

ORDINANCE No.

*Temporarily require Relocation Assistance, as outlined in City Code Section 30.01.085, for any rent increase, if after receiving a rent Increase Notice, a Tenant notifies a Landlord that they are unable to pay the increased rent and that they will be terminating their rental agreement (Ordinance)

The City of Portland Ordains:

Section 1. The Council finds:

1. On March 8, 2020, Oregon Governor Kate Brown issued Executive Order No. 20-03 to declare a state of emergency in Oregon due to the COVID-19 pandemic.
2. On March 11, 2020, Multnomah County Chair Deborah Kafoury issued Executive Rule No. 388 declaring an emergency for the entire county to address the continued spread of COVID-19, loss of life, an extreme public health risk, and its significant economic impacts.
3. On March 12, 2020, Portland Mayor Ted Wheeler declared a state of emergency for the City of Portland due to the COVID-19 pandemic.
4. On March 17, 2020, Multnomah County Chair Deborah Kafoury amended Executive Rule No. 388 establishing a countywide eviction moratorium due to the COVID-19 pandemic.
5. On March 19, 2020, Multnomah County Chair Deborah Kafoury, in coordination with Portland Mayor Ted Wheeler and the City of Portland, presented Executive Order No. 388 and Ordinance No. 1282 to the Multnomah County Board of Commissioners, and the order and ordinance were ratified and adopted. These actions established a countywide eviction moratorium to promote housing stability during the COVID-19 pandemic to allow county residents to stay home, and to avoid a preventable increase in homelessness due to the economic effects of COVID-19.
6. On April 1, 2020, Oregon Governor Kate Brown issued Executive Order No. 20-13 to declare a statewide moratorium on residential and non-residential evictions due to the COVID-19 pandemic.
7. On May 1, 2020, Oregon Governor Kate Brown issued Executive Order no. 20-24 to extend Executive Order No. 20-03 through July 6, 2020.
8. On June 26, 2020, during the 2020 1st Special Legislative Session, the Oregon House of Representatives adopted House Bill 4213, which was subsequently adopted by the Oregon Senate on July 30, 2020, and signed by Oregon Governor Kate Brown on June 30, 2020, establishing a temporary eviction moratorium on

residential and non-residential evictions, and other protections, through September 30, 2020.

9. On June 26, 2020, during the 2020 1st Special Legislative Session, the Oregon House of Representatives adopted House Bill 4204, which was subsequently adopted by the Oregon Senate on July 26, 2020, and signed by Oregon Governor Kate Brown on June 30, 2020, establishing a temporary foreclosure moratorium on residential and non-residential mortgages, and other protections, through September 30, 2020.
10. On June 30, 2020, Oregon Governor Kate Brown issued Executive Order no. 20-30 to extend Executive Order No. 20-03 through September 4, 2020, and to rescind Executive Order no. 20-13 due to the enrollment of House Bill 4213 of the 2020 1st Special Session codifying the temporary eviction moratorium.
11. The economic impact of the COVID-19 pandemic has led to higher unemployment rates in Multnomah County than anything on record in the last 30 years, with rates of 15.9% in April of 2020, 15.8% in May of 2020, 13.6% in June of 2020, and 12.7% in July of 2020.
12. Positive COVID-19 cases in Multnomah County began with 2 cases the week of February 16, 2020, peaking at 595 cases the week of July 6, 2020, and continuing with 162 cases for the most recent week of reporting, the week of August 16, 2020.
13. The United States Centers for Disease Control and Prevention, the Oregon Health Authority, and the Multnomah County Health Department are unable to determine when a COVID-19 vaccine will be identified and broadly available to the general public, which creates significant uncertainty regarding the abatement of the negative economic and workforce impacts of COVID-19.
14. Data surveys from the Portland Housing Bureau in regulated affordable housing indicate that the rate of COVID-19 rent arrears accumulation is for 23% for all renter households; 28% for renter households in buildings where at least 50% of all households are Black, Indigenous, and People of Color; and 38% for buildings covered by the N/NE Housing Strategy.
15. Data surveys from Portland rental housing industry associations indicate that non-payment rates since May of 2020 range between 14 and 19%, with some suggesting as high as 25%, depending on the month and type of property.
16. For renters whose COVID-19 related unemployment has forced them to miss rent payments between April 1 and September 1, but who are still housed due to the protections and repayment timelines in House Bill 4213 of the 2020 1st Special Legislative Session, pre-COVID-19 demographic data indicate, that for the average Portland household, if they are able to become reemployed at the pre-COVID-19 median income, it would take 2-3 months of saving 10% of their earnings to repay 1 month of missed rent. For the average Indigenous household, it would take 4 months, and for the average Black household it would take 5-6

months.

