



CITY OF SALEM

555 Liberty St SE
Salem, OR 97301

Revisions to the Agenda City Council

Monday, March 23, 2020

6:00 PM

Council Chambers

COVID-19 Update from Katrina Rothenberger, Public Health Director, Marion County Health and Human Services

Add - Add Update

5.g. [20-131](#)

Protections against eviction for residential tenants.

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

Result Area(s): Good Governance; Welcoming and Livable
Community.

Attachments: [Eviction Moratorium Ordinance with Signatures](#)

[eo 20-11](#)

[executive-rule-amending-emergency-declaration-addendum](#)

[HUD eviction and foreclosure action](#)

[Multifamily NW letter](#)

Add - report added



Staff Report

File #: 20-131
Version: 1

Date: 3/23/2020
Item #: 5.g.

TO: Mayor and City Council
THROUGH: Steve Powers, City Manager
FROM: Dan Atchison, City Attorney

SUBJECT:

Protections against eviction for residential tenants.

Ward(s): All Wards
Councilor(s): All Councilors
Neighborhood(s): All Neighborhoods
Result Area(s): Good Governance; Welcoming and Livable Community.

ISSUE:

Information regarding the City's ability to impose restrictions on private evictions of residential tenants

RECOMMENDATION:

Information only.

SUMMARY:

Council directed the City Attorney to provide information on the City's authority to regulate residential evictions as a means of protecting vulnerable residents during the COVID-19 Pandemic.

Sunday, March 22, 2020, Governor Brown issued Executive Order No. 20-11 (attached) instituting a temporary moratorium on residential evictions for nonpayment, in response to the Coronavirus (COVID-19). The Governor's action largely moots any City eviction access, and a separate action, even to the extent it is within the City's power, is not recommended, in order to avoid potential ambiguity and confusion.

The City has limited authority, even under an emergency declaration, because state law substantially

regulates landlord-tenant relations, and particularly evictions. Although the City's options are limited in this regard, the state circuit courts are not considering residential evictions through at least March 27, 2020, in recognition of the State's declaration of emergency.

FACTS AND FINDINGS:

The Governor's Executive Order No. 20-11 provides:

- Law enforcement officers are prohibited from executing any order or writ of termination of tenancy that relates to residential evictions for nonpayment.
- Law enforcement officers may continue to execute orders or writs of termination of tenancy for reasons other than nonpayment.
- The Order will remain in effect until, at least, June 20, 2020.

City Authority to Regulate Evictions:

Cities, including the City of Salem, that operate under a home rule charter have substantial lawmaking authority independent of the state. However, the City's authority is not unlimited. City laws that conflict with state law or the Oregon Constitution are prohibited.

Although the City may be limited in its ability to regulate residential evictions, Council has other avenues available to assist tenants and others affected by the COVID-19 Pandemic.

Express preemption occurs when the state enacts a law that specifically prohibits or limits local policy choices on a subject. Implied preemption occurs when the state has not expressly preempted local policy authority, but local policy would cause a conflict with state law. A City can enact substantive policies in an area also regulated by the state unless the local regulation is "incompatible" with state law and both cannot operate concurrently.

Although the state does not expressly preempt local authority on the issue of residential evictions, any substantive policies involving residential evictions adopted by the City must not conflict with existing state law. The state has enacted laws related to landlord tenant issues including regulating rent, applicable late charges or fees, damages for noncompliance with rental agreements, tenant's duty to pay rent, termination of rental agreement for failure to pay rents and landlord's claim for possession.

The City of Portland and Multnomah County have adopted a "COVID-19 Eviction Moratorium" (Moratorium) (Attachments 1 and 2) that limits certain residential evictions related to the COVID-19 Pandemic. The Moratorium provides that landlords are prohibited from evicting

tenants for the nonpayment of rent, fees or charges due to the landlord if the qualifying event was caused by COVID-19.

