



**OREGON HOUSING *and*  
COMMUNITY SERVICES**

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June 3<sup>rd</sup>, 2021

Representative Fahey, Chair  
Representative Morgan, Vice-Chair  
Representative Campos, Vice-Chair  
House Committee on Housing  
900 Court Street NE  
Salem, OR 97301-4048

Re: Information on OHCS Rental Assistance Programs

Dear Chair Fahey, Vice-Chair Morgan, Vice-Chair Campos, and Members of the House Committee on Housing:

Thank you for inviting OHCS and our local administrative partners to speak about historic emergency rental assistance programs established in response to COVID. When the pandemic's economic fallout began impacting our friends and neighbors, Oregon Legislators answered the call for help not once, not twice, but on three separate instances. Federal and state leaders allocated more emergency rental assistance in the last 14 months than allocated in the last ten years combined. That leadership is stabilizing communities and helping tens of thousands of families.

Prior to the pandemic, the maximum amount of emergency rental assistance administered by Oregon Housing and Community Services never exceeded \$17 million dollars in a single year. In the last fourteen months OHCS received more than \$477.9 million dollars in rental assistance resources between four distinct programs, one of which will extend beyond 2021. Below you will find descriptions of each of the programs that OHCS has managed since the beginning of the pandemic.

**COVID Rental Relief Program (CVRRP)**

The COVID Rental Relief Program (CVRRP), was funded through the Federal Coronavirus Relief Funds (CRF) from the CARES Act. The program was first allocated \$8.5 million in State General Funds during the [April Emergency Board](#) to serve households at or below 50% of the area median income, these resources were retroactively converted to CRF during the June Special Session. During the [June Emergency Board](#), and additional \$55 million in CRF was allocated for households at or below 80% area median income. Additionally, OHCS allocated \$14.4 million from an underutilized CRF funded program to support this program. OHCS used a need-based funding formula to allocate a total of \$77.9 million across the state to Community Action Agencies (CAAs), this is an increase of more than 4x what CAAs have historically delivered in



rental assistance. Each CAA established their local program in consideration of needs in their community and strategies effective for those they serve. At the end of last year, CVRRP served more than 40,000 Oregonians.

Please reach out to [Nicole Stingh](#) for 2020 CVRRP legislative reports.

### **Landlord Compensation Fund (LCF)**

Oregon's Landlord Compensation Program is designed to provide relief to residential landlords who have been unable to collect rent due to tenant financial hardships. During the Third Special Session of 2020, the Oregon Legislature enacted an eviction moratorium and established the Landlord Compensation Fund ([HB 4401](#)). The Legislature allocated \$200 million in rent assistance to support tenants and landlords, \$50 million in STARR funds and \$150 million for the Landlord Compensation Fund. This program was designed to provide relief to landlords who have tenants living in their homes who have been unable to pay rent at any point since April 2020 due to a financial hardship. The program eliminates the rent owed for those tenants experiencing a hardship and who have provided a signed declaration of financial hardship for eviction protection. Landlords apply through OHCS and, after application processing, Public Housing Authorities verify ownership, make payments to landlords, and notify tenants that their rent has been forgiven.

As the largest program OHCS was allocated (at the time), and as one of few direct-serve programs administered by OHCS, we have learned a lot in the last six months. We are the first to acknowledge that the program had a bumpy start, with custom built technology that was rolled out quickly in our haste to meet the needs of Oregon housing providers and renters as soon as possible. As deeply committed professionals, this rough start was painful for all of us. In the urgency to provide relief, we opened the application portal with only two weeks of testing, not enough in hindsight. The technical issues faced in Round One made it difficult for landlords to apply and caused downstream data errors, contributing to processing delays.

