give you an eviction notice based on non-payment until at least July 26, 2020. Your landlord has to give you at least a 30-day notice after July 26, 2020.

ADDITIONAL ONLINE RESOURCES

For more information on tenant rights in Oregon visit:

<https://www.oregonrentersrights.org/> and

<https://oregonlawhelp.org/classroom/public-health-and-coronavirus-covid-19/housing-protections>

Free legal help for low-income Oregonians

If you are low-income and need legal help related to your housing, you may be able to get free legal assistance from a legal aid attorney. To find your local legal aid office, visit

<https://oregonlawhelp.org//resource/oregon-legal-aid-offices>

Gov. Brown's Executive Order 20-13 was drafted in response to the preceding Executive Order 20-12 which required individuals to stay home to the greatest extent possible. The stay-at-home order, in turn, required Governor Brown to put protections in place against residential tenant evictions so that households didn't feel pressure to violate the stay at home emergency order in order to keep their residence. These regulations applied to both residential rent agreements and commercial rental agreements.

Without much sustained progress in health indicators during the three-month period, House Bill 4213 was passed by Oregon lawmakers on June 26, 2020. This legislation extended the previous eviction moratorium until September 30, 2020 and also created a six-month repayment period for tenants. The bill clarified the process for landlords to send notices about outstanding balances, offer payment plans and exercise lease terminations without a tenant-based cause.

Starting October 1, 2020, a landlord can give a notice to the tenant requiring that the tenant tell the landlord within 14 days if the tenant plans to use the six-month grace period to pay back any rent owing. It is extremely important that tenants respond to this notice. If a tenant does not tell the landlord that they plan to use the six-month grace period to pay back the deferred rent, the landlord is permitted to charge the tenant half a month's rent as a penalty.

To ease the long-term financial burden on tenants, the Oregon Housing and Community Services (OHCS) has created a Rent Relief Program to aid people who have experienced loss of income and are at risk of homelessness due to COVID-19.

The program has allocated \$8.5 million for rent relief through local Community Action Agencies (CAAs). The funding for the program came to the state through the federal coronavirus relief package, known as the CARES Act, and has been distributed among 18 local CAA agencies. OHCS decided how much to allocate to each local agency using a needs-based formula, which factored in data on rent burden, poverty, homelessness, and unemployment claims. Each agency has been tasked with distributing the funds to renters who, under the statewide eviction moratorium, can delay rent but must pay it back once the moratorium ends.

Naturally, the new anti-eviction order has led to questions about the future backlog of rent that could become due all at once. A rent relief program has the potential to ensure large scale evictions will not happen. Any household with less than 50% of their local area's median income can apply. Applicants will be prioritized based on need and those with pandemic impact will be highest on the list. Renters will need to show proof of income loss, and the money given will be used to address the backlog of rent payments as well as future payments. Tenants whose applications are accepted should see the money go straight from the agency to their landlord.

SOCIAL WELFARE ASSISTANCE

Emergency cash assistance is another avenue to alleviate financial burden on those impacted by COVID-19. In April, the Portland Housing Bureau announced a relocation of \$1 million in funding to help lower income families meet financial obligations. Some of that money will be distributed through the nonprofit group, 211info. The money will be given out based on a set of criteria in \$250 increments. The group 211info began taking applications on April 27, 2020, for the Emergency Household Stabilization fund to disperse that newly acquired funding.

In addition to the CARES Act money, some families are working with local government agencies, such as Home Forward, for emergency hotel vouchers. The Short-Term Rent Assistance program (STRA) is a countywide program that provides limited housing assistance of up to 24 months to Multnomah County households that are experiencing homelessness or are at-risk of homelessness.

Property managers and landlords received fewer rent payments in June 2020.



As of June 10th, rent payments received nationwide by property managers and landlords are 24% lower than rent received for the same period in March, prior to the onset of the COVID-19 pandemic in the US.

Data provided by Rentec Direct property management software.

STRA provides an alternative to living on the streets but does not address a long-term solution that most households are looking for.

Families can also apply for Low Income Housing Energy Assistance (LIHEAP), even if their financial distress is not solely-attributed to the current pandemic. This long-standing program provides assistance to families that have trouble paying for energy bills with funding from U.S. Department of Health and Human Services. In 2019, nationwide eligibility was established for persons earning between \$13,739 and \$18,735. While not specifically designed for seniors, this program does disproportionately help seniors receive funding compared to the overall population.

Finally, the Temporary Assistance for Needy Families (TANF) program provides cash assistance to low-income families with children while they strive to become financially self-sufficient. Under TANF, the federal government provides a block grant to the states, which use these funds to operate their own programs. Cash assistance is intended to meet a family's basic needs such as food, clothing, shelter, and utilities. Most cash benefits in Oregon are issued via an Electronic Benefit Transfer (EBT) card, known locally as an "Oregon Trail Card".

MORTGAGE ASSISTANCE PROGRAMS

In early May, 2020, Fannie Mae announced a COVID-19 payment deferral option for homeowners who experienced financial hardship due to COVID-19 that had harmed their ability to pay their mortgage. This option allows homeowners up to 12 months of missed payments, with the missed payments being deferred to the end of the loan term. To be eligible, homeowners must complete a COVID-19 related forbearance plan and are able to continue making their full monthly contractual payment, while also demonstrating that they cannot afford full reinstatement or a repayment plan to bring their mortgage loan current.

Under certain Fannie Mae plans, homeowners may be able to temporarily reduce or suspend their mortgage payment while managing temporary financial problems. Besides the payment deferral option described above, these plans allow borrowers to choose between short-term repayment plans or even full repayment options so additional interest is not accrued during the life of the loan. Additionally, foreclosure and eviction relief may be available through the federal CARES Act signed into law on Friday, March 27, 2020.

Finally, Fannie Mae has created a household assistance program known as the Disaster Response Network, which offers free help with the broader financial challenges caused by COVID-19. Its HUD-approved housing counselors can create a personalized action plan, offer financial coaching and budgeting, and support ongoing financial realization for up to 18 months. This program applies to people struggling to pay back rent or mortgage obligations.

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