In order to be eligible for eviction protection, tenants affected by the COVID-19 Pandemic must provide written notice to their landlord that a certain eligible event occurred. This Moratorium is a novel action taken by the City of Portland and Multnomah County and it is not clear if their actions are compatible with existing Oregon law.

While Salem could adopt similar measures, it is not clear if the measures would be void under Oregon law and the Oregon Constitution. It is likely that such actions would be challenged in state court and would create uncertainty for both landlords and tenants.

Federal and state governmental entities have also taken actions that have a direct or indirect impact on residential evictions in the City. The Chief Justice of the Oregon Supreme Court, on March 16, 2020, issued an Order suspending most jury trials, limiting in-person court services and **postponing the initiation of residential evictions** in all circuit courts. As a result, Oregon circuit courts have effectively prohibited the initiation of residential evictions through March 27, 2020, and likely beyond. Further, the Multnomah County Sheriff, who is charged with executing residential evictions, will delay the enforcement of residential evictions due to nonpayment of rent during the COVID-19 Pandemic. As of March 19, 2020, the Marion County Sheriff has not announced any similar action.

The U.S. Department of Housing and Urban Development (HUD) announced on March 18, 2020 that it would halt all evictions and foreclosures on all Fair Housing Administration-insured mortgages (such as Fannie Mae and Freddie Mac) until May 1, 2020. HUD is currently developing guidance related to its action (Attachment 3).

The Oregon Rental Housing Association (a landlord-based trade association) is actively encouraging landlords who can defer rent and waive late fees for hardships related to COVID-19. The Association has provided a model deferral agreement for landlords and tenants to use:

[<https://oregonrentalhousing.com/>](https://oregonrentalhousing.com/)

Multifamily NW has provided the attached letter advocating for a statewide emergency rental assistance program and forbearance for mortgage-holders. Multifamily NW also cautions against local eviction prevention measures given the complex state regulations for evictions (Attachment 4).

BACKGROUND:

The State of Oregon on March 8, 2020 and City Council on March 17, 2020 declared a state of emergency related to the COVID-19 Pandemic.

Attachments:

1. Multnomah County Emergency Ordinance related to COVID-19 eviction protections.

2. Multnomah County Executive Rule relating to eviction protections.
3. HUD Foreclosure and Eviction Moratorium Announcement
4. Multifamily NW letter

**BEFORE THE BOARD OF COUNTY COMMISSIONERS FOR
MULTNOMAH COUNTY, OREGON**

ORDINANCE NO. _____

Ordinance to address COVID-19 Eviction Moratorium and Declaring an Emergency.

The Multnomah County Board of Commissioners Finds:

A. On March 11, 2020, the Multnomah County Chair signed Executive Rule No. 388 declaring an emergency for the entire County to address the continued spread of the COVID-19 illness, loss of life, an extreme public health risk, and significant economic impact in the region. On March 17, 2020, an Addendum to Executive Rule No. 388 was issued providing additional measures to address the emergency conditions. This Ordinance ratifies Executive Order 388 and its Addendum.

B. The spread of COVID-19 has caused widespread closures and cancellations in the region and across the country, and public health officials recommend isolation and social distancing.

C. As the response to this public health emergency escalates, the County anticipates that many residents will experience direct economic impacts. The Federal government and State of Oregon have declared emergencies. To date, Oregon Governor Kate Brown announced the closure of all Oregon K-12 schools through the end of April, along with widespread restrictions for businesses throughout the hospitality, entertainment, and retail industries. These restrictions will result in lost wages for employees.

D. The County is taking measures to avoid the creation of an additional economic and public health emergency that would result from subjecting more households to homelessness as a result of the economic impacts of COVID-19. Additionally, to encourage County residents to comply with closures and prevent further spread of COVID-19, the County must protect residents from the fear of potential eviction due to economic dislocation. The ability to maintain housing during this pandemic is a public health imperative.

Multnomah County Ordains as Follows:

Section 1. Title

This Ordinance shall be known as the Multnomah County “COVID-19 Eviction Moratorium.”

