

Home / Council Documents

191047

Emergency Ordinance

*Amend Intergovernmental Agreement with Home Forward to authorize budget allocation of \$1,552,691 in Emergency Rent Assistance Program funds from Department of the Treasury and Community Development Block Grant – CV funds from Department of Housing and Urban Development (amend IGA No. 30007938)

Passed

The City of Portland ordains:

Section 1. The Council finds

- 1. On March 12, 2020, Mayor Ted Wheeler declared a State of Emergency due to the COVID-19 pandemic, which was extended on March 26, 2020, to allow the City additional authority to deploy resources to address the threat of infection and harm caused by the pandemic.
- 2. The City of Portland is one of several jurisdictions receiving federal stimulus funding through the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which was passed by Congress and signed into law on March 27th, 2020, to provide economic assistance for American workers, families, and small businesses. The funding received included funds from the U.S. Department of Housing and Urban Development (HUD) through the CARES Act (-CV) to include Community Development Block Grant (CDBG)-CV3 ("third round 3") funding, awarded by HUD on September 11, 2020.
- 3. On May 20, 2020, Resolution 37487 declared the City of Portland's intent to centralize, guide and coordinate COVID-19 efforts that bolster progress towards the City's long-term equity goals and directs the City's response programs to be in alignment with the Office of Equity and Human Rights: Equity Toolkit for Community Relief and Recovery Efforts.
- 4. On December 27, 2020, H.R. 133 Consolidated Appropriations Act, 2021 was signed into law, making available \$25 billion to local

Introduced by

Commissioner Dan Ryan

Bureau

Housing Bureau

Contact

Jennifer ChangHousing Senior Program

Coordinator

503-823-2391 503-823-2391

Requested Agenda Type

Regular

Date and Time Information

Requested Council Date October 26, 2022 Time Requested

15 minutes

- jurisdictions to assist households that are unable to pay rent and utilities due to the COVID-19 pandemic.
- 5. On January 8, 2021, the City of Portland submitted certification documents to receive a disbursement of \$19,647,973.30 in Emergency Rent Assistant Program (ERAP) funds from the United States Department of the Treasury, receiving those funds on January 26, 2021.
- 6. In May, 2021, the City of Portland submitted certification documents to receive a disbursement of \$25,185,809.10 in Emergency Rent Assistant Program 2 (ERAP2) funds from the United States Department of the Treasury, receiving those funds on May 27, 2021.
- 7. On August 4, 2022, the City of Portland received a disbursement of \$1,128,828.19 in reallocated Emergency Rent Assistant Program, phase 1 (ERAP1) funds from the United States Department of the Treasury.
- 8. As a result of the State eviction moratorium and Safe Harbor law expiring on June 30, 2022, and the existing houseless crisis in our region, the City has determined that it is necessary to utilize the full amount of ERAP funds for eviction prevention and rent assistance programs through the Portland Housing Bureau.
- 9. As a result of one in five Portlanders being at risk of eviction and an estimated \$25 million in rental arrears being accrued each month, the Portland Housing Bureau continues to work with our jurisdictional and community partners to develop a rent relief program that prioritizes Black, Indigenous and People of Color communities, people living with a disability, and other vulnerable populations who are at or below 50% Area Medium Income.
- 10. Due to the urgent and immediate need to begin disbursing relief funds, the Council finds it necessary to delegate contract and agreement execution authority to the Portland Housing Bureau Director to manage the Emergency Rental Assistance Program. In addition, the City finds it reasonable and appropriate under these circumstances to forgo any competitive process for awarding procurement contracts and subrecipient grants.

NOW THEREFORE, The Council directs:

- A. The Director of the Portland Housing Bureau is authorized to accept on behalf of the City of Portland any subsequent reallocations or modifications by the United States Department of the Treasury or Department of Housing and Urban Development for the Emergency Rental Assistance Program or any funding related to the CARES Act of 2020.
- B. The Portland Housing Bureau Director is hereby authorized to execute Amendment 1 to intergovernmental agreement 30007938 in a form substantially in accordance with Exhibit A, and is further

authorized to execute, amend, and terminate any contracts and agreements funded by the Emergency Rental Assistance Programs 1 and 2 grants and CDBG-CV funds, through the ERAP2 grant expiration date of September 30, 2025.

Section 2. The Council declares that an emergency exists because a delay would unnecessarily delay the City's ability to perform the activities authorized by the grant; therefore, this ordinance shall be in full force and effect from and after its passage by the Council.

