

OREGON HOUSING AND COMMUNITY SERVICES

AGENCY BUDGET PRESENTATION



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Oregon Housing and Community Services

March 22, 24 & 29, 2021
Joint Ways and Means Subcommittee on
Transportation and Economic Development

2021-23 OHCS AGENCY BUDGET PRESENTATION

Three Day Agenda

Monday, March 22nd

- DAS Presentation
- Agency Introduction
- Crisis Response
- Budget Summary
- Central Services
- Homeownership Division

Wednesday, March 24th

- Housing Stabilization Division
- Affordable Rental Housing Division
- Key Performance Measures
- Reduction Options

Monday, March 29th

- Conclude Agency Presentation, if needed
- Public Testimony





Working together to serve individuals, families
and communities throughout Oregon

OREGON HOUSING AND COMMUNITY SERVICES
CROSS-AGENCY STRATEGIC ALIGNMENT

HEALTH
OUTCOMES



JUSTICE
OUTCOMES



EDUCATION
OUTCOMES



ECONOMIC
OUTCOMES



HOUSING IS FOUNDATIONAL

Statewide Housing Plan Priorities



PRIORITY: EQUITY & RACIAL JUSTICE

Identify and address institutional and systemic barriers that have created and perpetuated patterns of disparity in housing and economic prosperity.



PRIORITY: HOMELESSNESS

Build a coordinated and concerted statewide effort to prevent and end homelessness, with a focus on ending unsheltered homelessness of Oregon's children & veterans.



PRIORITY: PERMANENT SUPPORTIVE HOUSING

Invest in permanent supportive housing, a proven strategy to reduce chronic homelessness and reduce barriers to housing stability.



PRIORITY: AFFORDABLE RENTAL HOUSING

Work to close the affordable rental housing gap and reduce housing cost burden for low-income Oregonians.



PRIORITY: HOMEOWNERSHIP

Expand homeownership for low and moderate income Oregonians with the tools to successfully achieve and maintain homeownership, particularly in communities of color.



PRIORITY: RURAL COMMUNITIES

Change the way OHCS does business in small towns and rural communities to be responsive to the unique housing and service needs and unlock the opportunities for housing development.



Crisis Response and Community Resilience Economic Relief for Oregonians

- **Rental assistance**

- Coronavirus Relief Funds - \$63.5 million (April and June Emergency Boards)
- State General Fund - \$50 million (December Special Session)
- Emergency Rental Assistance **coming soon** - \$204 million (December Congressional Package)
- Affordable Rental Housing Portfolio Stabilization - \$20 million (June Emergency Board)
- Landlord Compensation Fund - \$150 million (December Special Session)

- **Energy assistance**

- Coronavirus Relief Funds - \$15 million (June Emergency Board)
- Low Income Home Energy Assistance Program - \$9.5 million (CARES Act)



\$659.7 million total

American Recovery Plan Act investments not detailed; wildfire investments detailed on the next slide

- **Sheltering**

- Emergency Solutions Grants - \$56.2 million (CARES Act)
- Out of the Cold - \$12 million (October 12th Emergency Board and OHCS funds)
- Farmworker support - \$3.5 million (April Emergency Board)

- **Umatilla Flood Response** (March Emergency Board)

- New affordable housing development - \$2 million
- Rapid rehousing - \$1.5 million, reallocated to development uses due to lack of available homes
- Housing and infrastructure - \$4 million

- **Agricultural Worker Relief Programs**, partnership with Dept. Of Ag. And Water Resources (June Emergency Board)

- **Oregon Homeownership Stabilization Initiative** - \$20 million (US Treasury), program closed March 14th

- **Community Services Block Grant** increase - \$8 million (CARES Act)

- Affordable housing development, **Local Innovation Fast Track (LIFT) program** - \$50 million (August Special Session)

- **Individual Development Account** increase - \$2 million (August Special Session)

