

**77th OREGON LEGISLATIVE ASSEMBLY – 2013 Session
BUDGET REPORT AND MEASURE SUMMARY**

JOINT COMMITTEE ON WAYS AND MEANS

MEASURE: HB 5015-A

Carrier – House: Rep. Read

Carrier – Senate: Sen. Johnson

Action: Do Pass as Amended and be Printed A-Engrossed

Vote: 25 – 1 – 0

House

Yeas: Barker, Buckley, Frederick, Hanna, Huffman, Jenson, Komp, McLane, Nathanson, Read, Richardson, Smith, Tomei, Williamson

Nays: Freeman

Exc:

Senate

Yeas: Bates, Devlin, Edwards, Girod, Hansell, Johnson, Monroe, Steiner Hayward, Thomsen, Whitsett, Winters

Nays:

Exc:

Prepared By: Tamara Brickman, Department of Administrative Services

Reviewed By: Michelle Deister, Legislative Fiscal Office

Meeting Date: June 14, 2013

Agency

Housing and Community Services Department
Emergency Board

Biennium

2013-15

Budget Summary*

	2011-13 Legislatively Approved Budget ⁽¹⁾	2013-15 Current Service Level	2013-15 Committee Recommendation	Committee Change from 2011-13 Leg. Approved	
				\$ Change	% Change
General Fund	\$ 15,312,436	\$ 12,187,323	\$ 8,465,209	\$ (6,847,227)	-44.7%
Lottery Funds Debt Service	\$ 10,464,685	\$ 10,010,599	\$ 9,428,966	\$ (1,035,719)	-9.9%
Other Funds	\$ 149,615,398	\$ 117,857,575	\$ 65,899,925	\$ (83,715,473)	-56.0%
Other Funds Nonlimited	\$ 215,179,784	\$ 245,590,718	\$ 122,795,359	\$ (92,384,425)	-42.9%
Other Funds Debt Service Nonlimited	\$ 585,115,321	\$ 331,737,642	\$ 331,737,642	\$ (253,377,679)	-43.3%
Federal Funds	\$ 208,039,554	\$ 154,818,200	\$ 77,982,271	\$ (130,057,283)	-62.5%
Federal Funds Nonlimited	\$ 108,229,868	\$ 108,000,000	\$ 54,000,000	\$ (54,229,868)	-50.1%
Total	\$ 1,291,957,046	\$ 980,202,057	\$ 670,309,372	\$ (621,647,674)	-48.1%

Position Summary

Authorized Positions	212	127	167	-45
Full-time Equivalent (FTE) positions	184.89	126.50	77.08	-107.81

⁽¹⁾ Includes adjustments through December 2012

* Excludes Capital Construction expenditures

Emergency Fund

General Fund - Special Purpose Appropriation
Second year funding

\$ 8,915,211

Summary of Revenue Changes

The Housing and Community Services Department is funded by General, Lottery, Other and Federal Funds. There are no changes in revenue sources or fees in the recommended budget.

Summary of Transportation and Economic Development Subcommittee Action

The Housing and Community Services Department (Department) provides financing and support for the development of affordable housing in the state and for the delivery of services for low-income Oregonians. The Department administers federal and state programs to alleviate homelessness and poverty. The Department works with public, nonprofit and for-profit organizations and community based organizations to deliver its services. The State Housing Council is a seven-member council appointed by the Governor that provides program and policy oversight to the Department.

The Subcommittee approved a total funds budget of \$670,309,372 and 77.08 full-time equivalents (FTE). This budget represents a 48.1 percent decrease from the 2011-13 Legislatively Approved Budget. This budget supports the continuation of currently existing programs, within the Department, for the first year of the biennium (July 1, 2013 through June 30, 2014), and provides expenditure limitation and lottery fund allocations for debt service for the entire biennium.

The Department is in the process of evaluating the sustainability of its operations, as the primary source of administrative funding -- cash distributions from its housing bond indentures -- is quickly diminishing. During the first year of the biennium the Department was instructed to work on developing a plan to be presented to the Legislature in the 2014 session that makes recommendations regarding which programs should continue and on alternative, sustainable models of service delivery. Upon receiving and considering the report, the Legislature will make appropriate adjustments to the Department's budget for the 2nd year of the biennium beginning July 1, 2014. The subcommittee recommended that \$8,915,211 General Fund be set aside (reserved) in a Special Purpose Appropriation (SPA) for the 2nd year of the biennium.

Safety Net Programs – 010

Safety Net Programs comprise a continuum of services intended to help individuals stabilize their housing, as well as achieve greater economic stability and self-sufficiency. Services include providing access to healthy food, emergency housing, rental assistance and other homeless prevention activities. For the first year of the biennium, the subcommittee approved a budget of \$20,017,643 total funds and 4.50 FTE.

The Subcommittee approved the following:

- Package 090, Analyst Adjustments, which removes expenditure limitation (\$5,430,549 General Fund, \$4,412,655 Other Funds and \$10,449,443 Federal Funds) and FTE (4.50) from the Department for the second half of the biennium pending the presentation and legislative review of a plan, in February 2014, on alternative, sustainable models of service delivery. General Fund appropriations have been placed within a SPA. Other and Federal Funds expenditure limitation for the period of July 1, 2014 – June 30, 2015 can be added or established during the 2014 Legislative Session or by the Emergency Board for the appropriate state agency executors of Housing-related services pursuant to the plan. Debt Service related expenditure limitation is provided in full for the entire biennium (see Bond Debt

Service – 090). The Subcommittee’s recommendation does not assume transfer of the Elderly Rental Assistance Program from the Department of Revenue to the Housing and Community Services Department in the 2014-15 Fiscal Year.

