

BUSINESS OREGON

Commercial Rent Relief

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Background

The Oregon Legislative Emergency Board on January 8, 2021, allocated \$100 million to fund a new Commercial Rent Relief Program to provide financial assistance to small businesses and landlords adversely affected by economic conditions as a direct result of the COVID-19 pandemic.

Program Overview

- Target tenant businesses with 100 or less employees who are in lease payment arrears due to COVID-19.
- Require property owner participation.
- Includes additional protections for tenants, such as non-eviction clauses and a waiver of penalties and interest.
- Award grants through a random lottery process.

Who Can Apply

- **Landlords**

- Landlords must be current on federal, state, or local taxes as of December 31, 2019.
- Cannot be a publicly-traded company.
- Landlords with multiple properties and/or tenants may make multiple applications, one for each tenant business.

Tenant Eligibility

- In arrears for delinquent lease payments between March 1, 2020, and February 28, 2021, and the tenant and landlord agree to the amount of arrears.
- Is a for-profit business headquartered in Oregon.
- Leases property in the state of Oregon for its business use.
- Employs 100 or fewer employees per leased location as of February 28, 2021.
- Is actively registered to do business in the state of Oregon with the Secretary of State.
- Is compliant with all federal, state, and local laws.
- Is not a publicly traded company.
- Is open for business or intends to reopen for business when restrictions (if applicable) are lifted at the leased location.

Ineligible Tenants

- Non-profit organizations (501(c)).
- Tenants that previously received CARES Act Funding as authorized by the Oregon Legislature Emergency Board July 2020 for arts organizations, cultural and community venues, and community colleges.
- Tenants that are closed and do not intend to reopen.
- Tenants that were past due on lease payment prior to March 1, 2020.
- Tenants using the Property for any residential purpose.
- Governmental and municipal entities.

Who receives the funds?

- The Landlord, via a mailed check.

What will the grant pay for?

- Base rent as stated in the existing lease that are in arrears due to COVID-19 from March 1, 2020, to February 28, 2021. Includes any foregone or forgiven base rent amounts from that period that were negotiated by landlord and tenant.
- Grant will not pay for sales percentage provisions beyond base rent, triple net costs (taxes, insurance and maintenance), common area maintenance charges, penalties, and/or interest.

Grant Limits

- The maximum grant per lease is the cumulative amount past due rent or \$100,000, whichever is less.
- The maximum total grants that may be awarded to a landlord (at the amount of past due lease payments for all tenants) is \$3 million.

Geographic Distribution

- Central Region – 15% (Crook, Deschutes, Hood, Jefferson, Sherman and Wasco)
- Coastal Region – 15% (Clatsop, Coos, Columbia, Curry, Lincoln and Tillamook)
- Eastern Oregon Region – 15% (Baker, Gilliam, Grant, Harney, Malheur, Morrow, Umatilla, Union, Wallowa, and Wheeler)
- Portland Metro Region – 20% (Clackamas, Multnomah and Washington)
- Southern Oregon Region – 15% (Douglas, Jackson, Josephine, Klamath and Lake)
- Valley Region – 20% (Benton, Lane, Linn, Marion, Polk and Yamhill)

Timeline (subject to change)

- **Round 1**

- March 8—Application (Form 1) opened statewide
- March 22—Application closed at midnight
- March 23—Lottery and requests for application (Forms 2 and 3) begins
- April 7—Forms 2 and 3 response closes at Midnight
- April 5—Form 2 and 3 reviews continue
- April 9—Awards start to be announced
- April 12—Disbursements start going out to awardees

Timeline continued

- Round 2
- Early April—Application open statewide (2 weeks)
- Mid April—Application closes
- Late April to Early May—Lottery and application review begins
- Early May—Award Announcement
- Mid to Late-May—Contracts start going out to awardees
- Late May—Disbursements start going out to awardees

