## **Statewide Eviction Landscape**

### Senate Committee on Housing and Development February 3rd, 2025 Sybil Hebb, Attorney at Law Shebb@oregonlawcenter.org

Data compiled from Oregon Judicial Department public records, and from: OHCS <u>State of the State Housing Report</u> <u>National Low Income Housing Coalition</u> <u>https://homelessnesshousingproblem.com/</u> <u>Joint Center for Housing Studies at Harvard University</u>

Data visualization provided by the <u>Evicted in Oregon</u> team led by Dr. Lisa Bates at the Toulan School of Urban Studies and Planning at Portland State University.

Additional data visualization by Becky Straus, Emily Rena-Dozier and the OLC Eviction Defense Project



# Who We Are



Advocating for Housing Stability and Homelessness Prevention

- We collaborate with Legal Aid Services of Oregon and the Center for Non-Profit Legal Services to provide free legal assistance to Oregonians struggling to make ends meet, focusing on those at or below 125% of the federal poverty level.
- Our work addresses civil matters such as housing, livelihoods, medical care, and physical safety.
- We have offices statewide, from Portland to Pendleton, supporting Oregonians wherever they are.
- Despite our reach, we must turn away 2 out of 3 people who seek our help due to limited resources.



National Rental Affordability Data Joint Center for Housing Studies at Harvard University

- The number of cost-burdened renter households reached an all-time national high in 2023.
  - Moderately cost-burdened = 30-50% of income on rent;
  - Severely cost-burdened = more than 50% of income on rent)
- Renter wages have not kept pace with rents. The median income for renter households rose 19 percent between 2019 and 2023, while rents rose 29 percent.
- Cost burdens for lower-income renters remain the most severe, but notably, burdens among middle-income households are also spiking.
- Burden rates remain disproportionately high for lowerincome renters of color, and these households are at greater risk of eviction.
- The nation continues to lose low-rent units even as the number of financially vulnerable households grows.

#### **FIGURE 2**

#### COST BURDENS ARE RISING FOR RENTERS OF ALL INCOMES

#### Share of Renter Households (Percent)



Severely Cost-Burdened
Moderately Cost-Burdened

Notes: Household incomes are adjusted for inflation using the CPI-U for All Items. Moderately (severely) cost-burdened households spend 30–50% (more than 50%) of income on rent and utilities. Households with zero or negative income are assumed to have severe burdens, while households that are not required to pay rent are assumed to be unburdened.

Source: JCHS tabulations of US Census Bureau, American Community Survey 1-Year Estimates.

https://www.jchs.harvard.edu/sites/default/files/research/files/harvard\_jchs\_rental\_affordability\_airgood-obrycki\_2024.pdf

# State Rental Affordability Data

Taken from OHCS State of the State's Housing Report

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The past decades saw rapid population growth in our state (55% faster than the national average between 2003 and 2023) and housing underproduction, causing significant housing shortages, exacerbated by the pandemic.



Oregon has a huge gap in affordable rental units: For every unit affordable to an extremely low-income household, there are 4.2 households competing for that housing.



Extreme shortages can lead to "reverse filtering." Research by the FHFA indicates that during the pandemic, west coast cities experienced reverse filtering. This means that previously affordable units were bid up by higher-income households, increasing their cost due to heightened competition.

#### Affordable and Available Homes per 100 Renter Households



"Extremely Low Income" = at or below 30% AMI

Data taken from the National Low Income Housing Coalition's 2023 "Gap" Report. The GAP | National Low Income Housing Coalition

## State Rental Affordability Data, Continued

- While Oregonians have experienced wage gains, rent increases have largely eroded those gains over the last five years, with more than 50 cents of every new dollar earned going to rent hikes.
- Oregon now has the 6<sup>th</sup> most expensive housing cost index in the nation.
- More than 1/2 of all renters in Oregon experience a housing cost burden, and 1 in 4 households have rents that cost more than 50% of their income.
- Rent burdens disproportionately affect certain groups in Oregon, such as BIPOC communities, seniors, people with disabilities, and women.



# **Evictions in Oregon**



Evictions aren't a single event. Landlord-tenant law defines the process of eviction as a series of steps for landlords and tenants.



The eviction process starts with the landlord writing and delivering a termination notice to the tenant.



An eviction may proceed to court, which includes the potential for negotiating an agreement or going to trial; and finally may end in a judgment of eviction and tenant lockout by the sheriff.



The eviction process addresses the question of possession. A rental agreement permits tenants to possess a housing unit; an eviction is the legal mechanism for a landlord to re-possess the unit.

2023 and 2024 Key Legislative Actions to Reduce **Displacement via Eviction and** Prevent Homelessness

### HB 2001 (Sections 54-66) – Eviction Procedural Reform *(effective 3/29/23)*

- 10-Day Notice prior to termination for nonpayment. Notice and court paperwork to include information in multiple languages about where to find rent assistance and advice;
- Payment, if provided before court's eviction judgment, will result in dismissal. Payment from rent assistance provider may not be refused;
- Default judgment procedural reforms;
- Eviction court procedure timelines amended, to ensure Tenant has time to seek advice and assistance;
- Expungement of qualifying FED judgments is automated.