- Package 092, PERS Taxation Policy, eliminates \$284 General Fund, \$1,945 Other Funds expenditure limitation and \$2,214 Federal Funds expenditure limitation. This package reflects the policy change in Senate Bill 822 that eliminates the increased retirement benefits resulting from Oregon income taxation of payments if the person receiving payments does not pay Oregon income tax on those benefits and is not an Oregon resident. This change reduces state employer contribution rates by approximately 0.30 percent.
- Package 093, Other PERS Adjustments, eliminates \$2,265 General Fund, \$15,541 Other Funds expenditure limitation and \$17,693 Federal Funds expenditure limitation. This package reflects the policy change in Senate Bill 822 that modifies the cost-of-living adjustment under the Public Employees Retirement System. This change reduces state employer contribution rates by approximately 2.2 percent.

An administrative action by the PERS Board, as directed by a budget note in the Senate Bill 822 budget report, will reduce state employer contribution rates by up to an additional 1.9 percent. However, no employer rate is reduced below its 2011-13 biennium rate.

- Package 810 LFO Analyst Adjustments, adds \$175,000 General Fund to the Oregon Hunger Response Fund (formerly known as the General Fund Food Program). A corresponding amount has been added to the SPA for distribution to the program in the second year of the biennium, pending the report to be delivered to the Legislature by the Department in February 2014. The package also adds back \$450,000 General Fund, which was reduced in error during the development of the Governor’s Budget.

Energy Assistance & Weatherization Programs – 020

Energy Assistance and Weatherization Programs mitigate high energy costs, address health and safety risks, and improve energy efficiency in the homes of low-income Oregonians. Services include utility bill payment assistance, health and safety improvements, heating system repair and replacement, energy conservation services, base load measures (including replacement of inefficient appliances and lighting) and energy conservation education. For the first year of the biennium, the subcommittee approved a budget of \$79,970,366 total funds and 3.00 FTE.

The Subcommittee approved the following:

- Package 090, Analyst Adjustments, which removes expenditure limitation (\$23,117,552 Other Funds and \$51,852,816 Federal Funds) and FTE (3.00) from the Department for the second half of the biennium pending the presentation and legislative review of a plan, in February 2014, on alternative, sustainable models of service delivery. Other and Federal Funds expenditure limitation for the period of July 1, 2014 – June 30, 2015 can be added or established during the 2014 Legislative Session or by the Emergency Board for the appropriate state

agency executors of Housing-related services pursuant to the plan. Debt Service related expenditure limitation is provided in full for the entire biennium (see Bond Debt Service – 090).

- Package 092, PERS Taxation Policy, eliminates \$2,144 Other Funds expenditure limitation and \$873 Federal Funds expenditure limitation. This package reflects the policy change in Senate Bill 822 that eliminates the increased retirement benefits resulting from Oregon income taxation of payments if the person receiving payments does not pay Oregon income tax on those benefits and is not an Oregon resident. This change reduces state employer contribution rates by approximately 0.30 percent.
- Package 093, Other PERS Adjustments, eliminates \$17,132 Other Funds expenditure limitation and \$6,972 Federal Funds expenditure limitation. This package reflects the policy change in Senate Bill 822 that modifies the cost-of-living adjustment under the Public Employees Retirement System. This change reduces state employer contribution rates by approximately 2.2 percent.

An administrative action by the PERS Board, as directed by a budget note in the Senate Bill 822 budget report, will reduce state employer contribution rates by up to an additional 1.9 percent. However, no employer rate is reduced below its 2011-13 biennium rate.

- Package 810, LFO Analyst Adjustments, adjusts for the removal of sunset provisions related to the collection of additional utility fees for low-income bill payment assistance (House Bill 2004 in 2013). The Subcommittee added \$5 million Other Funds expenditure limitation for the first year of program operations only. Additional expenditure limitation for the second year of the program will be requested and allocated after legislative review of the Department’s plan on alternative service delivery models.

Multifamily Rental Housing Programs – 030

Federal and State-funded Multifamily Rental Housing Programs allow the Department to provide a continuum of housing options for low-income and fragile Oregonians. This includes developing new housing units, rehabilitating existing housing units and preserving affordable housing projects with project-based Section 8 and Rural Development rental subsidies. For the first year of the biennium, the subcommittee approved a budget of \$82,051,874 total funds and 14.50 FTE.

The Subcommittee approved the following:

- Package 090, Analyst Adjustments, which removes expenditure limitation (\$18,789,537 Other Funds, \$8,759,840 Federal Funds, \$502,000 Other Funds Non-Limited, and \$54,000,000 Federal Funds Non-Limited) and FTE (14.50) from the Department for the second half of the biennium pending the presentation and legislative review of a plan, in February 2014, on alternative, sustainable models of service delivery. Other and Federal Funds expenditure limitation for the period of July 1, 2014 – June 30, 2015 can be added or established during the 2014 Legislative Session or by the Emergency Board for the appropriate state agency executors of Housing-related

services pursuant to the plan. Debt Service related expenditure limitation is provided in full for the entire biennium (see Bond Debt Service – 090).