Crisis Response and Community Resilience

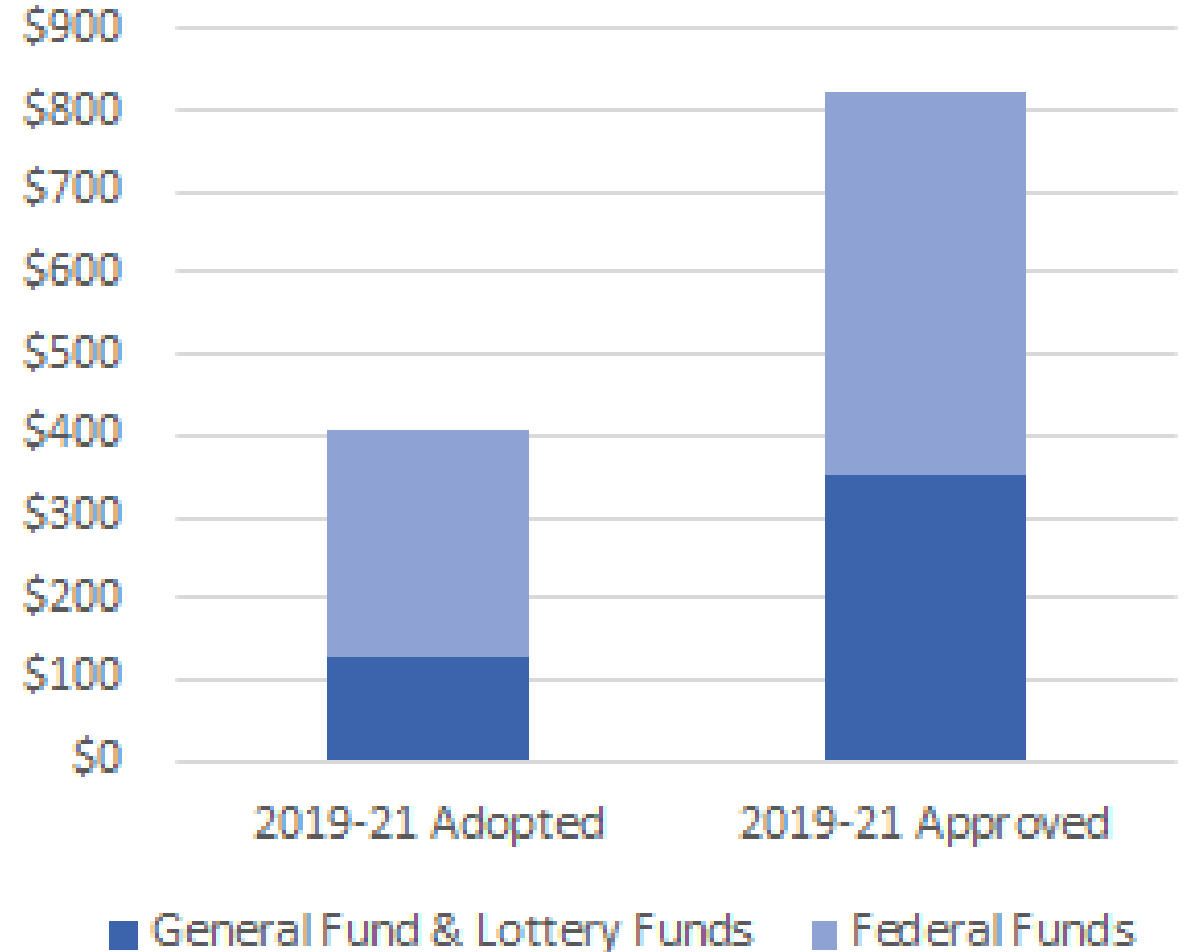
Wildfire Response and Recovery

- Oregon Housing Disaster Task Force
- Wildfire Damage Housing Relief Program, \$10 M (September Emergency Board)
- National consultant, \$0.5 M (October 12th Emergency Board)
- Recovery support
 - Federal advocacy, need for Community Development Block Grant – Disaster Recovery resources
 - OHCS-led interim housing workgroup to build connections to local community housing recovery planning efforts – identify and deploy Federal and State resources strategically to meet needs.