### Statewide Homelessness Prevention and Rent Assistance Investments

- 2023 HB 5019 Early Investment Package, \$33.6 million
- 2023 SB 5511 \$55 million for balance of the biennium
- 2024 SB 1530 \$34 million additional investment

## High Level Data Regarding Court-Filed Eviction Cases

Source: Oregon Law Center analysis of Oregon Judicial Department publicly available eviction court data

|                               | 2019<br>Pre-<br>Pandemic | Jan-June<br>2021<br>Moratorium<br>on<br>Nonpayment<br>Filings | 2021-2022<br>Various<br>COVID<br>Protections | Oct 22 –<br>Mar 23<br>No<br>Protections<br>in Place | April –<br>Dec 2023 | 2024               | December<br>2024            | 27,290<br>court  |
|-------------------------------|--------------------------|---|--|---|---------------------|--------------------|-----------------------------|------------------|
|                               | Monthly<br>Average       | Monthly<br>Average  | Monthly<br>Average                           | Monthly<br>Average                                  | Monthly<br>Average  | Monthly<br>Average | Total<br>Evictions<br>Filed | evictions        |
| Total Filings<br>% of Filings | 1,556                    | 377   | 1,243  | 2050  | 1,754               | 2,274              | 2,348                       | filed in<br>2024 |
| for<br>Nonpayment             | Unsure                   | Not allowed   |  | 87%   | 84%                 | 87%                | 88%                         | 2024             |

\*Note that eviction filing numbers are the tip of the iceberg in measuring displacement. <u>Studies</u> indicate that approximately 2-5x the # of people who face formal eviction filings are displaced through informal evictions (notices from the LL that result in T move-out before any court paperwork is filed.) Since passage of HB 2001 and the availability of rent assistance, dismissals have almost doubled, while default judgments against tenants and negotiated move-outs have been cut in half. More tenants are able to access advice and rent assistance in time to retain their housing. Our interventions are working; we need more of them.



## Outcome Data is Better, But There Is Reason for Grave Concern

### GOOD NEWS

• The procedural protections in place are providing Tenants a chance to seek and receive rent assistance and legal assistance in time to make payment, avoid displacement and retain housing.

### <mark>And CONCERN</mark>

- The affordability crisis continues to grow, and with it the need for rent assistance.
- Eviction filing rates are on the rise again the last year saw an average of more than 2,200 filings a month, and December saw 2,348 filings.
- At current levels of need, we can expect continued spikes in homelessness and displacement without adequate prevention resources or policy interventions. Support for the investment amounts outlined in the Governor's Budget eviction and homelessness prevention package is a high priority for advocates, with a priority for investment in culturally specific programs. We also support policy interventions to protect housing stability.

Tenants represented by a lawyer: 9%

Landlords represented by a lawyer: 46%

Landlords represented by a lawyer or agent: 62%

# Disparity in legal representation between tenants and landlords



Chart: Evicted in Oregon | Source: Oregon Judicial Department's Court Records

Evictions, displacements, and homelessness are systemic.

State policies can create better systems.

<u>Housing cost burden is the highest predictor</u> of eviction and homelessness. For every \$100 increase in rents in a community, <u>there is a</u> <u>9% increase in homelessness</u>.

<u>New research</u> confirms <u>prior studies</u> showing that evictions result in increased homelessness and hospital visits, and reduces earnings, consumption, and access to credit.

These same studies show that long-term impacts of eviction are increased indebtedness, poor credit scores, poor health outcomes, and homelessness. Black and Brown Oregonians and families with children are at greater risk of home loss and homelessness. Evictions and affordability challenges continue to pose the greatest risks to Black and Brown renters.

In Oregon, Black women face eviction filings at <u>more than twice</u> the rate of white renters, and the presence of a child in the home is an eviction risk indicator.

Households of color and with children are at <u>greater risk</u> of homelessness after displacement. Oregon has the highest rate of youth homelessness in the nation. Moving Forward, We Must Continue to Focus on Prevention Prevention is cheaper than re-housing efforts, and saves households from immense and generational trauma.

We must increase housing supply, AND recognize that supply will take years to balance out.

In the meantime, we must act to stabilize rents, prevent displacement, and support and fund-to-scale humane and effective emergency response. Thank you! Sybil Hebb <u>shebb@oregonlawcenter.org</u>

**Resource List:** 

**Oregon Judicial Department public records** 

**OHCS** <u>State of the State Housing Report</u>

**National Low Income Housing Coalition** 

https://homelessnesshousingproblem.com/

Joint Center for Housing Studies at Harvard University Evicted in Oregon Oregon Law Center WORKING TOGETHER TO ACHIEVE JUSTICE FOR LOW INCOME OREGONIANS