- Package 092, PERS Taxation Policy, eliminates \$11,852 Other Funds expenditure limitation and \$2,260 Federal Funds expenditure limitation. This package reflects the policy change in Senate Bill 822 that eliminates the increased retirement benefits resulting from Oregon income taxation of payments if the person receiving payments does not pay Oregon income tax on those benefits and is not an Oregon resident. This change reduces state employer contribution rates by approximately 0.30 percent.
- Package 093, Other PERS Adjustments, eliminates \$94,700 Other Funds expenditure limitation and \$18,058 Federal Funds expenditure limitation. This package reflects the policy change in Senate Bill 822 that modifies the cost-of-living adjustment under the Public Employees Retirement System. This change reduces state employer contribution rates by approximately 2.2 percent.

An administrative action by the PERS Board, as directed by a budget note in the Senate Bill 822 budget report, will reduce state employer contribution rates by up to an additional 1.9 percent. However, no employer rate is reduced below its 2011-13 biennium rate.

Single Family Housing Programs – 040

Single Family Housing Programs expand access to affordable homeownership through below-market interest rate residential loans, as well as assist homeowners in retaining their homes through education and financial assistance services. These programs benefit lower-income homebuyers and homeowners who typically are not serviced by traditional lenders, and who would not otherwise have access to the for-sale housing market and homeownership services. The subcommittee approved a budget of \$5,684,681 total funds and 4.00 FTE; most programs within this program area are funded for the first year of the biennium only; one program (Neighborhood Stabilization Initiative) is expected to be fully expended in the first year of the biennium, and may not need additional expenditure limitation in 2014-15.

The Subcommittee approved the following:

- Package 090, Analyst Adjustments, which removes expenditure limitation (\$2,118,187 General Fund, \$1,765,801 million Other Funds and \$1,150,179 million Federal Funds) and FTE (3.75) from the Department for the second half of the biennium pending the presentation and legislative review of a plan, in February 2014, on alternative, sustainable models of service delivery. General Fund appropriations have been placed within a SPA. Other and Federal Funds expenditure limitation for the period of July 1, 2014 – June 30, 2015 can be added or established during the 2014 Legislative Session or by the Emergency Board for the appropriate state agency's administering Housing-related services pursuant to the plan. Debt Service related expenditure limitation is provided in full for the entire biennium (see Bond Debt Service – 090).

- Package 092, PERS Taxation Policy, eliminates \$486 General Fund, \$2,484 Other Funds expenditure limitation and \$290 Federal Funds expenditure limitation. This package reflects the policy change in Senate Bill 822 that eliminates the increased retirement benefits

resulting from Oregon income taxation of payments if the person receiving payments does not pay Oregon income tax on those benefits and is not an Oregon resident. This change reduces state employer contribution rates by approximately 0.30 percent.

- Package 093, Other PERS Adjustments, eliminates \$3,880 General Fund, \$19,848 Other Funds expenditure limitation and \$2,320 Federal Funds expenditure limitation. This package reflects the policy change in Senate Bill 822 that modifies the cost-of-living adjustment under the Public Employees Retirement System. This change reduces state employer contribution rates by approximately 2.2 percent.

An administrative action by the PERS Board, as directed by a budget note in the Senate Bill 822 budget report, will reduce state employer contribution rates by up to an additional 1.9 percent. However, no employer rate is reduced below its 2011-13 biennium rate.

- Package 103, Pre-Mediation Counseling provides \$4.2 million General Fund to meet the anticipated demand for additional housing counselors and legal assistance associated with the Department of Justice's foreclosure mediation program. The program allows for homeowners to consult with a housing counselor prior to entering into discussions with their servicer and a mediator about alternatives to mortgage foreclosure. The amount represents the entire biennium of General Fund; however the 2nd year of General Fund was removed in Package 090 and added to the SPA. The Subcommittee discussion specified that housing counseling services were being funded in an effort to meet general demand, in the wake of the national foreclosure settlement, but that funding for counseling and legal aid services provided for in Package 103 were not restricted to homeowners to homeowners that participated in mediation.
- Package 105, Neighborhood Stabilization Program, provides \$754,620 Other Funds expenditure limitation to enable the remaining disbursements attributable to the Neighborhood Stabilization program grants received during the 2011-13 biennium. The Subcommittee restored expenditure limitation to this package, which was removed in Package 090, as the funds must be fully expended during the first half of the biennium.

Homeownership Stabilization Initiative – 050

Foreclosure prevention efforts from the Oregon Homeownership Stabilization Initiative include programs designed to help Oregon's homeowners recover from unemployment or underemployment through modification of mortgages or the repayment of delinquent mortgages. The initiative is expected to help more than 10,000 homeowners in Oregon. These programs are funded through the U.S. Department of Treasury from the Troubled Asset Relief Program (TARP) for states hit hardest by the recession. Oregon was one of eighteen states to receive these funds, due to the state's high unemployment rate during the recession. Oregon was awarded \$220 million in 2010, and must expend all of these resources by

2017. The subcommittee approved a budget of \$2.6 total funds and 12.33 FTE, which is the expenditure limitation for the entire biennium. The expectation is that the program will be largely if not fully expended within the first year of the biennium.