Capacity Constraints

- Since March 2020:
 - More than 20% increase in program funds
 - Eight new programs
 - Four expanded program
- More federal resources on the way
- 23 positions requested in early session rebalance bill



BUDGET SUMMARY

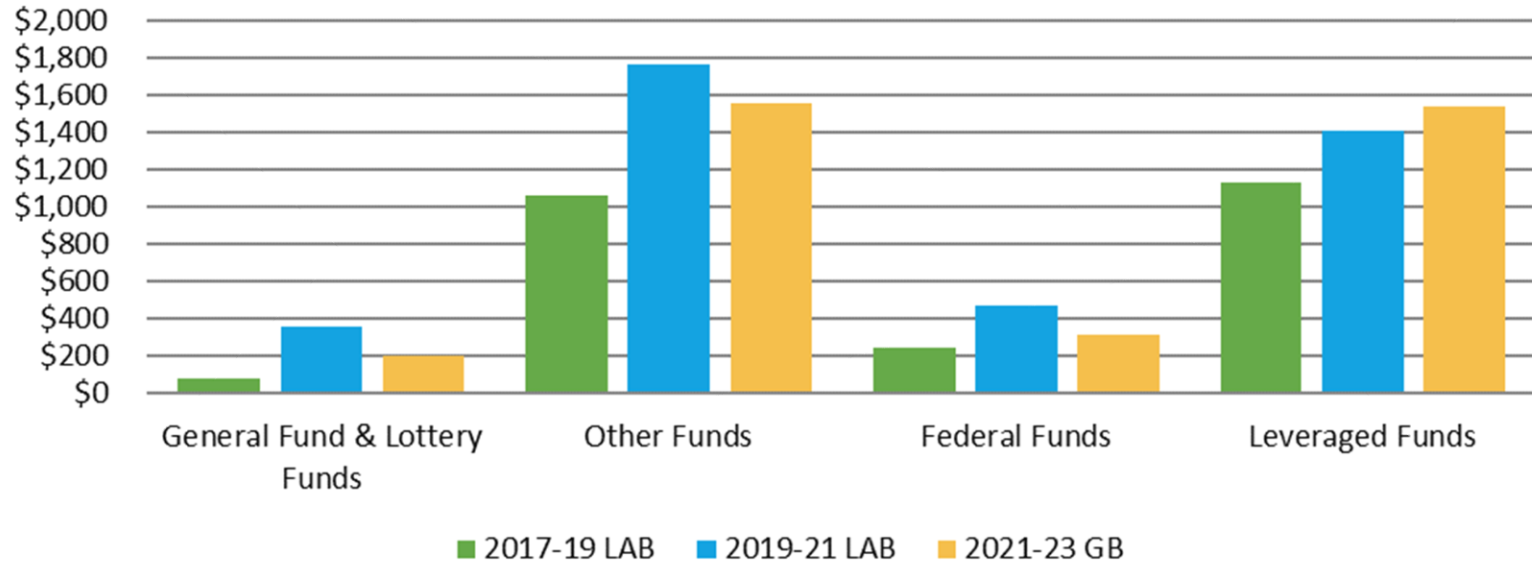
- Budget Summary by Fund Type, Usage, and Program Area
- Organizational Chart
- Budget Drivers and Risks
- Staffing Needs
- Central Services



Budget Summary by Fund Type

FUND TYPE	2017-19 LAB	2019-21 LAB	2021-23 GB
General Fund & Lottery Funds	\$77	\$353	\$197
Other Funds	\$1,056	\$1,763	\$1,550
Federal Funds	\$244	\$469	\$308
Leveraged Funds	\$1,129	\$1,409	\$1,534
All Funds	\$2,507	\$3,993	\$3,590

Comparison by Fund Type (in millions)

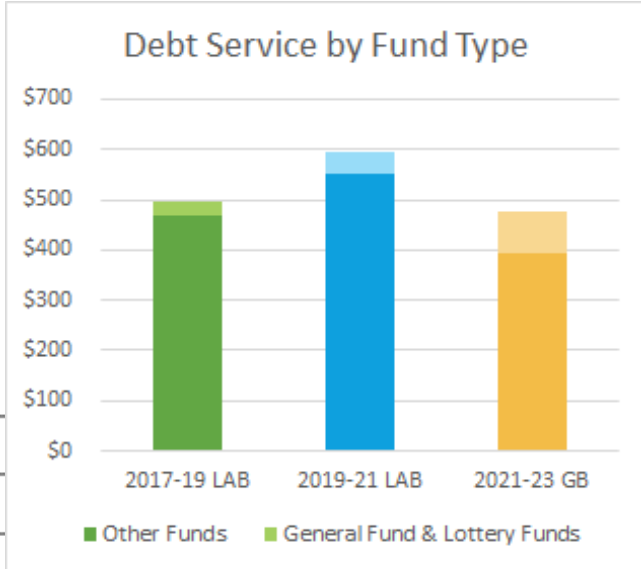


**Leveraged funds include tax credit equity, pass-through bond proceeds, and other OHCS administered funds not included in formal Legislatively Adopted Budget*

