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Final Round of Landlord Compensation Fund Opens June 1, 2021

\$60 Million in Assistance Available to Cover Past Due Rent

SALEM, OR — Round three of the Landlord Compensation Fund program will open June 1, 2021 and will include at least \$60 million in assistance covering rent-owed by eligible tenants that was accrued from April 1, 2020 through June 30, 2021.

The Oregon Legislature allocated a total of \$150 million to the Landlord Compensation Fund (LCF), to be distributed in multiple rounds.

“This is the final opportunity for landlords to apply to get assistance to cover rental debt for all tenants, regardless of income. We encourage landlords to apply by June 18. All funds must be awarded by June 30,” said Oregon Housing and Community Services Director Margaret Salazar.

Oregon's Landlord Compensation Program is designed to provide relief to residential landlords who have been unable to collect rent due to tenant hardships. Participating landlords can receive up to 80% of rent owed from April 1, 2020 to June 30, 2021 for qualifying residents. For the first time, landlords can apply for LCF funds to cover former renters.

Oregon Housing and Community Services' website includes updated Declaration of Financial Hardship for former tenants. To be eligible for assistance for rent owed by a former tenant, the landlord must provide the Declaration of Financial Hardship and the current address of their former tenant.

As outlined in statute, landlords may be eligible to receive funding for an amount equal to 80% of the rental debt owed by qualified residents. Participating landlords must agree to forgive the remaining 20% of the tenant's debt as a condition of receiving payment.

“In Round Three, we will move to processing applications on a rolling basis until remaining funds are obligated. We plan on reviewing applications June 4th, June 11th and June 18th. We encourage

landlords to apply as early as possible in this next round,” said Julie Cody, Director of Affordable Rental Housing.

A media briefing was held on May 27, 2021 that provided an overview of the program. To view the briefing please visit: <http://bit.ly/LCFbriefingMay27>.

Background on the Landlord Compensation Program

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, which includes \$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 will also eliminate the rent owed for those tenants experiencing a hardship.

Once a landlord’s application is deemed complete and has met the eligibility requirements, Public Housing Authorities will verify ownership, make payments to landlords, and notify tenants that their rent has been forgiven.

Tenants must provide their landlord with a [Declaration of Financial Hardship for Eviction Protection](#) . When tenants provide this form to their landlord, they are protected from eviction through June 30th, 2021, and the landlord may use the form to request payment for rental debt owed from April 1, 2020 through June 2021.

In Round Two, which closed on May 17, over 3,200 landlord applications were submitted, requesting over \$40 million in funds. These applications are currently being processed, and landlords are expected to finalize their grant agreements over the next two weeks. Once grant agreements are finalized, funds will be distributed.

Round One application processing is almost complete:

- In total, the Public Housing Authorities have been given 2,932 Round One landlord applications to process which will total \$32.99 M, covering missed rent for nearly 12,000 renter households.
- At this point we are seeing over a million dollars of payments going out every day from the network of public housing authorities as they work to verify ownership, set up bank transfers and provide written notice to tenant households.
- As of today, nearly a third of Round One funds have been sent to landlords and we expect the majority of funds to be out by next week.
- A third of our Housing Authority partners have distributed nearly all of their resources from this funding round out into the community.
- In nine counties, all landlords have received their payment or have a check in the mail.

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