17. All reasonable and available information indicate that a large portion of Portland renters have been unable to pay rent for all or some portion of the months of April through September, leading to a significant accumulation of arrears. Protections enacted by the State of Oregon give renters in Portland until the end of March of 2021 to repay these arrears without the termination of their rental agreements, but unemployment, pre-COVID income, and market rent data indicate that saving for repayment will be extremely financially challenging. Therefore, it is reasonable to conclude that a significant portion of Portland renters would be unable able to absorb any increase in rent while dealing with the impacts of COVID-19.
18. Relocation expenses associated with involuntary displacement, such as application fees, security deposits, double rent, moving supplies, storage, and lost wages present a significant financial burden to these involuntarily displaced renters. Under normal circumstances Relocation Assistance is essential to allow renters to manage the unexpected relocation expenses that result from involuntary displacement. With the COVID-19 pandemic, relocation assistance for any rent increase is essential for renters trying to regain employment and repay rent arrears.
19. Due to unprecedented public health, economic, and workforce effects of the COVID-19 pandemic, and the declarations of emergencies and subsequent legislative and executive actions, should a renter be issued any rent increase effective between September 1, 2020 and January 1, 2021, and that renter is unable to pay the increased rent, the renter should be eligible for mandatory relocation assistance as outlined in PCC 30.01.085.

NOW, THEREFORE, the Council directs:

- a. Within the City of Portland, if a Tenant receives notice from a Landlord for a Rent Increase of any amount, effective between September 1, 2020 and January 1, 2021, where normally provisions of PCC 30.01.085 would only apply for a Rent Increase of 10 percent or more within a rolling 12-month period, the provisions of 30.01.085 hereby apply.
- b. If, as of the effective date of this ordinance, a Landlord has already given notice of an increase of a Tenant's Rent that becomes effective between September 1, 2020 and January 1, 2021, triggering a potential obligation to pay Relocation Assistance under PCC 30.01.085 as temporarily modified by this ordinance, the following provisions apply:
 1. Notwithstanding PCC 30.01.085, a Tenant has 45 calendar days after the Tenant receives a rent Increase Notice or until September 30, 2020, whichever is longer, to provide written notice to the Landlord of the Tenant's request for Relocation Assistance.
 2. Notwithstanding PCC 30.01.085, the Landlord may provide written notice to

the Tenant that the Landlord has rescinded the Rent Increase and refund any increased rent paid by the Tenant, relieving the Landlord of the potential obligation. The Tenant must receive the notice and Rent Increase refund from the Landlord no later than 30 calendar days after receiving a Tenant's notice requesting Relocation Assistance.

If, as of the effective date of this ordinance, a Landlord has already given notice of an increase of a Tenant's Rent that becomes effective between September 1, 2020 and January 1, 2021, triggering a potential obligation to pay Relocation Assistance under PCC 30.01.085 as temporarily modified by this ordinance, PCC 30.01.085.D does not apply.

- c. If, after the effective date of this ordinance, a Landlord gives notice of an increase of a Tenant's Rent that becomes effective between September 1, 2020 and January 1, 2021, triggering a potential obligation to pay Relocation Assistance under PCC 30.01.085 as temporarily modified by this ordinance, and the Landlord represents in good faith they were not aware of this ordinance, the Landlord may provide written notice to the Tenant that the Landlord has rescinded the Rent Increase, relieving the Landlord of the potential obligation.

- 1. The Tenant must receive the notice from the Landlord rescinding the Rent Increase within 30 calendar days from the delivery of the Rent Increase notice.

Section 2. The Council declares that an emergency exists because of the widespread economic, workforce, and public health impacts of the COVID-19 pandemic; therefore, this ordinance shall be in full force and effect from and after its passage by the Council.

Passed by the Council:

Mayor Ted Wheeler
Prepared by: Matthew Tschabold
Date Prepared: August 26, 2020

Mary Hull Caballero
Auditor of the City of Portland
By

Deputy

726

Agenda No.
ORDINANCE NO.

