

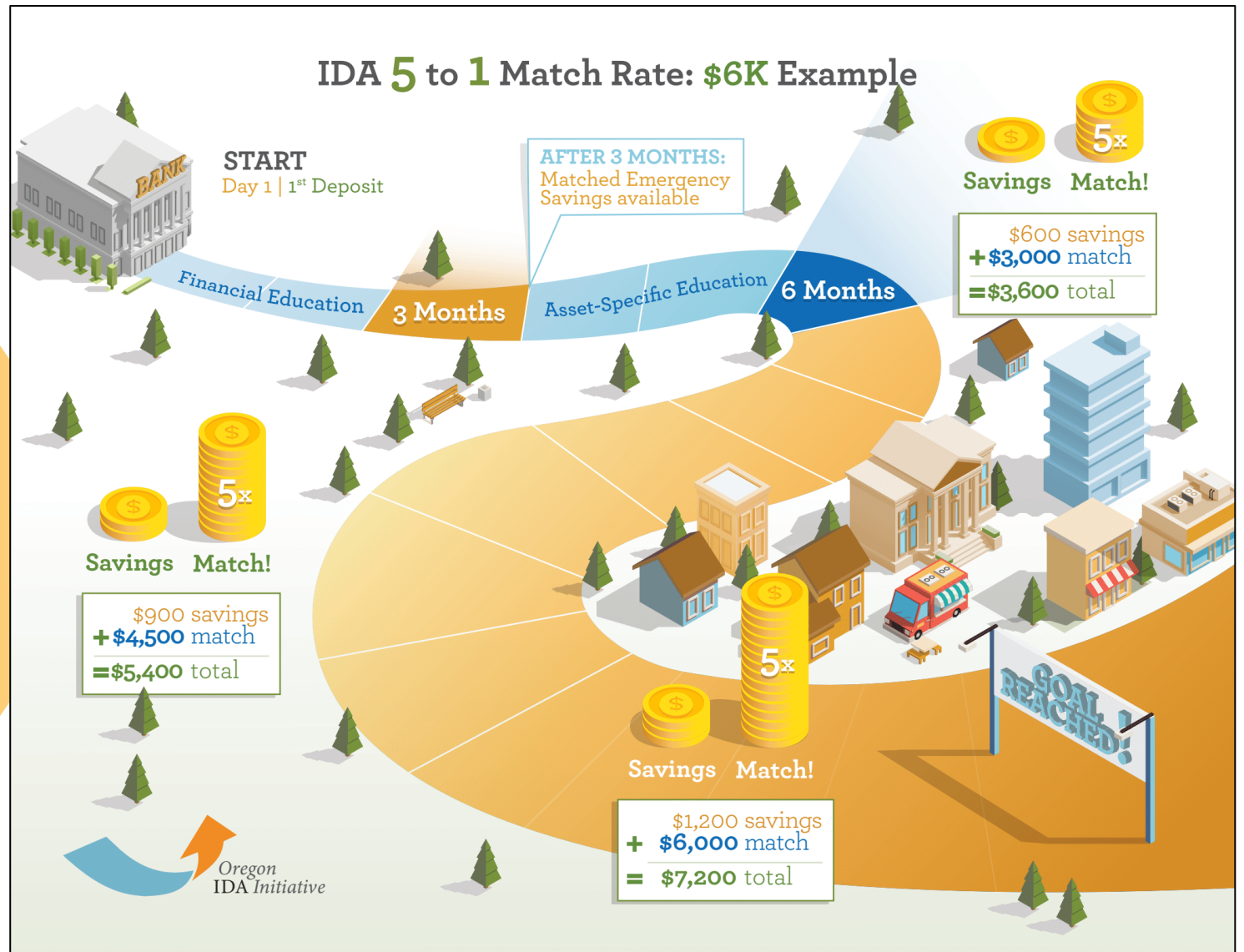
IDA Initiative

Presentation to JARDHO,
June 2022



IDA 101

Savers Journey



Oregon IDA Tax credit history

- 1999 Individual Development Accounts established in statute. Funded by \$500,000 in tax credit at 25% to raise \$2M. Low rate results in disappointing sales.
- 2002 NP becomes administrator, credits raised to 75% rate and sell out. 2003-8 Tax credit ceiling gradually raised to \$6M.
- **2009 Tax credit ceiling raised to current level of \$7.5M** at 75%.
- After a dip in sales during the recession years, starting in 2011 tax credits sell out consistently at 75% rate.
- 2015-18 NP allowed to adjust tax credit sales rate based on demand starting 2015. **Annual revenue peak of \$10,916,302.**
- 2019 Federal tax law changes have tremendous negative impact on value of tax credits to traditional donor base. **Total revenue drops to \$5,986,577.** Tax credit value adjusted to 90%.
- 2020-21 Adjustment in value and marketing strategy bring sales back up but below previous highs. **New annual revenue level of \$8,333,325, an annual drop of about \$2.5M.**

General fund appropriations history

Addition of new revenue source for IDAs

- 2019 Long session: Multiple strategies in play to increase Initiative funding and address tax credit shortfall.
- 2019 Special session: \$2M infusion of general fund dollars into the Initiative to mitigate drop in tax credit sales.
- 2021 Long Session: Tax credit renewed for 6 years. \$7M in one-time general funds allocated through OHCS budget.