Section 2. Purpose

The purpose of the COVID-19 Eviction Moratorium is to promote housing stability during the COVID-19 pandemic and to avoid a preventable increase in homelessness due to the economic effects of COVID-19.

Section 3. Definitions

For the purposes of this Ordinance, the following definitions shall apply, unless the context requires a different meaning:

A. “Affected Tenant” means a Tenant or a Tenant’s Family member, who has, as a result of the COVID-19 pandemic, suffered a substantial loss in income due to: (1) job loss; (2) reduction in hours worked; (3) business closure; (4) school or daycare closure causing missed work to care for a minor child; (5) missed work to care for illness of self or a family member; or (6) other similar causes of lost income due to the COVID-19 pandemic.

B. “Dwelling Unit” is defined by ORS 90.100(12).

C. “Evict” means to terminate a rental agreement or file an action to take possession of the Dwelling Unit as provided in ORS 105.105 to 105.168.

D. “Family member” is defined by ORS 657B.010.

E. “Household” means one or more Tenant(s) who occupy any individual Dwelling Unit, including each dependent of any Tenant whose primary residence is the Dwelling Unit.

F. “Landlord” is defined by ORS 90.100(23).

G. “Rent” is defined by ORS 90.100(37).

H. “Rental Agreement” is defined by ORS 90.100(38).

I. “Tenant” is defined by ORS 90.100(47).

J. “Termination Notice” means a written notice indicating the Landlord’s intention to terminate the rental agreement and take possession of the Dwelling Unit, delivered by a Landlord to a Tenant in accordance with ORS 90.392 or ORS 90.394, and any other applicable state, federal, or local laws.

K. “Utilities or service charges” includes any charges for services listed in ORS 90.315(1)(d).

Section 4. Scope

This Ordinance applies to an Affected Tenant and Affected Tenant’s Household in any Dwelling Unit in Multnomah County, unless the Dwelling Unit is located within an incorporated city that has adopted a more restrictive ordinance. This Ordinance does not apply to other arrangements or occupancies described in ORS 90.110 or 90.113 that are not subject to ORS Chapter 90.

Section 5. Temporary Moratorium on Nonpayment Terminations

A. Temporary Moratorium

1. Upon receipt of notice and documentation as described in Section 5.B.2 below, a Landlord may not Evict an Affected Tenant or member of the Affected Tenant’s Household for nonpayment of Rent, or for the nonpayment of fees and utilities or service charges that the Tenant pays directly to the Landlord.
2. Nothing in this Ordinance shall relieve tenants of liability for unpaid rent, fees, or utilities or service charges. During the period of moratorium on evictions imposed by the Ordinance, Rent, fees, and utilities or service charges owed to the Landlord will continue to accrue at the rate agreed to in the Rental Agreement.
3. Following the expiration of the moratorium period, Affected Tenants shall have six months to pay all accrued, unpaid Rent, fees, and utilities or services charges owed to the Landlord. No late fee may be charged or collected for delayed payments under this provision due to an Affected Tenant’s loss of income; nor may a landlord seek to recover Rent, fees, or utilities or service charges that are delayed for the reasons stated in this moratorium through the eviction process.

4. This moratorium applies only to Affected Tenants and Affected Tenants' Households impacted by the COVID-19 pandemic as provided herein, and this moratorium does not apply to evictions for any other lawful purpose.