The Subcommittee approved the following:

- Package 090, Analyst Adjustments, which removes expenditure limitation (\$1,506,787 Other Funds expenditure limitation) and FTE (7.19) from the Department for the second half of the biennium pending the presentation and legislative review of a plan, in February 2014, on alternative, sustainable models of service delivery. General Fund appropriations have been placed within a SPA. Other and Federal Funds expenditure limitation for the period of July 1, 2014 – June 30, 2015 can be added or established during the 2014 Legislative Session or by the Emergency Board for the appropriate state agency executors of Housing-related services pursuant to the plan. Debt Service related expenditure limitation is provided in full for the entire biennium (see Bond Debt Service – 090). The subcommittee added back expenditure limitation to this program in Package 810, see below.
- Package 092, PERS Taxation Policy, eliminates \$6,067 Other Funds expenditure limitation. This package reflects the policy change in Senate Bill 822 that eliminates the increased retirement benefits resulting from Oregon income taxation of payments if the person receiving payments does not pay Oregon income tax on those benefits and is not an Oregon resident. This change reduces state employer contribution rates by approximately 0.30 percent.
- Package 093, Other PERS Adjustments, eliminates \$48,476 Other Funds expenditure limitation. This package reflects the policy change in Senate Bill 822 that modifies the cost-of-living adjustment under the Public Employees Retirement System. This change reduces state employer contribution rates by approximately 2.2 percent.

An administrative action by the PERS Board, as directed by a budget note in the Senate Bill 822 budget report, will reduce state employer contribution rates by up to an additional 1.9 percent. However, no employer rate is reduced below its 2011-13 biennium rate.

- Package 101, Oregon Homeownership Stabilization Initiative, provides \$2,687,869 Other Funds expenditure limitation to continue positions for the foreclosure prevention programs that began in the 2009-11 biennium, funded through the receipt of TARP funds. The program requires fewer positions in 2013-15 than were needed in 2011-13, as the program is “ramping down.” Although the second year of expenditure limitation for this program was removed in Package 090 (see above), the Subcommittee restored funding to this program in Package 810 (see below) since the program is expected to be largely completed and closed out within the first year of the biennium.

- Package 810, LFO Analyst Adjustments, adds \$1,044,265 Other Funds expenditure limitation and 5.15 FTE to the Homeownership Stabilization Initiative in order to restore reductions that were taken to this program in Package 090 by the Department of Administrative Services Chief Financial Office. The Subcommittee adjustments add Other Funds expenditure limitation and FTE to reflect that the program is expected to be largely completed and closed out in the first year of the 2013-15 biennium.

Central Services

The Central Services program unit includes the leadership and indirect support for all Department programs. The primary functional areas are the Director's Office, the Policy, Strategy and Community Engagement Division, and the Business Operations Division. For the first year of the biennium, the subcommittee approved a budget of \$15,222,570 total funds and 38.75 FTE.

The Subcommittee approved the following:

- Package 090, Analyst Adjustments, which removes expenditure limitation (\$1,111,839 General Fund, \$8,990,789 Other Funds and \$5,119,945 Federal Funds) and FTE (38.25) from the Department for the second half of the biennium pending the presentation and legislative review of a plan, in February 2014, on alternative, sustainable models of service delivery. General Fund appropriations have been placed within a SPA. Other and Federal Funds expenditure limitation for the period of July 1, 2014 – June 30, 2015 can be added or established during the 2014 Legislative Session or by the Emergency Board for the appropriate state agency executors of Housing-related services pursuant to the plan. Debt Service related expenditure limitation is provided in full for the entire biennium (see Bond Debt Service – 090).

Budget Note:

The Housing and Community Services Department shall report to the Legislature during the 2014 session on alternate service delivery models for 2015 and beyond. The report should include recommendations on the following:

- Programs and functions that should be discontinued due to redundancies in other agencies and sectors, or because of unsustainable funding, or lack of demand;
- Programs and functions with ongoing, sustainable funding sources that should be continued, and how these programs should be prioritized;
- Of those programs and functions that are recommended for continuation, specification as to which are recommended to be carried out by other agencies or entities, along with a demonstration that the change has been discussed with the potential receiving party, and that the recommendation is feasible;

- Proposed performance measures for programs recommended for continuation;
 - The naming of an advisory body or bodies that should provide coordinated housing policy advice to agencies responsible for administering housing-related programs, the Governor, and the Legislature, and a recommendation on which advisory bodies to discontinue;
 - A plan for implementing recommended changes which includes a timeline of when functions will be discontinued, transferred or consolidated, and when remaining 2014-15 housing-related expenditure limitation or appropriations should be granted, and how commitments related to bonds, grant agreements, and other legal or contractual obligations will be met; and
 - Changes to statutes needed to implement the recommendations in the report, and to maximize the use of the Housing Trust Fund corpus to provide affordable housing to low income Oregonians.
- Package 091, Statewide Administrative Savings, eliminates \$342,390 Other Funds expenditure limitation and \$114,113 Federal Funds expenditure limitation. This package is a placeholder for administrative efficiencies in finance, information technology, human resources, accounting, payroll, and procurement expenditures. The Executive Branch had intended for these reductions to be specified in the Governor's 2013-15 recommended budget. The Department of Administrative Services will continue to work on details of these reductions with agencies and report back during the 2014 session.
 - Package 092, PERS Taxation Policy, eliminates \$30,254 Other Funds expenditure limitation and \$10,404 Federal Funds expenditure limitation. This package reflects the policy change in Senate Bill 822 that eliminates the increased retirement benefits resulting from Oregon income taxation of payments if the person receiving payments does not pay Oregon income tax on those benefits and is not an Oregon resident. This change reduces state employer contribution rates by approximately 0.30 percent.
 - Package 093, Other PERS Adjustments, eliminates \$241,745 Other Funds expenditure limitation and \$83,129 Federal Funds expenditure limitation. This package reflects the policy change in Senate Bill 822 that modifies the cost-of-living adjustment under the Public Employees Retirement System. This change reduces state employer contribution rates by approximately 2.2 percent.

