



# Oregon

Governor Kate Brown

## Housing and Community Services

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### **2021 State COVID-19 Rental Assistance Programs: HB 4410 3rd Special Session of 2020 Legislative Report Executive Summary**

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The COVID-19 pandemic created multiple, compounding, ongoing crises that Oregon legislators have addressed head-on. In the Third Special Session in December 2020, the [Oregon Housing Alliance](#) testified that nearly two-thirds of renters in Oregon feared eviction within the next two months and that nearly 25 percent had no confidence in their ability to pay that month's rent<sup>1</sup> despite substantial funding allocated to the state's rental assistance network over the course of the 2020. Additionally, the statewide rental eviction moratorium was set to expire on December 31<sup>st</sup> at midnight. Many landlords had lost significant levels of rental income as a result of the economic fallout from the pandemic and were struggling to pay their bills. State lawmakers responded to this housing "cliff" with a \$200 million infusion into Oregon's residential rental market.

During the December 2020 special session, the Oregon State Legislature met to consider a slate of bills that addressed a handful of critical issues Oregonians continued to face as a result of the COVID-19 pandemic. Chief among them, [House Bill 4401](#) established the Landlord Compensation Fund (LCF) and the Supporting Tenants Accessing Rental Relief (STARR) program to provide desperately needed aid to landlords and tenants.

#### **The Landlord Compensation Fund**

The Landlord Compensation Fund (LCF) allocated resources for Oregon Housing & Community Services (OHCS) in the amount of \$150 million from General Fund to compensate residential landlords for 80 percent of past-due rent owed by qualified tenants not collected after April 1, 2020. Landlords applied for relief on behalf of every tenant in need, and were required to forgive the remaining 20 percent to access these resources. The Legislature increased the repayment from 80 percent to 100 percent at the end of the program's life, per [Senate Bill 278](#) in the 2021 Legislative Session.

OHCS identified key challenges and lessons learned:

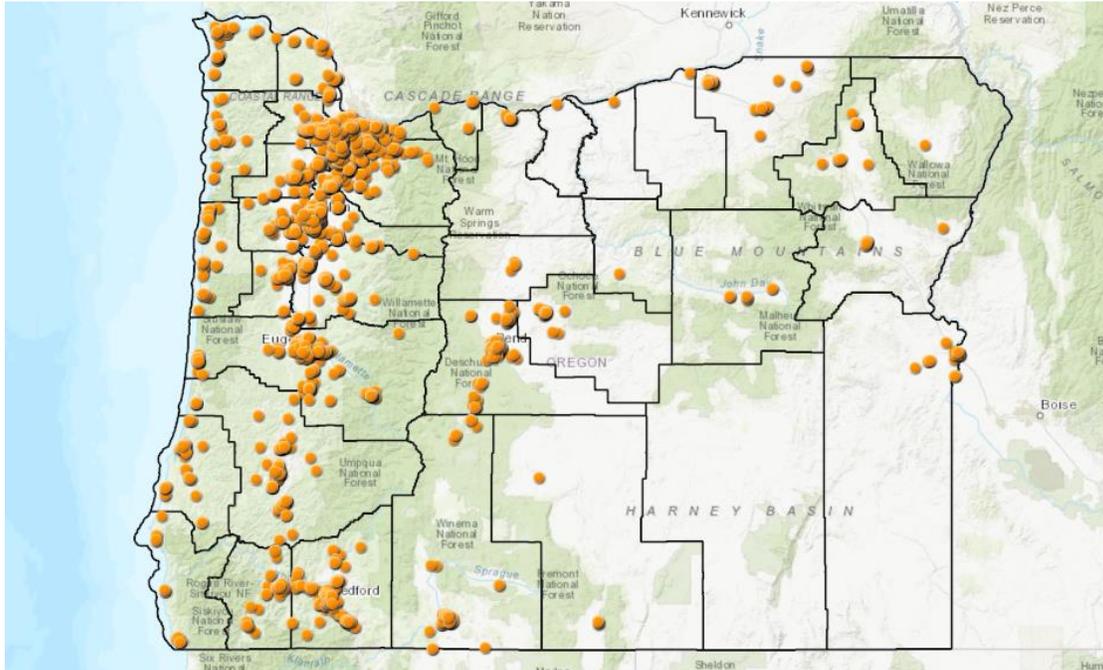
- The prioritization of delivery speed above program integrity was certainly understood and appreciated by the agency at that moment, but it did not come without sacrifices. The software portal for the landlord-based applications did not undergo an adequate testing period and created challenges for applicants.
- When key pieces of the program design were modified after passage HB 4401, some of the critical assumptions the agency made when standing up the program were no longer true and exacerbated software issues.
- The program, as authorized in HB 4401, was much larger than the agency had anticipated during the early planning conversations, both in size and complexity. The agency was not resourced to

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<sup>1</sup> Census Household Pulse Survey, <https://www.census.gov/data/tables/2020/demo/hhp/hhp20.html>

run a \$150 million program nor provide the level of customer service staffing required to adequately serve the needs of customers interacting with the program.

Despite these challenges, tens of thousands of Oregonians received assistance (nearly 5,500 landlords, approximately 23,600 renter households). The full \$150 million was utilized for program operations to erase more than \$144 million in tenant debt. The map below details the locations of properties served.



### **Supporting Tenants Accessing Rental Relief (STARR)**

The companion program to the LCF in HB 4401 is the STARR program, operated from March 2021 to June 30, 2021. This \$50 million allocation was disbursed through the network of Community Action Agencies (CAA) and their local partners in alignment with traditional rent assistance delivery in Oregon. In total, approximately 8,510 households were served.

STARR operated much like 2020 COVID-19 rental assistance programs; it was decentralized and included vast differences in programming across the state. OHCS heard concerns that accessing rental assistance was confusing in many parts of the state. Tenants in need simply didn't know how to apply. We also heard concerns that the state could not report on the program in real-time, as each CAA tracked and reported to OHCS in an inconsistent manner. These concerns informed the design of the Oregon Emergency Rental Assistance Program (OERAP), established by Congress the same day the Oregon Legislature passed HB 4401.

OHCS has many lessons learned from STARR and other programs that informed the design of the OERAP program. These lessons resulted in a centralized rental assistance application, the first statewide application for emergency rental assistance in the state's history, and increased language access. The application provided increased access, with more than 33,000 OERAP applications submitted in less than 4 months (almost quadruple those served by STARR). Additionally, the OERAP data dashboard provides unprecedented transparency for rental assistance in Oregon. OHCS is committed to continuous improvement in rental assistance and is already operationalizing lessons learned for OERAP.

To read the full report, please email [Brit.McLean@oregon.gov](mailto:Brit.McLean@oregon.gov).