B. Affirmative Defense to Eviction

1. Each landlord that seeks to evict an Affected Tenant for nonpayment of Rent, fees, or utilities or service charges must comply with this Ordinance. Noncompliance with any applicable component of this Ordinance shall constitute an affirmative defense for an Affected Tenant or member of an Affected Tenant's Household against any action to Evict.
2. To assert this defense, an Affected Tenant shall:
 - a. Notify the Landlord on or before the day that a payment for Rent, fees, or utilities or service charges is due that the Affected Tenant is unable to make payment due to a substantial loss of income as a result of the COVID-19 pandemic; and
 - b. Provide written documentation, or other objectively verifiable information, establishing that the Affected Tenant has suffered a substantial loss in income due to:
 - i. job loss;
 - ii. reduction in hours worked;
 - iii. business closure;
 - iv. school or daycare closure causing missed work to care for a minor child; or
 - v. missed work to care for illness of self or a family member; or (6) other similar causes of lost income due to the COVID-19 pandemic.
3. The following documents shall create a rebuttable presumption that the Affected Tenant has met the documentation requirement set forth above:

- a. Letter from employer citing COVID-19 as a reason for reduced work hours or termination;
- b. Letters from clients or customers citing COVID-19 as a reason for reducing or cancelling purchase orders, requests for services-for-hire, or other profit generating contracts;
- c. Letter from a school or other government issued documentation declaring a school closure related to COVID-19; or
- d. Letter from a medical doctor recommending rest at home, self-quarantine, hospitalization, or similar measures for the Affected Tenant or a family member.

Section 6. Penalties and Remedies

A. Any Landlord that fails to comply with this Ordinance may be subject to civil proceedings for displacement of Affected Tenant(s) and members of Affected Tenant(s) Household, initiated by the County, an Affected Tenant, or an evicted member of the Affected Tenant's Household for damages.

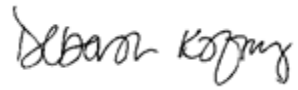
B. A Landlord that fails to comply with any of the requirements set forth in this Ordinance shall be subject to appropriate injunctive relief, and shall be liable to the Tenant for an amount up to 3 times the monthly Rent as well as actual damages, reasonable attorney fees, and costs.

C. Nothing herein shall be deemed to interfere with the right of a Landlord to file an action against a Tenant or non-Tenant third party for the damages done to said Landlord's property. Nothing herein is intended to limit the damages recovered.

Section 7. This ordinance being necessary for the health, safety and general welfare of the people of Multnomah County, an emergency is declared and this ordinance will take effect immediately upon being signed pursuant to Section 5.50 of the Multnomah County Home Rule Charter.


FIRST READING AND ADOPTION: March 19, 2020

BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

A handwritten signature in dark ink, appearing to read "Deborah Kafoury", followed by a vertical line.

Deborah Kafoury, Chair

REVIEWED:
JENNY M. MADKOUR,
COUNTY ATTORNEY FOR MULTNOMAH COUNTY, OREGON

By 
Jenny M. Madkour
County Attorney

SUBMITTED BY:

Deborah Kafoury, County Chair



EXECUTIVE ORDER NO. 20-11

TEMPORARY MORATORIUM ON RESIDENTIAL EVICTIONS FOR NONPAYMENT, IN RESPONSE TO CORONAVIRUS (COVID-19) OUTBREAK

On March 8, 2020, I declared an emergency under ORS 401.165 *et seq.* due to the public health threat posed by the novel infectious coronavirus (COVID-19).

On March 11, 2020, the World Health Organization announced that COVID-19 is a global pandemic.

On March 13, 2020, the President of the United States declared the COVID-19 outbreak a national emergency.

The number of presumptive or confirmed COVID-19 cases continues to rise rapidly in Oregon. On March 8, 2020, at the time I declared an emergency, there were 14 presumptive or confirmed cases in Oregon. As of today, there are at least 137 cases and four deaths.

The COVID-19 pandemic has already caused, and is anticipated to continue to cause, sustained global economic slowdown and a significant economic downturn in Oregon, causing a serious economic hardship for many Oregonians in the form of lost wages and the inability to pay basic household expenses, including rent and related costs.

The inability of Oregonians to pay rent and related costs as a result of the COVID-19 pandemic increases the likelihood of evictions from their homes, which in turn increases economic hardship and life, health and safety risks for all Oregonians.

