



May 10, 2022

Dear Multnomah County Delegation of State Representatives,

I write to you on behalf of Home Forward, the Public Housing Authority (PHA) for Multnomah County and the largest provider of affordable housing in the State of Oregon. Home Forward serves more than 15,500 households earning low-incomes by providing affordable housing and administrating long-term and emergency rent assistance. The mission of Home Forward is to assure that the people of the community are sheltered. Our organization provides over 6,500 affordable apartment homes to 11,700 individuals.

Today, we're writing to ask for your support for a request to the Emergency Board to support affordable housing providers by providing \$11.7 million to alleviate significant operational losses.

Our state's network of affordable housing providers across the state were hard hit by the recent COVID pandemic and related financial crises. Our residents are people with disabilities, seniors, single parents, and others who experienced some of the most severe impacts from the pandemic, and struggled the most to keep up with rent. At the same time, operational costs have skyrocketed for affordable providers. We operate our properties with thin margins, and prioritize tenant stability. Now, as a result of losses and increased costs, affordable providers across the state are at risk, threatening the stability of thousands of tenants and communities. This is a problem impacting affordable housing providers across the nation.

Our organization can document \$3.4 million in total rent loss from current and former tenants. For tenants who remain in our housing, we are working to help maintain their housing stability and have instituted payment plans and a moratorium on evictions for nonpayment of rent since March 31, 2020. However, we know that for many tenants who already were paying a significant portion of their incomes towards rent, they may never be able to repay the debt owed.

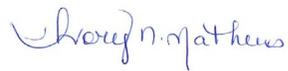
A one-time funding allocation to affordable housing providers across Oregon would address the deficit in operational costs that has accrued over the past 2 years, putting these providers back on an even-keel as we emerge from the pandemic. A recent survey of our peers - 50 affordable housing providers - identified \$11.7 million in debt owed. \$2 million has been committed by a local government towards solving this problem.

Our organization is experiencing a range of impacts as a result of this debt: Our tax credit properties are struggling with increased expenses and limited partnerships are concerned with property performance short term and throughout the Covid recovery period. In one example, we were unable to meet the Debt Service Coverage Ratio per our loan agreements at one of our newer LIHTC properties because the ratio's calculation was based on tenant rent payments rather than tenant rent charges (revenue). This resulted in our lender requiring us to submit a corrective action plan so that a notice of default would not be triggered on the debt even though we

continued to make all debt payments in full. Other impacts include: reduced services to residents, having to make loans to properties struggling with cash flow, having to request payment extensions from vendors, and having to consider delaying program changes that would reduce the rent burden of voucher holders. As a mission driven public agency, carrying this debt directly impacts our ability to achieve our mission.

We urge you to support our request for \$11.7 million to the June Emergency Board.

Thank you,

A handwritten signature in blue ink that reads "Ivory Mathews". The signature is written in a cursive, flowing style.

Ivory Mathews
Executive Director
Home Forward