Documents and Exhibits



An ordinance when passed by the Council shall be signed by the Auditor. It shall be carefully filed and preserved in the custody of the Auditor (City Charter Chapter 2 Article 1 Section 2-122)

Passed by Council October 26, 2022

Auditor of the City of Portland Mary Hull Caballero

Impact Statement

Purpose of Proposed Legislation and Background Information

- In September 2020, the City of Portland through the Portland Housing Bureau received federal stimulus funding through the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which was passed by Congress and signed into law on March 27th, 2020, to provide economic assistance for American workers, families, and small businesses. The funding received included funds from the U.S. Department of Housing and Urban Development (HUD) through the CARES Act (-CV) to include Community Development Block Grant (CDBG)-CV3 ("third round 3") funding, awarded by HUD on September 11, 2020.
- On January 26, 2021, the City of Portland received \$19,664,923.40 from the U.S. Department of the Treasury to administer local rental assistance payments as part of the Emergency Rental Assistance Program (ERAP).
- A second infusion of Treasury funds, ERAP-2, was received in May 2021, for \$25,185,809.10.
- An additional disbursement of \$1,128,828.19 in reallocated ERAP funds from the United States Department of the Treasury was received by the City of Portland on August 4, 2022.
- Many Portlanders are facing an uncertain future as a result of the coronavirus. As a result, the City has determined it is necessary to use

- ERAP funds to provide rent assistance that supports households facing extreme economic and housing hardships.
- The purpose of this legislation is to delegate the authority to the Housing Bureau Director to execute, amend, and terminate contracts and agreements funded by the Emergency Rental Assistance Programs 1 and 2 grants and CDBG-CV funds, through the ERAP expiration date of September 30, 2025.

Financial and Budgetary Impacts

- The legislation does not -
 - Authorize additional staffing levels
 - Appropriate any funding not previously included in FY20-21, FY21-22, and FY22-23 budgets.

Community Impacts and Community Involvement

In the summer of 2020, the Housing Bureau convened four stakeholder and community workgroups to address the housing impacts of the COVID-19 pandemic and associated economic recession. One work group focused exclusively on the rental housing market, and this group developed a series of recommendations for the Housing Bureau and the city to consider implementing to address the rental housing market impacts of the pandemic. In response to this, in Portland and Multnomah County, the city, county, Home Forward, and Joint Office of Homeless Services developed and implemented a joint community centered COVID rent assistance program grounded in racial equity - the City is allocating ERAP and CDBG-CV resources to support this program. This program is intentional in deploying limited resources through over 40 community based and culturally specific organizations, in order to serve those most impacted by the recession, and those who have been disproportionately marginalized by the systems of society in the past – BIPOC communities. In addition, an open application and lottery will be available for the general public who do not have a connection to a community-based organization, and the program will be implemented in coordination with the state landlord compensation fund.

Locally, it is estimated the Portland housing market experienced 12-15% non-payment rates from May to December due COVID-19 – this translates to an estimated \$160 to \$200 million in rent arrears accumulation in 2020. 1 in 5 Oregon renters rents in Portland, and that number increases to 1 in 4 renters when including all of Multnomah County. When looking at BIPOC communities, through a lens of racial equity – over half of all Black renters, 1 in 3 Asian renters, 1 in 4 Native Hawaiian and Pacific Islander renters, and 1 in 4 multiracial renters in Oregon rent in Portland.

The bureau continues to solicit feedback from impacted households, community-based partners, landlords, and other stakeholders to make ongoing modifications to the coordinated COVID rent assistance program.

100% Renewable Goal

Passage of this legislation does not affect Portland's 100% renewable goals.

Budget Office Financial Impact Analysis

This amendment allocates additional funding in the amount of \$1,552,691, comprised of the following sources: \$161,107 in Emergency Rent Assistance (ERA) 2 funds; \$1,156,198 in ERA1 reallocated funds; and \$235,386 in CDBG-CV funds. The total Agreement amount is now \$19,722,495. Subrecipient match is not required under this subaward. Of the \$1,552,691 increase, \$1,128,828 is requested to be appropriated in the Fall BMP, with the rest of the amount already included in the FY 22-23 budget.

Agenda Items

898 in October 21-27, 2022 Council Agenda

Passed

Commissioner Mingus Mapps Yea

Commissioner Carmen Rubio Yea

Commissioner Dan Ryan Yea

Commissioner Jo Ann Hardesty Yea

Mayor Ted Wheeler Yea