People being evicted from their homes creates an additional risk for the transmission of COVID-19, as they likely will be less able to practice the appropriate social distancing that is necessary to slow the spread of COVID-19 throughout the population.

Under ORS 401.175(2), the Governor's emergency powers include assuming control of police and law enforcement activities, including the activities of all local police and peace officers. Under ORS 401.188(2), the Governor's emergency powers include prescribing and directing activities in connection with the use and conservation of housing.



EXECUTIVE ORDER NO. 20-11 PAGE TWO

At this time, a temporary moratorium throughout Oregon on law enforcement actions relating to residential evictions for nonpayment of rent and related costs will prevent economically vulnerable Oregonians from having to leave their homes to seek temporary or new shelter, and will make it significantly easier for them to continue to practice the effective social distancing that is vital to control the spread of this pandemic. It also will conserve housing resources and help reduce economic hardship and related life, health, and safety risks to Oregonians.

If immediate action is not taken to suspend residential evictions for nonpayment of rent and related costs, there will be increased opportunities for the virus to spread among people displaced from their homes. In addition, Oregon runs the risk that available housing resources will not be efficiently used, and that the already serious economic and other effects of the the COVID-19 pandemic will be even worse for vulnerable Oregonians.

NOW THEREFORE, IT IS HEREBY DIRECTED AND ORDERED THAT:

1. Law enforcement officers in Oregon are prohibited from serving, delivering or acting on any notice, order or writ of termination of tenancy or the equivalent or any judicial action, pursuant to or arising under ORS 105.105 through ORS 105.168, that relates to residential evictions for nonpayment.
2. As used in this Executive Order, the term "nonpayment" means any nonpayment as described in ORS 90.392(2)(a) or (c), ORS 90.394, or ORS 90.630(1)(d) or (10), or any termination without cause under ORS 90.427. All other terms used in this Executive Order shall have the same meanings as set forth in ORS chapters 90 or 105.
3. Nothing in this Executive Order is intended to prohibit law enforcement officers from serving, delivering or acting on any notice, order or writ of termination of tenancy or the equivalent or any judicial action, pursuant to or arising under ORS 105.105 through ORS 105.168, that relates to residential evictions for causes other than nonpayment.
4. Any person found to be in violation of this Executive Order is subject to the penalties described in ORS 401.990.



EXECUTIVE ORDER NO. 20-11
PAGE THREE

This Executive Order is issued under the authority conferred to the Governor by ORS 401.165 to 401.236. Pursuant to ORS 401.192(1), the directives set forth in this Executive Order shall have the full force and effect of law, and any existing laws, ordinances, rules and orders shall be inoperative to the extent they are inconsistent with this exercise of the Governor's emergency powers.

This Executive Order is effective immediately, and remains in effect for 90 days unless extended or terminated earlier by the Governor.

Done at Salem, Oregon this 22nd day of March, 2020.

Kate Brown
GOVERNOR

ATTEST:

Bev Clarno
SECRETARY OF STATE

MULTNOMAH COUNTY, OREGON
EXECUTIVE RULE NO. 388 ADDENDUM
Declaration of Emergency- Additional Measures

A. On March 11, 2020, the Multnomah County Chair signed Executive Rule No. 388 declaring an emergency for the entire County to address the continued spread of the COVID-19 illness, loss of life, an extreme public health risk, and significant economic impact in the region. This is an Addendum to the March 11, 2020, Declaration of Emergency and provides additional measures to address these emergency conditions.

B. The Chair is authorized to order all actions necessary to address and alleviate the emergency, including, but not limited to those powers specifically enumerated in Multnomah County Code § 25.410 *et seq.*, ORS 401.025 *et seq.*, and the Multnomah County Charter.

C. The rapidly evolving nature of this emergency has made it impracticable to list each action that the County and the Chair will take to preserve the health, welfare and safety of the community, and this addendum reserves all powers available under law.

D. The spread of COVID-19 has caused widespread closures and cancellations in the region and across the country, and public health officials recommend at a minimum isolation and social distancing.