IDA Provider Map

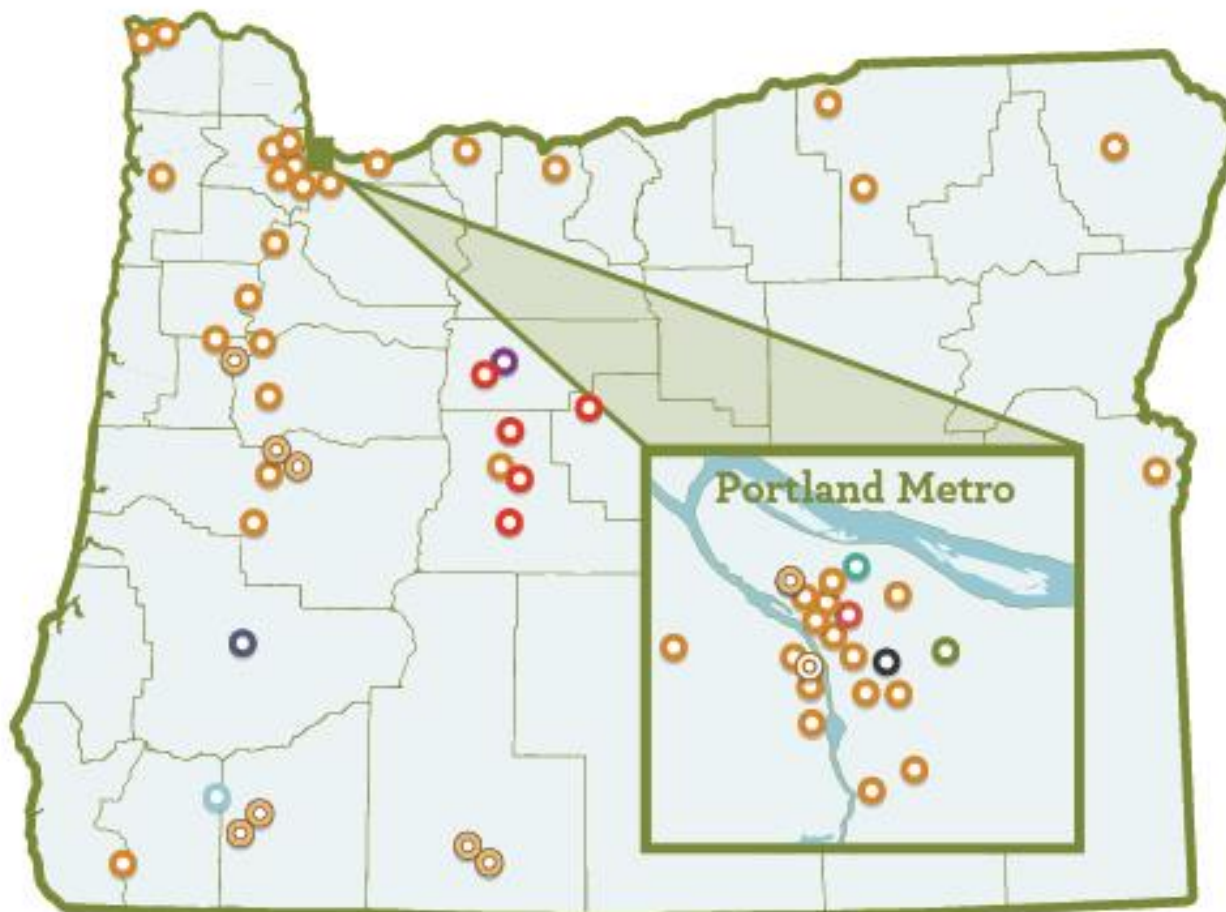
Fiduciary Organizations/ Providers

Outcomes

Life of program:

- 9,000+ Participants reached asset goal
- Participant IDA savings: \$28M+
- IDA Matching funds: \$47M+

2021: Served 4,371 savers across the Initiative



- CASA of Oregon
- DevNW and network
- Immigrant and Refugee Community Organization
- Mercy Corps Northwest
- Micro Enterprise Services of Oregon
- The Native American Youth and Family Center
- NeighborImpact
- NeighborWorks Umpqua
- Portland Housing Center
- Project Youth+
- Warm Springs Community Action Team