Title

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<p style="text-align: center;">INTRODUCED BY Commissioner/Auditor: Mayor Wheeler</p>	<p>CLERK USE: DATE FILED <u>September 8, 2020</u></p>
<p style="text-align: center;">COMMISSIONER APPROVAL</p>	<p>Mary Hull Caballero Auditor of the City of Portland</p> <p style="font-size: 1.2em; font-family: cursive;">Keelan McClymont</p> <p>By: _____ Deputy</p> <p>ACTION TAKEN:</p>
<p>Mayor—Finance & Administration - Wheeler <i>MW</i></p>	
<p>Position 1/Utilities - Fritz</p>	
<p>Position 2/Works - Vacant</p>	
<p>Position 3/Affairs - Hardesty</p>	
<p>Position 4/Safety - Eudaly</p>	
<p style="text-align: center;">BUREAU APPROVAL</p>	
<p>Bureau: Mayor's Office Bureau Head:</p>	
<p>Prepared by: Matthew Tschabold Date Prepared: 8/26/2020</p>	
<p>Impact Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p>	
<p>Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>	
<p>City Auditor Office Approval: required for Code Ordinances</p>	
<p>City Attorney Approval: <i>AMD</i> required for contract, code, easement, franchise, comp plan, charter <u>8/28/2020</u></p>	
<p>Council Meeting Date September 16, 2020</p>	

AGENDA
<p>TIME CERTAIN <input type="checkbox"/></p> <p>Start time: _____</p> <p>Total amount of time needed: _____ (for presentation, testimony and discussion)</p>
<p>CONSENT <input type="checkbox"/></p>
<p>REGULAR <input checked="" type="checkbox"/> 20 Minutes</p> <p>Total amount of time needed: _____ (for presentation, testimony and discussion)</p>

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz		
2. Vacant	2. Vacant		
3. Hardesty	3. Hardesty		
4. Eudaly	4. Eudaly		
Wheeler	Wheeler		

IMPACT STATEMENT

Legislation title: *Temporarily require Relocation Assistance, as outlined in City Code Section 30.01.085, for any rent increase, if after receiving a rent Increase Notice, a Tenant notifies a Landlord that they are unable to pay the increased rent and that they will be terminating their rental agreement (Ordinance)

Contact name: Matthew Tschabold

Contact phone: 503-823-1854

Presenter name: Shannon Callahan, Tia Williams, Matthew Tschabold

Purpose of proposed legislation and background information:

Portland currently requires mandatory relocation assistance, in most circumstances, when a renter receives a rent increase of 10% or more over a 12-month period of time and they choose to relocate because they are unable to pay the increase in rent. This is a temporary policy change to require landlords to pay relocation assistance for any rent increase from September 1, 2020 to March 1, 2021 in response to COVID-19. The city is experiencing unprecedented unemployment and rent non-payment as a result of the economic impacts of the pandemic. State protections have allowed renters impacted by COVID-19 to not pay rent from April 1, 2020 to September 30, 2020, but they must pay those arrears by March 31, 2021. As a result, a large portion of Portland renters are unable to pay rent increase or personally pay to relocate to a new apartment while also saving for the payment of rent arrears.

Financial and budgetary impacts:

N/A

Community impacts and community involvement:

Best information currently available indicates that 1 in 5 renters, and 1 in every 3 to 4 BIPOC renters, were unable to pay some or all of rent between April 1, 2020 and September 1, 2020. State protections have allowed for the non-payment of rent over these months, but renters must resume rent payments on October 1 and pay rent arrears by March 31, 2021.

Given that prior to the pandemic, 1 in every 2 renters were cost burdened, and 1 in every 4 renters were extremely cost burdened, many renters likely find themselves in a more vulnerable and challenging position as a result of the economic impacts of COVID-19. This reality is exacerbated for BIPOC renters, as BIPOC households are disproportionately renters, low income, and working in service industry jobs which have experienced significant COVID-19 related lay-offs. This disproportionately more challenging situation for BIPOC renters also creates a compounding disparity in the number of months needed to save for past rent arrears.

Due to this situation, a large portion of renters are currently unable to manage rent increases, or paying to relocate to a new apartment should a landlord issue a rent increase, while also saving to pay rent arrears. This temporary policy is needed to assist in stabilizing renters and saving for rent arrears payments to landlords.

100% Renewable Goal:

N/A

Budgetary Impact Worksheet

Does this action change appropriations?

NO