An administrative action by the PERS Board, as directed by a budget note in the Senate Bill 822 budget report, will reduce state employer contribution rates by up to an additional 1.9 percent. However, no employer rate is reduced below its 2011-13 biennium rate.

- Package 810, LFO Analyst Adjustments, provides \$79,636 General Fund and \$79,636 Other Funds expenditure limitation and one position (0.50 FTE) for the first half of the biennium for the Court Appointed Special Advocates (CASA) to assist with the administration of contracts with the local CASA programs. The subcommittee's recommendation includes \$79,636 General Funds in the SPA for the second year of the 2013-15 biennium, allocated pursuant to legislative review and approval of the Department's plan on alternative service delivery models.

Bond Related Activities – 080

The Department's bond-finance loan programs provide safe and affordable rental housing to low-income Oregonians and provide opportunities for first-time homebuyers to finance their mortgages at below-market interest rates. Bond-related activities include disbursement of bond proceeds to finance multifamily and single-family mortgage loans, bond issuance costs, administrative expenses related to outstanding debt, and asset-protection costs associated with foreclosures and acquired properties. For the first year of the biennium, the subcommittee approved a budget of \$123,644,579 total funds.

The Subcommittee approved the following:

- Package 090, Analyst Adjustments, which removes expenditure limitation (\$1,351,721 million Other Funds expenditure limitation and \$122,292,859 Other Funds Non-Limited expenditure limitation) from the Department for the second half of the biennium pending the presentation and legislative review of a plan, in February 2014, on alternative, sustainable models of service delivery. In this package, expenditures related to services and supplies and special payments are reduced.

Bond Debt Service

Debt Service activities represent expenditures that repay investors and other parties' obligations owed on the outstanding debt issued on behalf of and by the Department to finance various loan program activities. These loan programs provide safe and affordable rental housing to low-income Oregonians, and provide opportunities for first-time homebuyers to finance their mortgages at below-market interest rates. The subcommittee approved a budget of \$341,166,608 total funds, which represents the debt services payments necessary for the entire 2013-15 biennium.

The Subcommittee approved the following:

- Package 810, LFO Analyst Adjustments reduces Lottery Funds Debt Service Expenditure Limitation by \$581,633 to incorporate projected savings as a result of bond refunding (refinancing).

Special Purpose Appropriation

The subcommittee recommended that \$8,915,211 General Fund be set aside (reserved) in a Special Purpose Appropriation (SPA) for the 2nd year of the biennium.

Summary of Performance Measure Action

See attached Legislatively Adopted 2013-15 Key Performance Measures form.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

HB 5015-A

Housing and Community Services Department
Tamara Brickman - 503-378-4709

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2011-13 Legislatively Approved Budget at Dec 2012 *	\$ 15,312,436	\$ 10,464,685	\$ 149,615,398	\$ 800,295,105	\$ 208,039,554	\$ 108,229,868	\$ 1,291,957,046	212	184.89
2013-15 ORBITS printed Current Service Level (CSL)*	\$ 12,187,323	\$ 10,010,599	\$ 117,857,575	\$ 577,328,360	\$ 154,818,200	\$ 108,000,000	\$ 980,202,057	127	126.50
SUBCOMMITTEE ADJUSTMENTS (from CSL)									
SCR 010 - Safety Net Programs									
Package 090: Analyst Adjustments									
Personal Services	\$ (53,444)	\$ 0	\$ (383,879)	\$ 0	\$ (410,297)	\$ 0	\$ (847,620)	0	-4.50
Services and Supplies	\$ (131,983)	\$ 0	\$ (47,215)	\$ 0	\$ (47,301)	\$ 0	\$ (226,499)		
Special Payments- Dist to Counties (6020)	\$ (570,440)	\$ 0	\$ (1,003,764)	\$ 0	\$ (2,354,285)	\$ 0	\$ (3,928,489)		
Special Payments- Dist to Other Gov Unit (6025)	\$ (40,091)	\$ 0	\$ (117,508)	\$ 0	\$ (301,346)	\$ 0	\$ (458,945)		
Special Payments- Dist to Non-Gov Units (6030)	\$ (2,227,848)	\$ 0	\$ (2,860,289)	\$ 0	\$ (7,336,214)	\$ 0	\$ (12,424,351)		
Special Payments- Intra-Agency Gen Fund Transfer (6060)	\$ (2,406,743)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (2,406,743)		
Package 092: PERS Taxation Policy									
Personal Services	\$ (284)	\$ 0	\$ (1,945)	\$ 0	\$ (2,214)	\$ 0	\$ (4,443)	0	0.00
Package 093: Other PERS Adjustments									
Personal Services	\$ (2,265)	\$ 0	\$ (15,541)	\$ 0	\$ (17,693)	\$ 0	\$ (35,499)	0	0.00
Package 810: LFO Analyst Adjustments									
Special Payments- Dist to Non-Gov Units (6030)	\$ 625,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 625,000		
SCR 020 - Energy Assistance & Weatherization Prog									
Package 090: Analyst Adjustments									
Personal Services	\$ 0	\$ 0	\$ (403,145)	\$ 0	\$ (171,953)	\$ 0	\$ (575,098)	0	-3.00
Services and Supplies	\$ 0	\$ 0	\$ (57,413)	\$ 0	\$ (170,121)	\$ 0	\$ (227,534)		
Special Payments- Dist to Counties (6020)	\$ 0	\$ 0	\$ (8,781,282)	\$ 0	\$ (15,652,262)	\$ 0	\$ (24,433,544)		
Special Payments- Dist to Other Gov Unit (6025)	\$ 0	\$ 0	\$ (551,672)	\$ 0	\$ (2,572,786)	\$ 0	\$ (3,124,458)		
Special Payments- Dist to Non-Gov Units (6030)	\$ 0	\$ 0	\$ (13,324,040)	\$ 0	\$ (33,285,694)	\$ 0	\$ (46,609,734)		
Package 092: PERS Taxation Policy									
Personal Services	\$ 0	\$ 0	\$ (2,144)	\$ 0	\$ (873)	\$ 0	\$ (3,017)	0	0.00
Package 093: Other PERS Adjustments									
Personal Services	\$ 0	\$ 0	\$ (17,132)	\$ 0	\$ (6,972)	\$ 0	\$ (24,104)	0	0.00