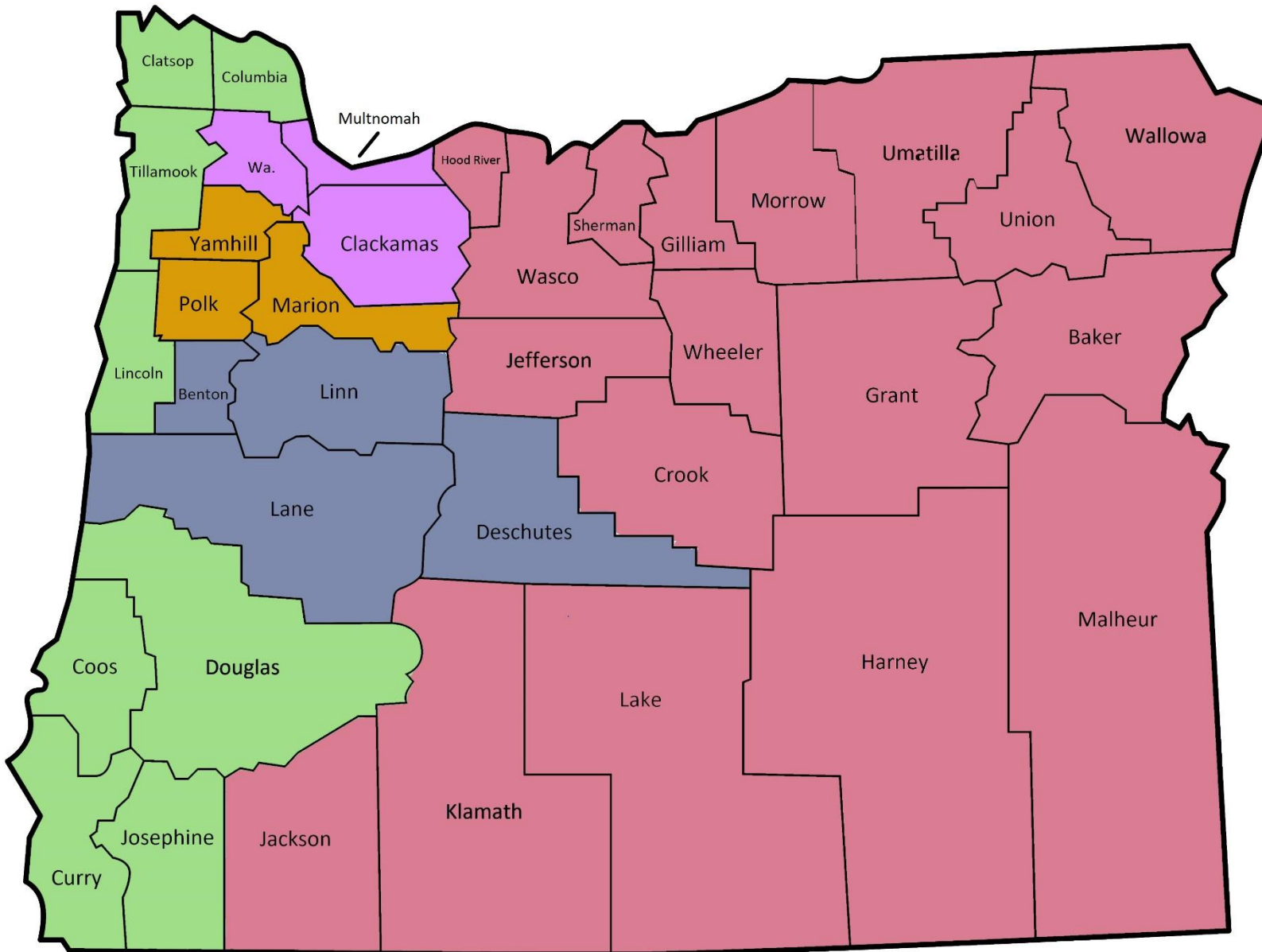
Racial Wealth Gap


- By one recent measure, the median wealth of all White families is \$171K, compared with \$17k for Black families and \$21K for Hispanic families.¹
- In 2018 in Oregon Homeownership Rates by Race were:
 - White 66%
 - Black 34.6%
 - Hispanic: 42%
 - Native American 51.5%
 - NHPI: 27.5%
 - Asian: 61.2%
 - All BIPOC: 45.9%


¹Coalition of Communities of Color's Research Justice Institute "Addressing the Racial Wealth Gap"



Regions



 Coast

 Metro

 Mid Valley

 Central

 East

IDA Initiative: Match Withdrawn & Enrollments by Race/Ethnicity

Counties in each region:	Statewide		
	All counties.		
	Residents	Completions	Enrollments
Low Income Residents	1,250,014	2,071	2,243
Total Match Withdrawn		\$13,313,935	
Asian or Pacific Islander	5.8%	4.6%	5.4%
Black	4.4%	10.5%	12.8%
Latinx	20.5%	23.9%	27.1%
Native American	4.4%	6.0%	9.5%
White alone, not Latinx	66.8%	53.4%	42.8%
Total BIPOC	33.2%	43.8%	54.9%
FOs in each region:	All FOs.		

Residents = Total number of low income residents in the identified area, and the percent of those residents in each racial/ethnic group.

Green = Percent meets or exceeds the NP equity goal, where the match withdrawn or enrollments are at least 1.5 times the racial/ethnic group's proportion of low-income residents.

Completions = Number of completions July 2019 - June 2021; total amount of match withdrawn; and the percent of the total match that went to each racial/ethnic group.