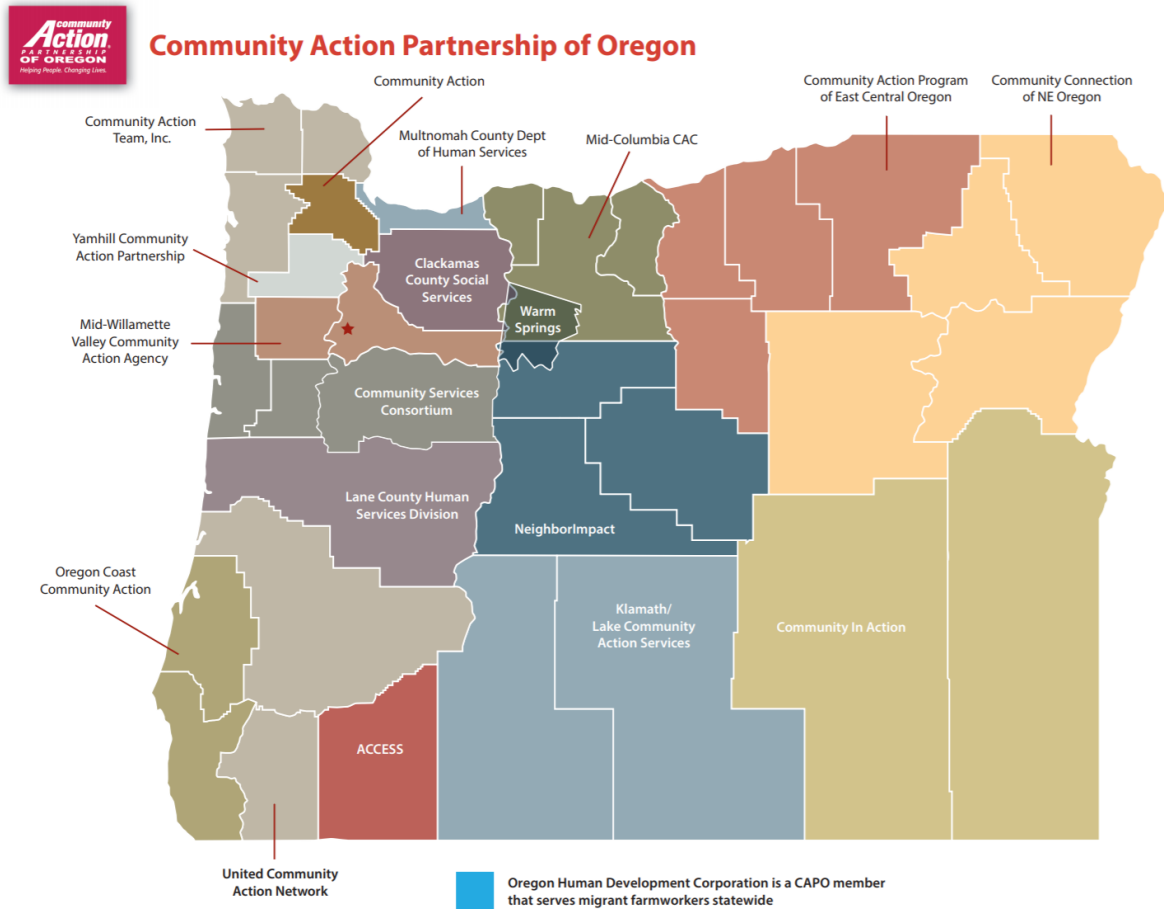
Despite these technical issues, the Landlord Compensation Fund is providing relief. Round One closed resulting in about 12,000 tenants having their COVID rent debt forgiven, equivalent to ~\$36 million assisting around 1,900 landlords and about 3,900 properties. As of this early week, more than half of the first-round payments have been made by the Public Housing Authorities. Round Two closed May 18<sup>th</sup> with over \$40 million of applications submitted (3,168 property applications; ~10,000 tenants). OHCS staff are finalizing application processing now and will begin to send payments for landlords that have finalized their grant agreements to Public Housing Authorities on or around June 4, 2021.

Round Three open is open now and covers past tenants for the first time. Rolling application processing on June 4<sup>th</sup>, June 11<sup>th</sup>, and lastly on June 18<sup>th</sup>. This allows OHCS to process applications and commit resources to landlords before the June 30<sup>th</sup> deadline. Program payments can continue past June 30<sup>th</sup>, but the funds must be committed before that date. As outlined in HB 4401, OHCS will provide a formal report on both programs, the Landlord Compensation Fund and the Supporting Tenants Accessing Rental Relief, in September.