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

HB 5015-A

Housing and Community Services Department
Tamara Brickman - 503-378-4709

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
Package 810: LFO Analyst Adjustments									
Special Payments	\$ 0	\$ 0	\$ 5,000,000	\$ 0	\$ 0	\$ 0	\$ 5,000,000		
SCR 030 - Multifamily Rental Housing Programs									
Package 090: Analyst Adjustments									
Personal Services	\$ 0	\$ 0	\$ (2,307,203)	\$ 0	\$ (431,331)	\$ 0	\$ (2,738,534)	0	-14.50
Services and Supplies	\$ 0	\$ 0	\$ (154,047)	\$ (2,500)	\$ (13,344)	\$ 0	\$ (169,891)		
Special Payments- Dist to Counties (6020)	\$ 0	\$ 0	\$ (72,220)	\$ 0	\$ 0	\$ 0	\$ (72,220)		
Special Payments- Dist to Other Gov Unit (6025)	\$ 0	\$ 0	\$ (97,417)	\$ 0	\$ 0	\$ 0	\$ (97,417)		
Special Payments- Dist to Non-Gov Units (6030)	\$ 0	\$ 0	\$ (12,372,529)	\$ 0	\$ (425,554)	\$ 0	\$ (12,798,083)		
Special Payments- Dist to Individuals (6035)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (54,000,000)	\$ (54,000,000)		
Special Payments- Loans Made - Other (6080)	\$ 0	\$ 0	\$ (3,606,217)	\$ (500,000)	\$ (1,786,446)	\$ 0	\$ (5,892,663)		
Special Payments- Other Special Payments (6085)	\$ 0	\$ 0	\$ (179,904)	\$ 0	\$ (6,103,165)	\$ 0	\$ (6,283,069)		
Package 092: PERS Taxation Policy									
Personal Services	\$ 0	\$ 0	\$ (11,852)	\$ 0	\$ (2,260)	\$ 0	\$ (14,112)	0	0.00
Package 093: Other PERS Adjustments									
Personal Services	\$ 0	\$ 0	\$ (94,700)	\$ 0	\$ (18,058)	\$ 0	\$ (112,758)	0	0.00
SCR 040 - Single Family Housing Programs									
Package 090: Analyst Adjustments									
Personal Services	\$ (90,317)	\$ 0	\$ (506,197)	\$ 0	\$ (50,978)	\$ 0	\$ (647,492)	0	-3.75
Services and Supplies	\$ (341,902)	\$ 0	\$ (111,761)	\$ 0	\$ 0	\$ 0	\$ (453,663)		
Special Payments- Dist to Cities (6015)	\$ 0	\$ 0	\$ (218,092)	\$ 0	\$ (228,150)	\$ 0	\$ (446,242)		
Special Payments- Dist to Counties (6020)	\$ 0	\$ 0	\$ 0	\$ 0	\$ (243,795)	\$ 0	\$ (243,795)		
Special Payments- Dist to Non-Gov Units (6030)	\$ 0	\$ 0	\$ (929,751)	\$ 0	\$ (592,312)	\$ 0	\$ (1,522,063)		
Special Payments- Dist to Individuals (6035)	\$ (1,685,968)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (1,685,968)		
Special Payments- Loans Made - Other (6080)	\$ 0	\$ 0	\$ 0	\$ 0	\$ (34,944)	\$ 0	\$ (34,944)		
Package 092: PERS Taxation Policy									
Personal Services	\$ (486)	\$ 0	\$ (2,484)	\$ 0	\$ (290)	\$ 0	\$ (3,260)	0	0.00
Package 093: Other PERS Adjustments									
Personal Services	\$ (3,880)	\$ 0	\$ (19,848)	\$ 0	\$ (2,320)	\$ 0	\$ (26,048)	0	0.00