IDA Initiative: Match Withdrawn & Enrollments by Race/Ethnicity

Counties in each region:	Coast			Portland Metro			Mid Valley			Central			East		
	Columbia, Clatsop, Tillamook, Lincoln, Douglas, Coos, Curry, Josephine			Multnomah, Clackamas, Washington			Marion, Yamhill, Polk			Linn, Benton, Lane, Deschutes			Jackson, Klamath, Lake, Harney, Malheur, Jefferson, Crook, Hood River, Wasco, Sherman, Gilliam, Wheeler, Morrow, Umatilla, Grant, Wallowa, Union, Baker		
	Residents	Completions	Enrollments	Residents	Completions	Enrollments	Residents	Completions	Enrollments	Residents	Completions	Enrollments	Residents	Completions	Enrollments
Low Income Residents	165,036	278	209	441,268	909	1,110	172,574	151	159	257,469	360	369	213,667	371	396
Total Match Withdrawn		\$2,045,467			\$5,584,465			\$862,449			\$2,226,347			\$2,582,707	
Asian or Pacific Islander	2.1%	4.7%	2.4%	9.7%	7.1%	7.7%	4.2%	1.3%	3.1%	5.7%	1.4%	5.1%	2.4%	3.1%	1.5%
Black	1.5%	0.3%	1.4%	8.5%	22.1%	22.7%	2.4%	4.5%	4.4%	2.4%	2.8%	4.9%	1.9%	2.4%	2.0%
Latinx	10.2%	10.8%	19.6%	22.1%	27.3%	29.2%	35.8%	41.5%	47.8%	12.3%	15.0%	16.0%	22.7%	28.1%	27.0%
Native American	5.4%	3.4%	3.8%	3.0%	5.0%	5.6%	5.9%	3.8%	3.8%	3.7%	2.3%	5.4%	6.1%	14.2%	29.8%
White alone, not Latinx	82.0%	78.4%	69.4%	58.8%	36.5%	32.0%	55.4%	49.2%	39.6%	77.0%	76.0%	64.0%	68.9%	52.5%	40.7%
Total BIPOC	18.0%	18.9%	26.3%	41.2%	60.0%	66.5%	44.6%	49.4%	57.9%	23.0%	21.6%	32.8%	31.1%	45.2%	56.8%
FOs in each region:	CASA, NWU, PY+			CASA, DevNW, IRCO, MCNW, MESO, NAYA, PHC			CASA, DevNW			CASA, DevNW, DreamSavers Network, NWU			CASA, DreamSavers Network, NWU, PY+, WSCAT		

Residents = Total number of low income residents in the identified area, and the percent of those residents in each racial/ethnic group.

Green = Percent meets or exceeds the NP equity goal, where the match withdrawn or enrollments are at least 1.5 times the racial/ethnic group's proportion of low-income residents.

Completions = Number of completions July 2019 - June 2021; total amount of match withdrawn; and the percent of the total match that went to each racial/ethnic group.

Match Withdrawn by Asset

Each column shows % to total for assets by region of the state. 25.1% of IDAs statewide went toward Homeownership.

Orange shading indicates below statewide share for the asset in a region.

e.g.: 11.8% of all Matched Withdrawals in the Coast were for Home Purchase, compared to 25.1% of all Matched Withdrawals Statewide for Home Purchase

	State	Coast	Portland Metro	Mid Valley	Central	East
IDA Completers, 2020	1,327	177	572	97	234	247
Total Match Withdrawn	\$ 8,685,492	\$ 1,343,800	\$ 3,599,299	\$ 528,813	\$ 1,440,581	\$ 1,772,999
Home Purchase	25.1%	11.8%	31.2%	32.9%	30.7%	16.0%
Education	27.1%	44.9%	19.3%	33.6%	20.3%	33.0%
Microenterprise	19.6%	14.4%	29.0%	16.2%	7.2%	15.4%
Vehicle	18.5%	21.9%	10.0%	12.2%	31.0%	24.7%
Home Repair	5.3%	5.2%	4.1%	1.7%	5.0%	9.0%
Other Assets	4.4%	1.9%	6.3%	3.4%	5.8%	1.9%
Stabilization	21.4%	23.3%	13.6%	13.9%	35.3%	26.6%
Bridging	27.7%	45.3%	20.4%	33.6%	20.9%	33.0%
Wealth Building	50.9%	31.4%	66.0%	52.5%	43.8%	40.4%
FOs in this region (more than 20 IDAs in 2019)		CASA, NWU, PY+	CASA, DevNW, IRCO, MCNW, MESO,	CASA, DevNW	CASA, DevNW, NWU	CASA, NWU, PY+, WSCAT
Counties in region		Columbia, Clatsop, Tillamook, Lincoln, Douglas, Coos, Curry, Josephine	Multnomah, Clackamas, Washington	Marion, Yamhill, Polk	Linn, Benton, Lane, Deschutes	Jackson, Klamath, Lake, Harney, Malheur, Jefferson, Crook, Hood River, Wasco, Sherman, Gilliam, Wheeler, Morrow, Umatilla, Grant, Wallowa, Union, Baker

Match Withdrawn by Asset within Racial Groups

Each column shows % to total distribution for assets by racial group. So, while 25.1% of all IDAs statewide were for Home purchase, for API communities 29.7% were for Home purchase.

Purple shading indicates below statewide share (on the right) for the asset in a region.

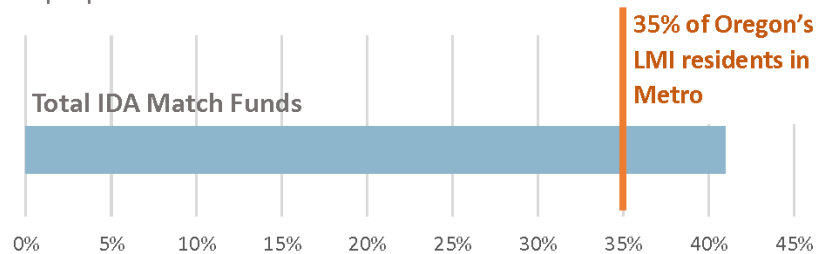
At top, dark orange indicates group overall IDA % is below LMI population level. Lighter orange indicates below 1.5x equity goal.