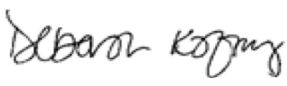
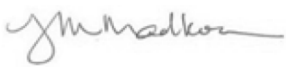
E. As the response to this public health emergency escalates, the County anticipates that many residents will experience direct economic impacts. The Federal government and State of Oregon have declared emergencies. To date, numerous Portland restaurants have announced extended closures; and hundreds of concerts, plays, professional sporting events, trade shows, and other events have been postponed or cancelled. On March 11, 2020, Oregon Governor Kate Brown announced the closure of all Oregon K-12 schools through the end of March. Those cancellations and closures will result in lost business throughout the hospitality, entertainment, and retail industries. They will also result in lost wages for employees.

F. The County must avoid the creation of an additional economic and public health emergency that would result from subjecting more households to homelessness as a result of the economic impacts of COVID-19. Additionally, in order to encourage County residents to comply with closures and prevent further spread of COVID-19, the County must protect residents from the fear of potential eviction due to economic dislocation. The ability to maintain housing during this pandemic is a public health imperative, and the Chair is ordering these immediate measures:

NOW, THEREFORE, the following Executive Rule Addendum is adopted, and effective immediately the following additional measures are enacted in Multnomah County:

1. A temporary moratorium is imposed on all residential evictions in Multnomah County for tenants on the basis of nonpayment of rent due to wage loss resulting from COVID-19.
 - a. To establish eligibility for this moratorium, affected tenants must:
 - i. Demonstrate substantial loss of income, through documentation or other objectively verifiable means, resulting from the COVID-19 pandemic, including County, state, and federal restrictions imposed to mitigate its spread; and

- ii. Notify their landlords on or before the day that rent is due that they are unable to pay rent due to substantial loss of income as a result of the COVID-19 pandemic.
 - b. Nothing in this moratorium shall relieve tenants of liability for unpaid rent, which landlords may seek, and tenants must pay within six months after expiration of this emergency. No late fee may be charged or collected for rent that is delayed for the reasons stated in this moratorium; nor may a landlord seek rent that is delayed for the reasons stated in this moratorium through the eviction process.
2. In partnership with the Multnomah County Circuit Courts, it is the understanding and expectation of the County that court hearings on eviction proceedings will be suspended until April 30, 2020, or later.
 3. In partnership with the Multnomah County Sheriff's Office, and upon demonstration that executing a writ will cause a person to be without housing, writs of execution or actions in furtherance of residential evictions for nonpayment of rent or mortgage payments will not be enforced during the state of emergency. See ORS 90.435 (restricting recovery of premises); ORS 105.161 (governing writs of execution);
 4. Any place of lodging within Multnomah County must accept and/or retain housing any individual whose payment is subsidized either by the County or a County contractor. Refusal to accept or retain housing of individuals whose payment is subsidized either by the County or a County contractor during the declarations of emergency will be subject to fines and penalties to the greatest extent possible;
 5. Act on appropriate requests for compensation, commandeer or utilize any private property if deemed necessary to cope with the emergency;
 6. The County Chair directs the Multnomah County Attorney to draft an Ordinance that will impose retroactive fines and penalties for violation of these measures; and
 7. These temporary measures shall remain in effect for the duration of the declaration of emergency set forth in Executive Order No. 388.

<p>FOR THE MULTNOMAH COUNTY CHAIR</p> <p>By:  _____</p> <p>Multnomah County Chair</p> <p>DATE: _____</p>	<p>REVIEWED: COUNTY ATTORNEY FOR MULTNOMAH COUNTY, OREGON:</p> <p>By:  _____</p> <p>County Attorney</p>
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U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-8000

