

Chair Smith- Warner, members of the committee thank you for your time on what is likely to be a highly contentious topic given the surprise nature of this change.

I've read through the language as carefully as one can with such short notice and in my view this is a paternalistic, needlessly complicated bill that's trying to solve the wrong problem.

This bill fails to recognize that most companies, housing providers already have policies in place that address residents in the process of applying for assistance but have not yet received assistance funding, and these policies pre-date covid. Our goal is to make sure that the housing is paid for at the agreed upon rate at the agreed upon time for the rental unit. There is no reason to knowingly incur the additional costs necessary to file for an eviction knowing that an agency will be providing assistance. This bill needlessly complicates that process, creating a scenario where the tenant need not communicate with the landlord at all and just submit proof of application to the court directly right up to the court date itself further eroding the communication channel between the two contracted parties.

There is no mechanism in the bill requiring the funding entity to communicate with the housing provider the status of the application or whether the applicant is eligible. An application also does not equal funding from an agency.

There are already clauses in the Landlord Compensation Fund and OERAP funding agreements that the landlord can not file for possession/stay the eviction process while the application is in process. Which are different requirements than laid out in this bill. Two of the largest funding streams available. I have the language for each program should you want it for review.

I have significant concerns around Section 2 5, (a)(B) which states " The tenant's nonpayment was substantially caused by the landlord's failure to reasonably participate with a rental assistance program, what does this mean if a housing provider did not participate in the landlord compensation fund, perhaps there loan agreement prevented them from taking a 20% reduction of the rental rate. I'd like to understand clearly what this is intended to apply to because the broad nature of it presents the possibility of substantial liability with no mechanism to cure.

Another concern is the language Section 2 (1) (b), the definition of non-payment does not align with the definition in HB 4401 as to the types of balance that could be applied for. It also creates a scenario where the resident may be receiving support for say utilities but not qualify for support on other types of nonpayment and this would not allow the landlord to apply for possession of the unit even if the bulk of the balance due would be for the actual rent due. Or the application for assistance could be specifically for past due rent and not the current due rent for July for example. Further complicating communication with the resident.

Its very frustrating to continually have the responsibility shifted from government agencies to individual private businesses who have had their only product utilized for the public good without any clear pathway to timely compensation.

The fundamental issue still has not been addressed, connecting residents with resources with quick and efficient distribution of assistance funds.

If you are serious about ensuring that individuals are not evicted you would fund programs that prioritized rent due from July 1<sup>st</sup> forward, and because of the late hour fund intervention teams to

review the court filings for eviction filings for nonpayment and create an outreach plan for those individuals who were not connected to resources through other means and then connect them with Emergency Rental Assistance to avoid the eviction. This could best be completed by coordinating with Community Action Agencies and Culturally Specific Organizations. Obviously it would be wonderful to have had that occur earlier in the process. Our company and many others have been connecting residents with resources, reaching out to the extent HB 4401 would allow to gather declaration forms and still a percentage of residents with outstanding balances will still not communicate or provide a declaration form. It is time to engage public resources for this process.

Can I also say, its very frustrating to hear individuals state that they have just heard about the challenges about the payment distributions from the compensation fund and other funding sources when I and others have been repeatedly expressing this , prior to 4401, and through the hearings on 282. So its challenging to hear people express surprise when this discussion has been going on for so long.