State						
	API	Black	Latinx	Native	White	Total
Census (2019 5Y PUMS)	5.8%	4.4%	20.5%	4.4%	66.8%	
% of Match Withdrawn to Race Group (Apr 2020-Jun 2021)	4.4%	11.0%	24.5%	6.1%	51.9%	100.0%
IDAs Completed	59	146	337	92	671	1,327
Total Match Withdrawn	\$ 383,036	\$ 952,594	\$ 2,129,589	\$ 525,918	\$ 4,509,158	\$ 8,685,492
Home Purchase	29.7%	38.0%	22.6%	8.6%	25.1%	25.1%
Education	31.4%	13.1%	39.2%	12.4%	25.6%	27.1%
Microenterprise	21.4%	24.0%	20.2%	18.3%	17.7%	19.6%
Vehicle	8.6%	14.2%	11.7%	39.7%	21.2%	18.5%
Other Assets	8.9%	10.6%	6.3%	21.0%	10.3%	9.7%
Stabilization						21.4%
Bridging						27.7%
Wealth Building						50.9%

Regional Gaps & Opportunities: Portland Metro

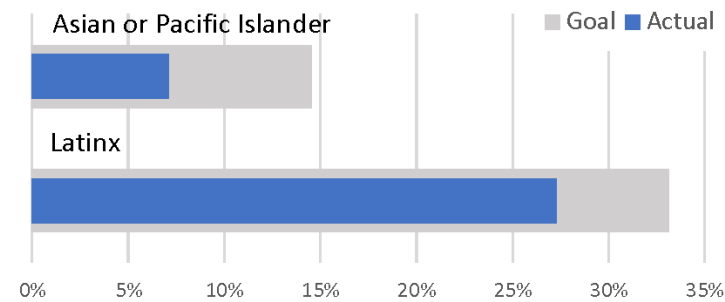
Total Match to the Metro Region

The Metro Region carries a higher percentage of the state's **matching funds** than its **proportion of the state's LMI population**. This results in \$450K more going to the region than what would be a proportional share.



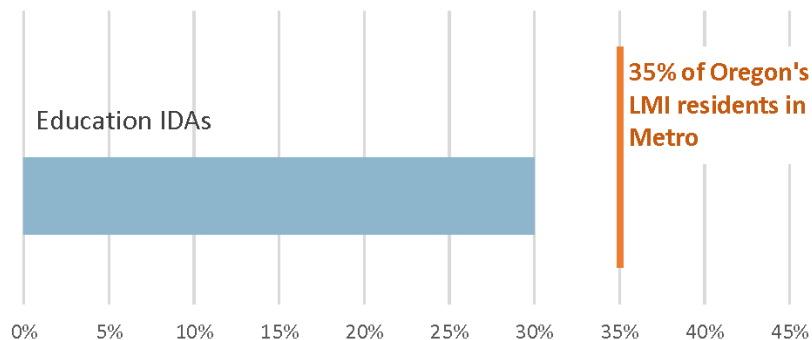
Underserved Communities

IDA Match Funds distributed are below Equity Goals for AAPI and Latinx residents.



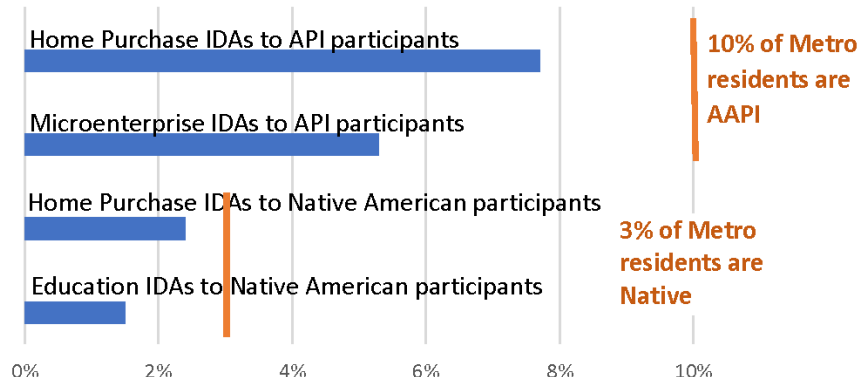
Gaps in Bridging Assets

Fewer **matching funds** for education compared to the region's **proportion of the LMI population**.



Asset-specific Community Gaps

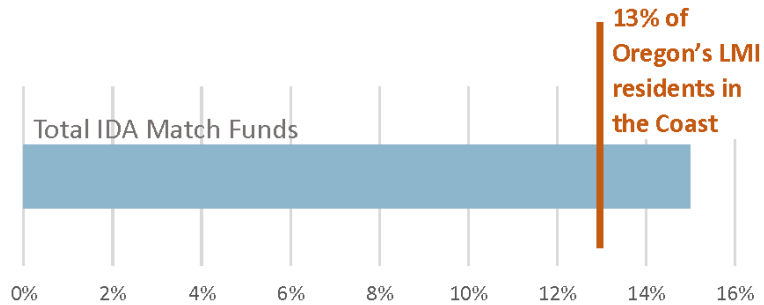
Fewer **matching funds** went to AAPI and Native American residents for bridging and wealth-building assets than **their representation in the region's LMI population**.