ASSISTANT SECRETARY FOR HOUSING –
FEDERAL HOUSING COMMISSIONER

Date: March 18, 2020

Mortgagee Letter 2020-04

To: All FHA Approved Mortgagees
All Direct Endorsement Underwriters
All FHA Roster Appraisers
All FHA Roster Inspectors
All FHA Approved 203(k) Consultants
All HUD Approved Housing Counselors
All HUD Approved Nonprofit Organizations
All Governmental Entity Participants
All Real Estate Brokers
All Closing Agents

Subject	Foreclosure and Eviction Moratorium in connection with the Presidentially-Declared COVID-19 National Emergency
Purpose	The purpose of this Mortgagee Letter (ML) is to inform mortgagees of a foreclosure and eviction moratorium for all FHA-insured Single Family mortgages for a period of 60 days.
Effective Date	This Mortgagee Letter is effective immediately upon issuance.
Public Feedback	HUD welcomes feedback from interested parties for a period of 30 calendar days from the date of issuance. To provide feedback on this policy document, please send feedback to the FHA Resource Center at answers@hud.gov . HUD will consider the feedback in determining the need for future updates.
Affected Programs	This guidance applies to all FHA Title II Single Family forward and Home Equity Conversion Mortgage (reverse) mortgage programs.
Background	The President of the United States proclaimed that the COVID-19 outbreak in the United States constitutes a national emergency as of March 1, 2020. As a result of this unprecedented global pandemic, many jurisdictions have reduced services, businesses have closed, and other activities have been

Mortgagee Letter 2020-04, Continued

curtailed. In addition, this pandemic impedes the ability of Americans to work and provide for their families. This directly impacts the financial well-being of individuals, families, and businesses. Therefore, as part of a broader federal government effort, the Secretary of HUD is authorizing a moratorium on foreclosures. Furthermore, Americans have been asked to remain in their homes to stem the tide of COVID-19. To ensure families are not displaced during this critical period, the Secretary of HUD is also authorizing a moratorium on evictions for FHA-insured properties.

Moratorium on Foreclosures and Evictions and Extension of Deadlines

Properties secured by FHA-insured Single Family mortgages are subject to a moratorium on foreclosure for a period of 60 days. The moratorium applies to the initiation of foreclosures and to the completion of foreclosures in process.

Similarly, evictions of persons from properties secured by FHA-insured Single Family mortgages are also suspended for a period of 60 days.

In addition, deadlines of the first legal action and reasonable diligence timelines are extended by 60 days.

Paperwork Reduction Act

The information collection requirements contained in this document have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and assigned OMB Control Numbers 2502-0429, 2502-0583 and 2502-0584. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB Control Number.

Questions

Any questions regarding this Mortgagee Letter may be directed to the FHA Resource Center at 1-800-Call-FHA. Persons with hearing or speech impairments may reach this number by calling the Federal Relay Service at 1-800-877-8339. For additional information on this Mortgagee Letter, please visit www.hud.gov/answers.

Signature

Brian D. Montgomery
Assistant Secretary for Housing –
Federal Housing Commissioner



MULTIFAMILY NW

The Association Promoting Quality Rental Housing

Mayor Chuck Bennett
555 Liberty St. SE
Room 220
Salem, OR
97301

March 18, 2020

RE: RECOMMENDED APPROACH TO MITIGATE IMPACTS FROM COVID-19 TO AT RISK RESIDENTS AND HOUSING PROVIDERS

Dear Mayor Bennett,

These are unprecedented times and as providers of rental housing for over 250,000 Oregonians, we understand that there is a need to ensure Oregonians remain housed. We also understand that there are many moving parts to this situation, and we know you are doing your best to find solutions in the midst of the uncertainty and duration of necessary quarantine.

Apartment housing providers in Oregon are preparing for potential impacts to their communities. They are actively addressing employee and resident's concerns and doing all they can to stop the spread of the virus. Rental housing providers take seriously the responsibility to ensure our residents are safe and secure. The unique nature of the rental housing industry puts apartment operators and employees on the front lines of responding to the COVID-19 outbreak in communities across the nation.