### Supporting Tenants Accessing Rental Relief (STARR)

The Supporting Tenants Accessing Rental Relief (STARR) program has helped keep households in stable housing. STARR was launched in late winter with \$50 million in State General Fund. The program is funded by OHCS and allocated to local Community Action Agencies (CAAs) using a needs-based formula, see below for a map of CAAs. Each CAA established their local program in consideration of needs in their community and strategies effective for those they serve. Due to the funding source, this program will close June 30<sup>th</sup>. As of this week, more than 70% of funds have been spent or committed to a household, please note that reporting times lag with de-centralized rental assistance (please see last page for detailed information). These resources were a critical stop gap as OHCS launched the Oregon Rental Assistance Program. As of May 20<sup>th</sup>, more than 4,300 households have been served by the STARR program. As outlined in HB 4401, OHCS will provide a formal report on both programs, the Landlord Compensation Fund and the STARR, in September that will include more details on Oregonians served.



### Oregon Emergency Rental Assistance Program (OERAP)

The federal Emergency Rental Assistance program was established by Congress in December with \$25 billion nationally to assist households that are unable to pay rent and utilities due to the COVID-19 pandemic. Oregon Housing and Community Services is administering \$204 million

to qualified renters who have experienced financial hardship due to the coronavirus pandemic and are at risk of homelessness or housing instability. With the City of Portland, Clackamas, Multnomah, Washington, Lane, and Marion counties receiving direct allocations adding up to \$76M. Grantees, like OHCS, that have committed 65% of funds by September 30<sup>th</sup>, 2021 will be eligible to receive additional allocations pulled back from those grantees (states, localities) that fail to meet the 65% spending goal. We are expecting a second wave of funds from the federal government of around \$156 million in Summer/Fall 2021. The program will run through September 2022 or when funds run out.

After reflecting on feedback heard while administering emergency rental assistance in 2020, OHCS and the Oregon Housing Stability Council paused to ensure community concerns were addressed in program design. The Oregon Emergency Rental Assistance Program (OERAP) includes key differences from 2020 rental assistance that will improve access to application, transparency in fund status, and consistency for Oregonians across the state. A centralized application portal was established to address these concerns, with 17 Community Action Agencies and one Public Housing Authority processing applications at the local level. This allows the program to have one application across the state and will enable better reporting as OHCS will have access to all application information and processing details.

OHCS also worked with the Housing Stability Council to create an equitable prioritization index. The criteria are listed below, and the online application provides scoring that is *instantaneously* available to local program administrators. As soon as an application is complete, it is placed in the queue in order of need.

- **% Area Median Income (AMI):** [From the U.S. Department of Housing and Urban Development](#) and disaggregated at the 0 to 30, 31 to 50, and 50 to 80 percent income buckets. Households with income over 80 percent AMI are not eligible for rental assistance. This prioritization is required by the U.S. Department of Treasury.
- **Days Unemployed:** Generated from [self-reported data](#) collected in the tenant application. Required by the U.S. Department of Treasury.
- **Household Size:** Collected from self-reported data collected in the tenant application. Larger and more crowded households have been linked to housing instability, evictions, and homelessness.
- **Eviction Likelihood:** Data is self-reported information collected in the tenant application. Specifically, weighting factors relevant to increased likelihood of eviction in order to effectively deploy resources to maintain housing stability.
- **ERAP Priority Index:** [Urban Institute Rental Assistance Priority Index](#) estimates the level of need in a census tract by measuring the prevalence of low-income renters who are at risk of experiencing housing instability and homelessness, with an emphasis on accounting for risk factors that are higher for certain groups, particularly BIPOC renters. Please note that census tracts are analyzed within a CAA region; renters in Jackson County are not competing against renters in Washington County.

- **Wildfire:** Data collected from self-reported data collected in the tenant application and included a priority for wildfire survivors.

OERAP is open now! We encourage all to review program information at [oregonrentalassistance.org](https://oregonrentalassistance.org), including a tenant check list and the online application. As of June 1<sup>st</sup>, over 6,500 people have applied requesting approximately \$45 million in assistance (please note that these figures are not final and must be verified by our local partners). Local program administrators are processing applications and will make payments to landlords and utility providers weekly beginning in June. Beginning next week, OHCS will provide basic reporting on our website. More detailed reporting, including demographic and geographical information, will be available this summer.

### Reflections

Policymakers have answered the call of community to provide rental assistance, and OHCS and our partners are proud to be of service. Job one of OHCS and Housing Finance Agencies across the nation is to prevent homelessness and housing instability due to the COVID crisis. The chart below details OHCS market-rate emergency rental assistance programs administered in 2020 and 2021, which have reached thousands of Oregonians in need. We've exponentially scaled up operations and with each new program, have made an effort to incorporate feedback from on the ground providers, tenants and housing providers, and continue to make iterative improvements to better serve Oregonians in each wave of assistance.