Regional Gaps & Opportunities: Coast

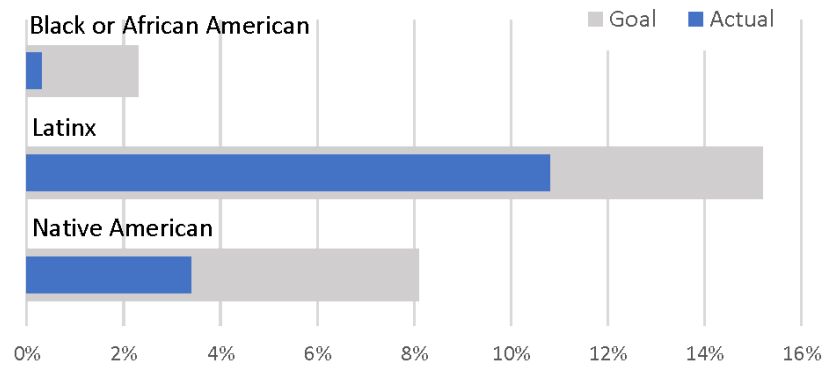
Total Match to the Coast Region

The Coast Region carries a slightly higher percentage of the state's **matching funds** than its **proportion of the state's LMI population**. This results in \$150K more going to the region than what would be a proportional share.



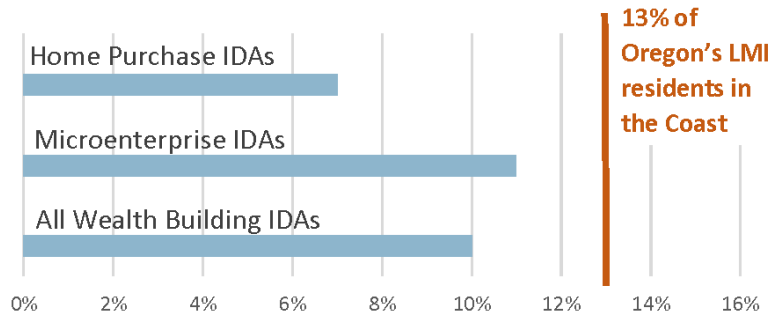
Underserved Communities

IDA Match Funds distributed are below **Equity Goals** for Black, Latinx and Native American residents.



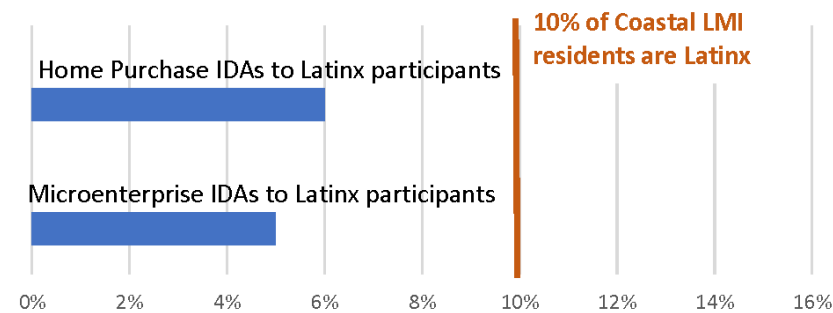
Gaps in Wealth Building Assets

Fewer **matching funds** for wealth-building assets compared to the region's **proportion of the LMI population**.



Asset-specific Community Gaps

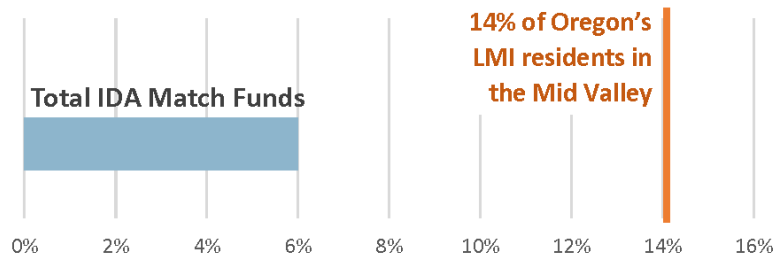
Fewer **matching funds** went to Latinx residents for wealth-building assets than **their representation in the region's LMI population**.



Regional Gaps & Opportunities: Mid Valley

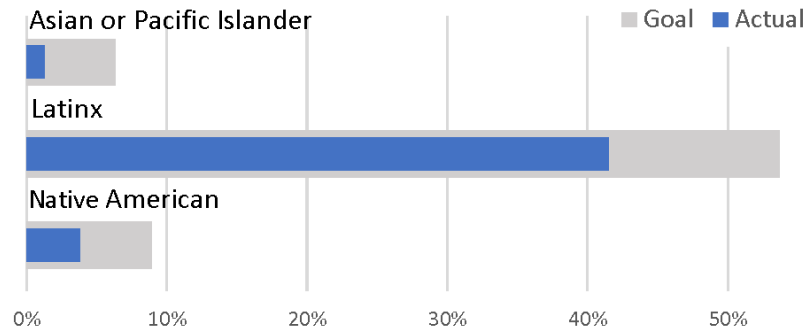
Total Match to the Mid Valley Region

The Mid Valley carries a lower percentage of the state's **matching funds** than its **proportion of the state's LMI population**. This results in \$500K less going to the region than what would be a proportional share.