Insight from the Oregon Office of Economic Analysis shows the vast majority of Oregon's workforce cannot work remotely. Many Oregonians are expected to suffer a loss of income as a result of the COVID-19 outbreak, which could inhibit their ability to pay their rent and meet other financial obligations. The 2,500 members of Multifamily NW strongly support providing direct rental assistance to families and individuals who suffer a loss of income during the crisis. That rental assistance should apply to all renters in Oregon. In addition, we also request necessary relief to rental property owners and small business owners who suffer similar negative consequences. This is key to preserving safe and secure housing both during and following this crisis.

We believe that the following housing assistance proposals should be considered at a state-wide level and as such, have sent a version of this letter to Governor Brown, President Courtney, Speaker Kotek and Members of the Legislature. We ask for your support in providing critical lifelines for renters and rental housing operators.

HOUSING ASSISTANCE MEASURES

Emergency Rental Assistance/Emergency Assistance Fund:

As Oregonian families face tremendous financial pressure as a result of reduced or lost income due to COVID-19, Oregon should establish an emergency assistance fund to prevent the unnecessary loss of housing for those Americans facing hardships. Allocating short-term financial assistance to renter households enables individuals and families to overcome temporary financial challenges that would otherwise result in delinquencies and ultimately loss of their housing. Efforts to divert emergency funds to legal assistance should be resisted as they fail to address the underlying financial conditions that contributed to the resident's housing emergency.

Mortgage and Financial Forbearance:

Most rental properties are owned by individuals and small businesses that have financial obligations, including mortgages, utilities, payroll, insurance and taxes. Many Oregonians are likely to suffer a loss of income as a result of the COVID-19 outbreak, which will in turn harm their ability to fulfill their rent or mortgage obligations. The ability of rental property owners to satisfy their own financial obligations will also be impacted.

EXECUTIVE DIRECTOR
Deborah Imse
deborah@multifamilynw.org

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MULTIFAMILY NW

The Association Promoting Quality Rental Housing

Therefore, Multifamily NW Members believe relief should also be provided to them during this time of crisis. Multifamily NW strongly suggests that any measure that allows for mortgage or other financial obligation (tax, insurance, etc.) forbearance, be extended to rental property owners where a loss of rental income could throw the underlying mortgage into default, lead to tax liens being placed or other negative legal actions and ultimately put the property at the risk of foreclosure and its residents at risk of losing their homes.

Eviction Prevention Measures:

Oregon's elected officials should recognize that evictions are governed by complicated state and local laws and regulations. A one-size-fits-all approach is problematic, so the appropriate state role in evictions should focus on leveraging state dollars to help keep people in homes while ensuring housing providers can properly manage their properties. Any assistance should be well-tailored and not apply blanket provisions that would interrupt proceedings filed prior to or are not a material result of the COVID-19 outbreak.

Student Housing Relief:

Colleges and universities across the nation are temporarily shutting down student housing, ordering students not to return to campus from Spring Break and moving their educational coursework online in response to the outbreak. Private student housing operators work side-by-side with colleges and universities to house their student populations and are an integral part of campus life. Student housing leases operate under a different model than other multifamily housing leases, which pose significant financial challenges if prolonged absences at college campuses are ordered. In addition, possible construction delays at ongoing projects could threaten the opening or viability of entire student housing communities. These challenges will, much like other critical industries, require financial relief.

Additionally, with students no longer able to be housed on university campuses, many are returning home. These unplanned returns to family homes may add an additional unplanned financial burden to households impacted by COVID-19.

COVID-19 Will Have a Broad Impact to Oregon's Workers and Economy

It is clear that the enormity of the challenge we face is evolving on a daily, or even hourly basis. As the problems mount, and as our state and nation continues to prepare for and respond to the COVID-19 outbreak, please know that the 2,500 members of Multifamily NW are a partner to you and your efforts to deal with this crisis. Please don't hesitate to reach out to me with any questions or concerns.

Sincerely,

Deborah Imse
Executive Director
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