As Oregon has scaled up in disaster response, we know that we collectively are wrestling with capacity issues in quickly and effectively administering programs of this magnitude. Working with the Governor's Office and other stakeholders, we're bringing forward a request for \$30 million to increase the capacity of on-the-ground organizations working to deliver or increase access to rental assistance ("Shoring Up Oregon's Social Safety Net", [OHCS ARPA Investment Ideas](#)). This resource would augment the lean administrative budgets available in the new federal programs and help expand program delivery.

The Oregon Emergency Rental Assistance Program is part of the state's economic recovery, and it is also designed to prevent evictions and increase housing stability. Yet, we know that July 1<sup>st</sup> is right around the corner, and at that date, the state eviction moratorium will expire. We are acutely aware of the anxiety and concern that communities are facing, and we are working hard to ensure that the OHCS rental and housing assistance programs are positioned to prevent housing insecurity. Even still, one rental assistance program will not be sufficient to address the potential crisis we will face in July when the eviction moratorium ends. This is both due to the scale of need, and the fact that rental assistance is not the only strategy that will prevent evictions. We need creative solutions that involve not just administration of rental assistance, but also legal assistance, public awareness campaigns for tenants and landlords, and involvement of the courts, housing counseling agencies and culturally specific community-based organizations. OHCS is working with Governor Brown's office to engage in conversations with Community Action Agencies, local jurisdictions administering Emergency Rental Assistance, and many others to create additional strategies to keep renters in their homes.



We'll strategically utilize flexibility in wave two of US Treasury's Emergency Rental Assistance Program for housing stabilization and emergency eviction prevention. OHCS alone cannot prevent the potential crisis in July, and we were committed to working in partnership to prevent homelessness.

OHCS will provide regular updates to the legislature on the progress and outcomes of OERAP and updates on the second wave of assistance when received and allocated. The new application portal will allow for real time reporting on impact and reach of the program. This data will be critical as we learn from the administration of multiple programs and interventions in this COVID era. We are committed to this continual improvement and the importance of incorporating community voice and attention to equity.

| <b>Topic</b>                 | <b>COVID Rental Relief Program (CVRRP)</b>                         | <b>Supporting Tenants Accessing Rental Relief (STARR)</b> | <b>Landlord Compensation Fund (LCF)</b>   | <b>Oregon Emergency Rental Assistance Program (OERAP), Wave One and Wave Two</b>   |
|------------------------------|--|---|---|--|
| <b>Who is the applicant?</b> | Tenant via the local Community Action Agency                       | Tenant via the local Community Action Agency              | Landlord via online application portal (paper applications available as needed)               | Landlord via OHCS Portal. The Tenant has to supply hardship form.  |
| <b>Resources</b>             | ~\$77.9 million in Coronavirus Relief Funds                        | \$50 million in General Fund                              | \$150 million in General Fund   | More than \$200 million in wave one resources; wave two ~\$156 million expected Summer/Fall 2021<br><i>~\$80 million additional wave one allocated to tribes, Portland, and six counties; additional ~\$66 million in wave two</i> |
| <b>Income Thresholds</b>     | 80% of Area Median Income (AMI) or 50% of Area Median Income (AMI) | 80% of Area Median Income (AMI)                           | Not income limited – all landlords eligible; all tenants with signed declaration of financial | 80% of Area Median Income (AMI), priority to 30% AMI   |