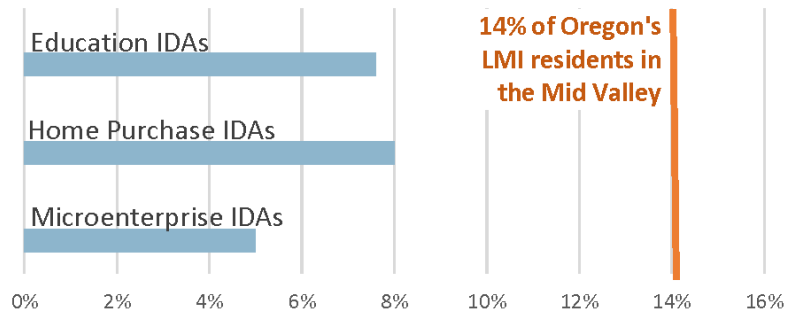
Underserved Communities

IDA Match Funds distributed are below **Equity Goals** for AAPI, Latinx and Native American residents.



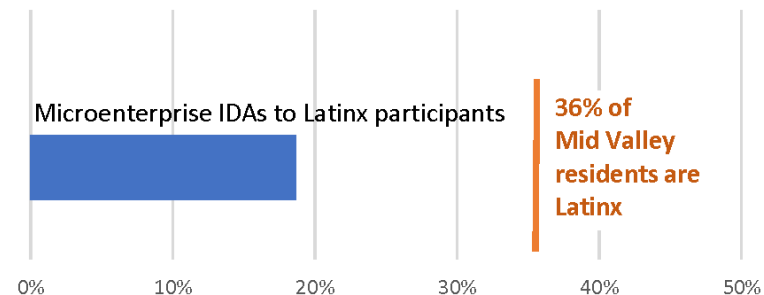
Gaps in Bridging and Wealth Building Assets

Fewer **matching funds** for bridging and wealth-building assets compared to the region's **proportion of the LMI population**.



Asset-specific Community Gaps

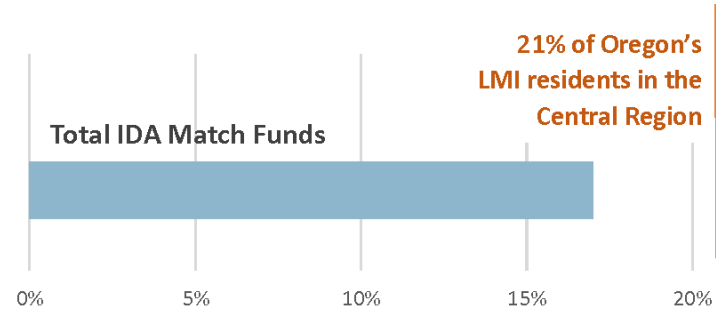
Fewer **matching funds** went to Latinx residents for microenterprise than **their representation in the region's LMI population**.



Regional Gaps & Opportunities: Central

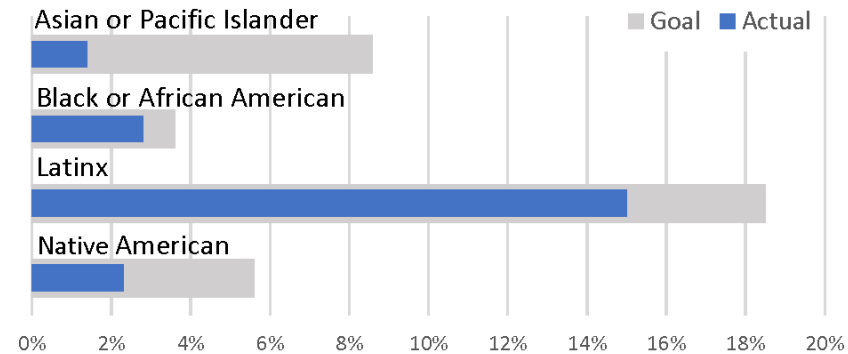
Total Match to the Central Region

The Central Region carries a lower percentage of the state's **matching funds** than its **proportion of the state's LMI population**. This results in \$300K less going to the region than what would be a proportional share.



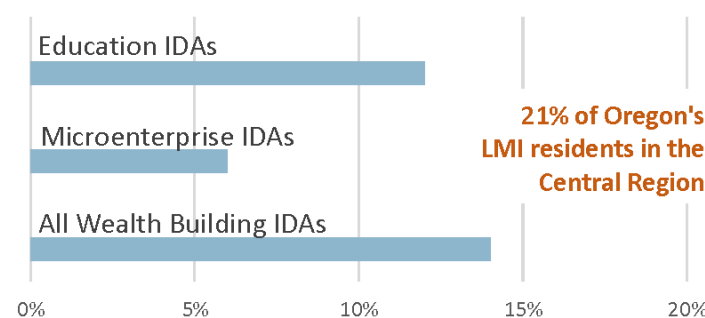
Underserved Communities

IDA Match Funds distributed are below **Equity Goals** for AAPI, Black, Latinx and Native American residents.