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

HB 5015-A

Housing and Community Services Department
 Tamara Brickman - 503-378-4709

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
Package 103: Pre-Mediation Counseling									
Personal Services	\$ 185,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 185,000	1	1.00
Services and Supplies	\$ 683,804	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 683,804		
Special Payments- Dist to Individuals (6035)	\$ 3,371,936	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,371,936		
Package 105: Neighborhood Stabilization Program									
Personal Services	\$ 0	\$ 0	\$ 0	\$ 0	\$ 154,619	\$ 0	\$ 154,619	1	0.75
Special Payments- Dist to Cities (6015)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 228,150	\$ 0	\$ 228,150		
Special Payments- Dist to Counties (6020)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 243,795	\$ 0	\$ 243,795		
Special Payments- Dist to Non-Gov Units (6030)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 93,112	\$ 0	\$ 93,112		
Special Payments- Loans Made - Other (6080)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 34,944	\$ 0	\$ 34,944		
SCR 050 - Homeownership Stabilization Initiative									
Package 090: Analyst Adjustments									
Personal Services	\$ 0	\$ 0	\$ (1,316,663)	\$ 0	\$ 0	\$ 0	\$ (1,316,663)	0	-7.19
Services and Supplies	\$ 0	\$ 0	\$ (190,124)	\$ 0	\$ 0	\$ 0	\$ (190,124)		
Package 092: PERS Taxation Policy									
Personal Services	\$ 0	\$ 0	\$ (6,067)	\$ 0	\$ 0	\$ 0	\$ (6,067)	0	0.00
Package 093: Other PERS Adjustments									
Personal Services	\$ 0	\$ 0	\$ (48,476)	\$ 0	\$ 0	\$ 0	\$ (48,476)	0	0.00
Package 101: Oregon Homeownership Stabilization Initiative									
Personal Services	\$ 0	\$ 0	\$ 2,687,869	\$ 0	\$ 0	\$ 0	\$ 2,687,869	37	14.37
Package 810: LFO Analyst Adjustments									
Personal Services	\$ 0	\$ 0	\$ 702,043	\$ 0	\$ 0	\$ 0	\$ 702,043	0	5.15
Services and Supplies	\$ 0	\$ 0	\$ 342,222	\$ 0	\$ 0	\$ 0	\$ 342,222		

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

HB 5015-A

Housing and Community Services Department
 Tamara Brickman - 503-378-4709

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
SCR 070 - Central Services									
Package 090: Analyst Adjustments									
Personal Services	\$ 0	\$ 0	\$ (5,577,312)	\$ 0	\$ (1,909,057)	\$ 0	\$ (7,486,369)	0	-38.25
Services and Supplies	\$ 0	\$ 0	\$ (2,299,697)	\$ 0	\$ (729,737)	\$ 0	\$ (3,029,434)		
Capital Outlay	\$ 0	\$ 0	\$ (43,136)	\$ 0	\$ 0	\$ 0	\$ (43,136)		
Special Payments- Dist to Non-Gov Units (6030)	\$ 0	\$ 0	\$ (1,070,644)	\$ 0	\$ (1,621,577)	\$ 0	\$ (2,692,221)		
Special Payments- Dist to Local School Districts (6040)	\$ 0	\$ 0	\$ 0	\$ 0	\$ (270,471)	\$ 0	\$ (270,471)		
Special Payments- Intra-Agency Gen Fund Transfer (6060)	\$ (1,111,839)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (1,111,839)		
Special Payments- Other Special Payments (6085)	\$ 0	\$ 0	\$ 0	\$ 0	\$ (589,103)	\$ 0	\$ (589,103)		
Package 091: Statewide Administrative Savings									
Personal Services	\$ 0	\$ 0	\$ (242,768)	\$ 0	\$ (83,108)	\$ 0	\$ (325,876)	0	0.00
Services and Supplies	\$ 0	\$ 0	\$ (97,797)	\$ 0	\$ (31,005)	\$ 0	\$ (128,802)		
Capital Outlay	\$ 0	\$ 0	\$ (1,825)	\$ 0	\$ 0	\$ 0	\$ (1,825)		
Package 092: PERS Taxation Policy									
Personal Services	\$ 0	\$ 0	\$ (30,254)	\$ 0	\$ (10,404)	\$ 0	\$ (40,658)	0	0.00
Package 093: Other PERS Adjustments									
Personal Services	\$ 0	\$ 0	\$ (241,745)	\$ 0	\$ (83,129)	\$ 0	\$ (324,874)	0	0.00
Package 810: LFO Analyst Adjustments									
Personal Services	\$ 79,636	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 79,636	1	0.50
Special Payments- Intra-Agency Gen Fund Transfer (6060)	\$ 0	\$ 0	\$ 79,636	\$ 0	\$ 0	\$ 0	\$ 79,636		
SCR 080 - Bond Related Activities									
Package 090: Analyst Adjustments									
Services and Supplies	\$ 0	\$ 0	\$ (1,351,721)	\$ (5,892,859)	\$ 0	\$ 0	\$ (7,244,580)		
Special Payments- Loans Made - Other (6080)	\$ 0	\$ 0	\$ 0	\$ (116,400,000)	\$ 0	\$ 0	\$ (116,400,000)		

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

HB 5015-A

Housing and Community Services Department
 Tamara Brickman - 503-378-4709

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
SCR 090 - Bond Debt Service									
Package 810: LFO Analyst Adjustments									
Debt Service	\$ 0	\$ (581,633)	\$ 0	\$ 0	\$ 0	\$ 0	\$ (581,633)		
TOTAL ADJUSTMENTS	\$ (3,722,114)	\$ (581,633)	\$ (51,957,650)	\$ (122,795,359)	\$ (76,835,929)	\$ (54,000,000)	\$ (309,892,685)	40	-49.42
SUBCOMMITTEE RECOMMENDATION *	\$ 8,465,209	\$ 9,428,966	\$ 65,899,925	\$ 454,533,001	\$ 77,982,271	\$ 54,000,000	\$ 670,309,372	167	77.08
% Change from 2011-13 Leg Approved Budget	-44.7%	-9.9%	-56.0%	-43.2%	-62.5%	-50.1%	-48.1%	-21.2%	-58.3%
% Change from 2013-15 Current Service Level	-30.5%	-5.8%	-44.1%	-21.3%	-49.6%	-50.0%	-31.6%	31.5%	-39.1%
*Excludes Capital Construction Expenditures									
EMERGENCY BOARD									
Special Purpose Appropriation									
Housing second year funding	\$ 8,915,211	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 8,915,211		