## OHCS Rental Assistance Memo – June 3, 2021

|  |   |   |   |  |
|--|---|---|---|--|
|  |   |   | hardship eligible   |  |
| <b>Payout Potential to Applicant</b>           | 100% of unpaid rent and future rent at the discretion of the provider         | 100% of unpaid rent and future rent at the discretion of the provider | 80% of unpaid rent from April 2020 up through application date and or June 30, 2021. Landlord forgives 20% of owed rent | 100% of unpaid rent and future rent at the discretion of the provider  |
| <b>Agency Paying Funds</b>                     | Community Action Agencies   | Community Action Agencies   | OHCS + Public Housing Authorities (PHAs)  | OHCS + Community Action Agencies   |
| <b>Authority</b>                               | Emergency Board allocations   | Oregon House Bill <a href="#">HB 4401</a>                             |   | Consolidated Appropriations Act, 2021, enacted on December 27, 2020.<br>Second wave from the American Rescue Plan Act, includes <a href="#">key differences</a> .  |
| <b>State or Federal Program</b>                | State Program; expenditure deadline was 12/30/20 but was extended to 12/31/21 | State Program; must be expedited by end of Biennium (June 30, 2021)   |   | Federal (U.S. Treasury) implemented at the State and Local Level; <i>goes into 2022</i> . By 9/30/2021, Treasury wants 65% (~\$132,838,313 ) of funds to be committed. By 9/30/2022, 100% of funds to be expended. |
| <b>Admin &amp; Program Delivery</b>            | 5% administrative costs   | 15% + reasonable program delivery                                     | <10% for OHCS and PHAs  | 8.5% Administrative costs and up to 10% of costs for Housing Stability Services (some differences in wave one and wave two)  |
| <b>OHCS Division Administering the Program</b> | Housing Stabilization Division  | Housing Stabilization Division  | Affordable Rental Housing   | Housing Stabilization Division   |





## STARR Spenddown Information by Community Action Agency

| <b>Community Action Agency</b>                             | <b>Total STARR Funds Allocated</b> | <b>Funds Spent and Committed</b> | <b>Percentage Spent and Committed</b> | <b>Additional allocations (CRF)</b> | <b>Date Committed Funds Entered</b> |
|--|------------------------------------|----------------------------------|---------------------------------------|-------------------------------------|-------------------------------------|
| <b>ACCESS</b>  | \$2,685,884                        | \$1,997,682.22                   | 74%                                   |                                     | 5/26/2021                           |
| <b>Community Action of Oregon</b>                          | \$4,490,099                        | \$2,668,838                      | 59%                                   |                                     | 5/12/2021                           |
| <b>Community Action Partnership of East Central Oregon</b> | \$1,100,839                        | \$644,167.32                     | 59%                                   |                                     | 5/25/2021                           |
| <b>Community Action Team Inc</b>                           | \$1,753,210                        | \$852,235.11                     | 49%                                   |                                     | 5/12/2021                           |
| <b>Community Connection of NE Oregon</b>                   | \$980,122                          | \$650,146.37                     | 66%                                   |                                     | 5/26/2021                           |
| <b>Clackamas County Social Services Department</b>         | \$2,934,061                        | \$2,404,917                      | 82%                                   |                                     | 5/12/2021                           |
| <b>Community in Action</b>                                 | \$610,044                          | \$344,562.32                     | 56%                                   |                                     | 5/12/2021                           |
| <b>Community Services Consortium</b>                       | \$3,564,370                        | \$4,068,644                      | 114%                                  | \$1,000,000                         | 5/12/2021                           |
| <b>Klamath/Lake Community Action Services</b>              | \$1,174,321                        | \$484,410                        | 41%                                   |                                     | 5/13/2021                           |
| <b>Lane County Human Services Department</b>               | \$5,089,443                        | \$3,561,845                      | 70%                                   |                                     | 5/26/2021                           |
| <b>Mid-Columbia Community Action Council</b>               | \$803,995                          | \$803,955                        | 100%                                  | \$300,000                           | 6/2/2021                            |
| <b>Multnomah County</b>                                    | \$10,033,975                       | \$7,127,873.19                   | 71%                                   |                                     | 5/26/2021                           |
| <b>Mid-Willamette Valley Community Action Agency</b>       | \$4,373,364                        | \$1,307,924.09                   | 30%                                   |                                     | 5/12/2021                           |
| <b>NeighborImpact</b>                                      | \$2,642,679                        | \$2,642,679                      | 100%                                  | \$600,000                           | 5/21/2021                           |
| <b>Oregon Human Development Corporation</b>                | \$2,681,251                        | \$2,187,500.00                   | 82%                                   |                                     | 6/2/2021                            |
| <b>Oregon Coast Community Action</b>                       | \$1,373,347                        | \$890,735.41                     | 65%                                   |                                     | 5/12/2021                           |
| <b>United Community Action Network</b>                     | \$2,599,534                        | \$1,738,550                      | 67%                                   |                                     | 5/20/2021                           |
| <b>Yamhill Community Action Partnership</b>                | \$1,109,462                        | \$1,109,462                      | 100%                                  | \$200,000                           | 5/12/2021                           |
| <b>Total</b>   | <b>\$50,000,000</b>                | <b>\$35,486,126.03</b>           | <b>71%</b>                            |                                     |                                     |