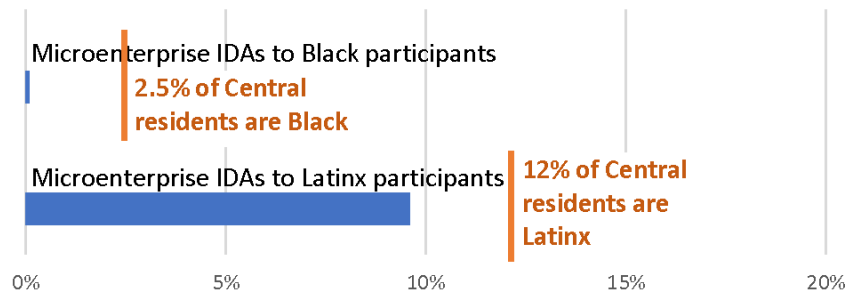
Gaps in Bridging and Wealth Building Assets

Fewer **matching funds** for bridging and wealth-building assets compared to the region's **proportion of the LMI population**.



Asset-specific Community Gaps

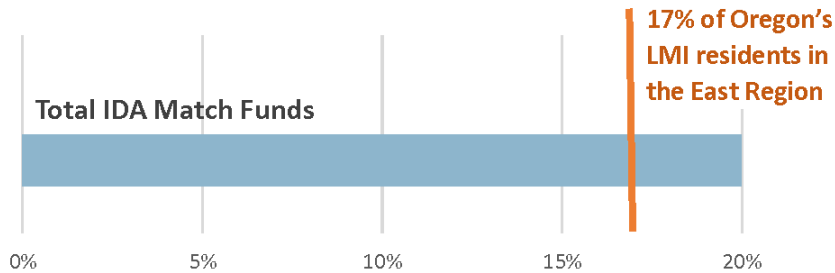
Fewer **matching funds** went to Black and Latinx residents for microenterprise than **their representation in the region's LMI population**.



Regional Gaps & Opportunities: East

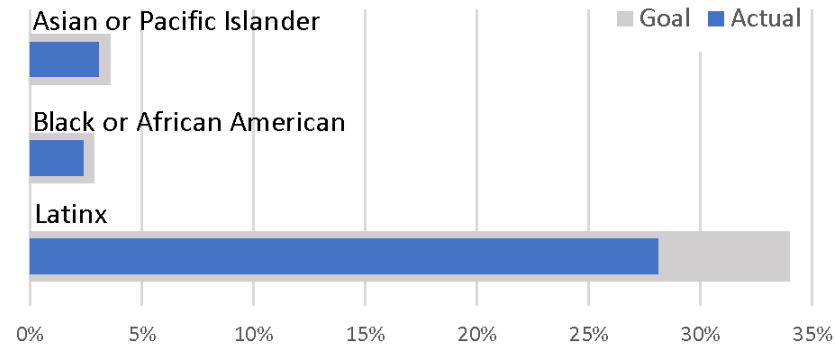
Total Match to the East Region

The East Region carries a slightly higher percentage of the state's **matching funds** than its **proportion of the state's LMI population**. This results in \$200K more going to the region than what would be a proportional share.



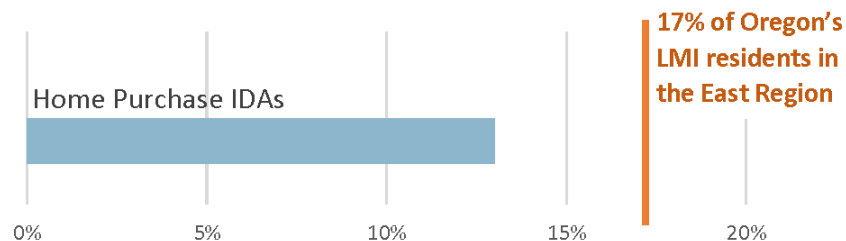
Underserved Communities

IDA Match Funds distributed are below **Equity Goals** for AAPI, Black, and Latinx residents.



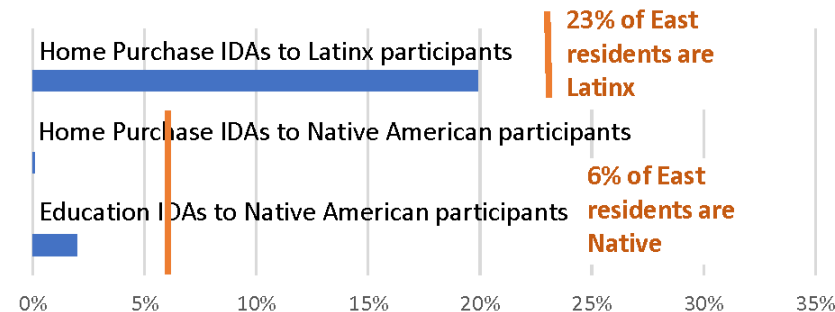
Gaps in Wealth Building Assets

Fewer **matching funds** for homeownership compared to the region's **proportion of the LMI population**.



Asset-specific Community Gaps

Fewer **matching funds** went to Latinx and Native American residents for bridging and wealth-building assets than **their representation in the region's LMI population**.



2023 IDA Initiative OHCS \$35M GF Budget Request

Bringing new FOs online,
and statewide unmet
demand across existing
FOs with current capacity:
\$10M

Increase existing
Homeownership
savers to \$12-18k
match: \$7.5M



Increase existing
Education savers
to \$12-18k
match: \$7.3M



Increase
existing Micro
savers to \$12k
match: \$3.2M



Initiative
modernization:
\$3-4M

Future: New
partnerships, gaps
and opportunities,
deep unmet
demand:
\$\$\$

Culturally specific,
and statewide
provider pipeline
development: \$3M

Thank you!