Legislatively Approved 2013-2015 Key Performance Measures

Agency: HOUSING and COMMUNITY SERVICES, OREGON

Mission: Provide leadership that enables Oregonians to gain housing, become self-sufficient, and achieve prosperity.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2014	Target 2015
1 - Affordable Home Ownership Percent of households at or below the state's median income served by our single family programs matches or exceeds Oregon's households at or below median income.		Approved KPM	1.00	1.00	
2 - Affordable Rental Housing through Bonds, Grants, and Tax Credits – Percent of housing units funded with grants, tax credits, and bonds, excluding market rate housing units, will be affordable to households earning less than 60% of the area median income.		Approved KPM	93.70	85.00	
3 - Increasing Housing for Special Needs Individuals – Percent of affordable rental housing units developed that provide rental opportunities for the low-income elderly or individuals with special needs compared to the percent of the state's population that are low-income elderly or individuals with special needs.		Approved KPM	47.00	45.00	
4 - Reducing Homelessness – Percent of homeless persons entering permanent housing with stays of six months or longer. .		Approved KPM	83.00	80.00	
5 - Construction Costs – Cost per square foot for housing units developed through Grant and Tax Credit programs.		Approved KPM	173.01		
6 - Increasing Energy Savings – For all funds invested, the percent of energy savings generated from the Department’s Energy Conservation Helping Oregonians (ECHO) weatherization program.		Approved KPM	132.00	100.00	
7 - Agency Customer Service – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: timeliness, accuracy, helpfulness, expertise, availability of information, overall.	Accuracy	Approved KPM	80.30	80.00	80.00
7 - Agency Customer Service – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: timeliness, accuracy, helpfulness, expertise, availability of information, overall.	Availability of Information	Approved KPM	74.60	80.00	80.00

Agency: HOUSING and COMMUNITY SERVICES, OREGON

Mission: Provide leadership that enables Oregonians to gain housing, become self-sufficient, and achieve prosperity.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2014	Target 2015
7 - Agency Customer Service – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: timeliness, accuracy, helpfulness, expertise, availability of information, overall.	Expertise	Approved KPM	84.20	80.00	80.00
7 - Agency Customer Service – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: timeliness, accuracy, helpfulness, expertise, availability of information, overall.	Helpfulness	Approved KPM	86.30	80.00	80.00
7 - Agency Customer Service – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: timeliness, accuracy, helpfulness, expertise, availability of information, overall.	Overall	Approved KPM	80.30	80.00	80.00
7 - Agency Customer Service – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: timeliness, accuracy, helpfulness, expertise, availability of information, overall.	Timeliness	Approved KPM	79.00	80.00	80.00
8 - General Fund Food Program - Percent of pounds in donated food distributed through Oregon Food Bank that are processed or repackaged bulk food purchased through the General Fund Food Program.		Approved KPM	5.00	8.00	
1 a - Affordable Home Ownership Percent of residential loans closed that provide homeownership to individuals at A) 100% applicable median income and below.		Legislative Delete	99.40		
1 b - Affordable Home Ownership – Percent of residential loans closed that provide homeownership to individuals at B) 90% applicable median income and below.		Legislative Delete	94.20		
1 c - Affordable Home Ownership – Percent of residential loans closed that provide homeownership to individuals at C) 80% applicable median income and below.		Legislative Delete	88.90		
3 - Reducing Homelessness – Percent of households that entered a housing program in either a homeless or at-risk status that exited to a stable housing situation.		Legislative Delete	37.10		

Agency: HOUSING and COMMUNITY SERVICES, OREGON

Mission: Provide leadership that enables Oregonians to gain housing, become self-sufficient, and achieve prosperity.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2014	Target 2015
4 - Affordable Rental Housing through Bonds – Percent of housing units developed through the issuance of tax-exempt bonds that provide affordable rental opportunities for individuals at 60% or below area median income.		Legislative Delete	99.50		
5 a - Affordable Rental Housing through Grants – Percent of housing units developed through the Department’s Consolidated Funding Cycle and other processes that provide affordable rental opportunities for individuals at A) 60% area median income and below.		Legislative Delete	86.20		
5 b - Affordable Rental Housing through Grants – Percent of housing units developed through the Department’s Consolidated Funding Cycle and other processes that provide affordable rental opportunities for individuals at B) 50% area median income and below.		Legislative Delete	33.60		
5 c - Affordable Rental Housing through Grants – Percent of housing units developed through the Department’s Consolidated Funding Cycle and other processes that provide affordable rental opportunities for individuals at C) 40% area median income and below.		Legislative Delete	15.20		
5 d - Affordable Rental Housing through Grants – Percent of housing units developed through the Department’s Consolidated Funding Cycle and other processes that provide affordable rental opportunities for individuals at D) 30% area median income and below.		Legislative Delete	12.50		
7 - Increasing Housing for Special Needs Individuals – Percent of housing units developed that provide rental opportunities for the elderly and individuals with special needs.		Legislative Delete	51.20		

LFO Recommendation:

The Legislative Fiscal Office recommends that Housing and Community Services propose new performance measures for any programs that remain within a state agency, pursuant to Housing's February 2014 report to the Legislature on alternative service delivery options.

Sub-Committee Action:

Approve the LFO recommendation that the Housing and Community Services Department propose new performance measures for any programs administered by a state agency, pursuant to Housing's February 2014 report to the Legislature on alternative service delivery options.