## Terms of Agreement for OERAP and LCF

### — Terms of Agreement by the Landlord/Property Owner —

- I represent that I am the landlord or the landlord's legal representative entitled to the debt described in this application;
- I recognize that my participation in the OERA Program is voluntary;
- I agree to accept the OERAP funds and any applicable terms set forth by agency and OHCS in its administration of the program, including those herein;
- I understand that this application is not confirmation of approval for assistance and that there is no promise of assistance;
- I agree to provide any additional information or responses required to process my application, should follow-up be requested;
- I agree to apply any payments I receive in connection with this application to satisfy the tenant's rental obligations to me;
- In acceptance of funds awarded from this application, I agree to stay a notice of eviction and secure housing for this tenant for at least 90 days following the end of the rental period covered by the payment(s) under OERAP, unless eviction is authorized under the lease or applicable law for any reason other than the nonpayment of rent;
- I agree to voluntarily dismiss any eviction filed due to failure to pay rent due on this tenant upon confirmation of approval or receipt of payment, and to provide a copy of the dismissal to the tenant and this agency;
- If an eviction judgement has been or is received against this tenant, I agree to file a motion to vacate that judgement within 30 days of receiving all payments satisfying the tenant's past due rent;
- I understand that it is against the OERA Program guidelines to receive OERAP funds in duplication of the tenant's debt owed to me, and I certify that I have not received duplicate benefits from a pending award for duplicate benefits from any other source for the funding requested in this application. I also certify that I have not signed a Landlord Compensation Fund (LCF) grant agreement or received LCF program payments for the funds requested in this application. I further agree to promptly return any OERAP funds I receive that duplicate the tenant's past due rent owed to me, and that failure to do so constitutes a violation of the OERA Program guidelines exposing me to legal action and prevention of participation in other state programs;
- I agree that if a tenant leaves a property before the last day of the month for which I have received future rent under OERAP, I will promptly notify the agency and return the funds or otherwise cooperate with the agency;
- I acknowledge that the agency, OHCS, and other federal or state agency and their authorized representatives may engage in monitoring and compliance activities in connection to this application and any awarded funds. I agree to fully and promptly cooperate with any audits or investigations related to this application and any awarded funds, including but not limited to maintaining and providing records related to this application or statements made in this application, such as tenant rental agreements, records of tenant arrearages, or other similar records; and

By signing below, I, the landlord or the landlord's authorized representative, certify that I understand and agree to the terms of this application and, if awarded, subsequent terms of the OERAP funding.

6.2.1.6. This limitation does not apply to immediate family members with approved reasonable accommodation requests.

### 6.2.2. Use of Grant Funds.

6.2.2.1. Eligible Uses. Grantee will use Grant funds to credit against Qualified Tenants' unpaid past due rent.

6.2.2.2. Ineligible Uses. Grant funds may not be used to pay for late fees, interest, penalties, utilities, or other charges.

### 6.2.3. Conditions of Grant.

6.2.3.1. No Termination Notice. During the pendency of the distribution application, Grantee agrees to not give a termination notice without cause or for nonpayment, as those terms are defined in section 3, chapter 13, Oregon Laws 2020 (first special session) (Enrolled House Bill 4213).

6.2.3.2. 20% Relief by Grantee. In consideration of compensation for 80 percent (80%) of a Qualified Tenant's rental debt, Grantee agrees to forgive the remaining 20 percent (20%) of the unpaid past due rent from Qualified Tenants that has accrued between April 1, 2020, and the eligible time period associated with the application round of the Grantee's application.

6.2.3.3. Notification to Tenant. Grantee agrees to cooperate with OHCS and OHCS' partner organizations (including but not limited to Public Housing Authorities (PHAs)), collectively referred to as "OHCS Partner Organizations" to provide Qualified Tenant with a receipt acknowledging the payment of past due rent for the compensated months.

6.2.3.4. Prohibition on Certain Rent Increases. Rent increases to rental agreements initiated for the purpose of capturing portions of rent owed that the Grantee agrees to forgive is strictly prohibited. Grantees that engage in this activity will be subject to breach of contract. Penalties may include repayment of compensation awards and other penalties as allowable under Oregon State Law.

6.2.3.5. Return of Duplicative Payments If Grantee receives duplicate payments of LCF covered past due rent ("Duplicative Payment"), Grantee is provided thirty (30) days to return the Duplicative Payment or to apply excess funds to future rents without impacting LCF resources. After thirty (30) days, if the Duplicate Payment has not been returned or applied to a debt not already covered by LCF funding, reimbursement of the Duplicate Payment must be made to OHCS and shall include the entire amount of Duplicate Payment funds received regardless of OHCS reimbursement amounts.

6.2.3.6. Prohibition of Discrimination. In connection with its performance under this Agreement, Grantee agrees to abide by applicable equal opportunity statutes, Executive Orders, and regulations, and to not discriminate against any person because of race, color, religion, sex, national origin, age, familial status, disability, marital status, source of income, sexual orientation, gender identity, and domestic violence victims.