We Listened

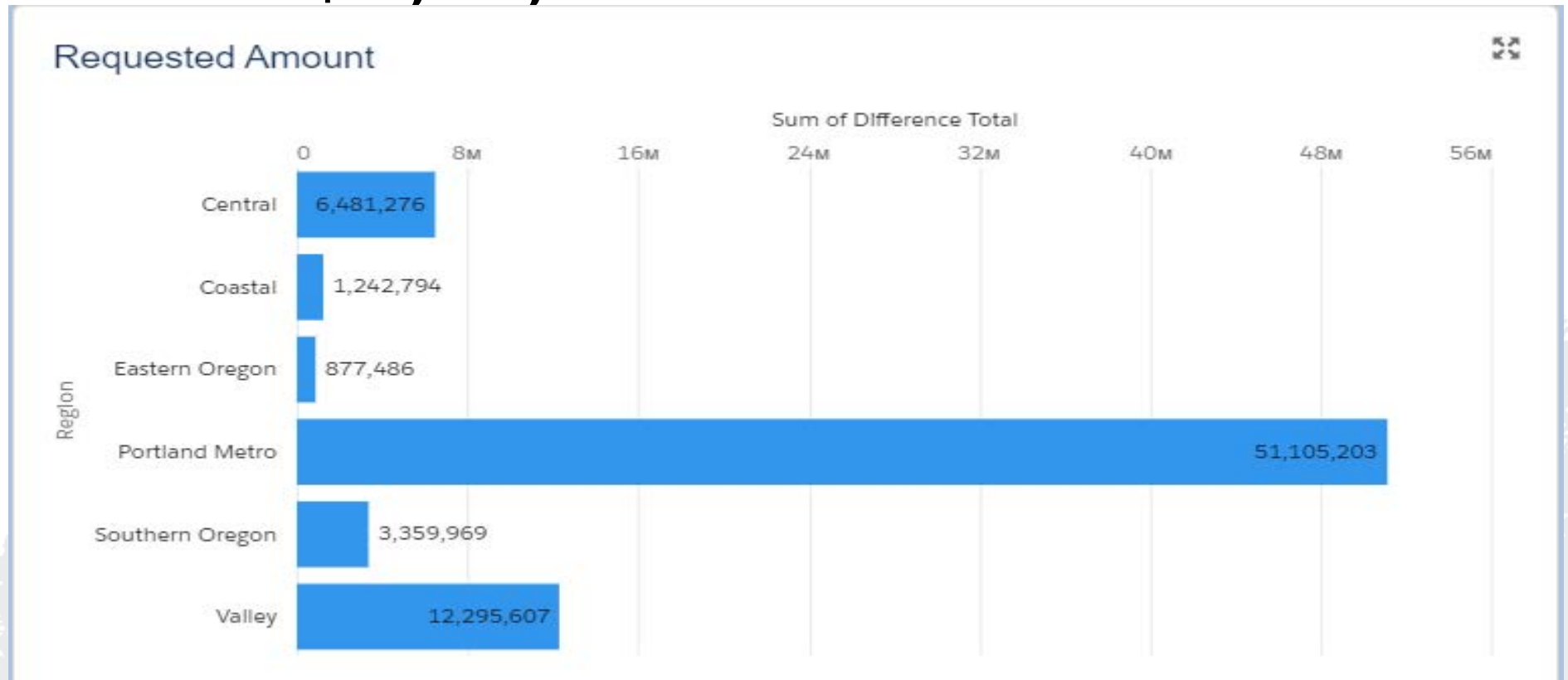
- **Don't do first come first served**
 - Lottery
- **Make it easy to apply**
 - New online application portal
- **Provide program information & application in multiple languages**
 - English, Korean, Russian, Simplified Chinese, Spanish and Vietnamese
- **Provide technical assistance to tenants and landlords**
 - Contracted with 10 TA providers

Marketing

- Ad Buys - OregonLive, Google Search Network, Facebook
- Radio – iHeartRadio
- Video - YouTube
- Social Media - Facebook, Twitter, LinkedIn
- Press Releases
- Emails to agency listservs
- Staff and Partners

Application Turn Out

- Submissions – 3,087
- Request Amount - \$75,362,335



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