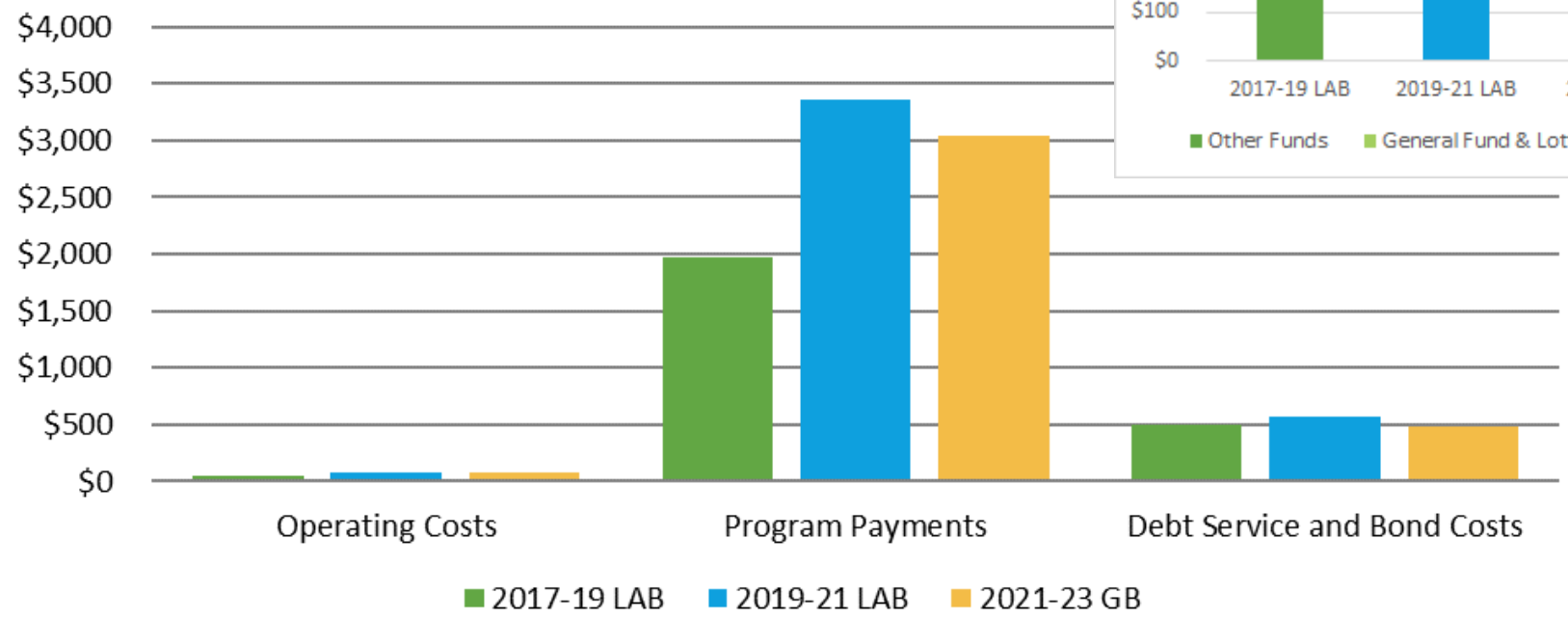


Budget Summary by Usage

USAGE	2017-19 LAB	2019-21 LAB	2021-23 GB
Operating Costs	\$43	\$70	\$77
Program Payments	\$1,969	\$3,356	\$3,035
Debt Service and Bond Costs	\$495	\$567	\$478
All Funds	\$2,507	\$3,993	\$3,590
Positions/FTE	170 / 155.12	230 / 218.07	249 / 240.34
Operating Cost Percentage	1.71%	1.76%	2.15%



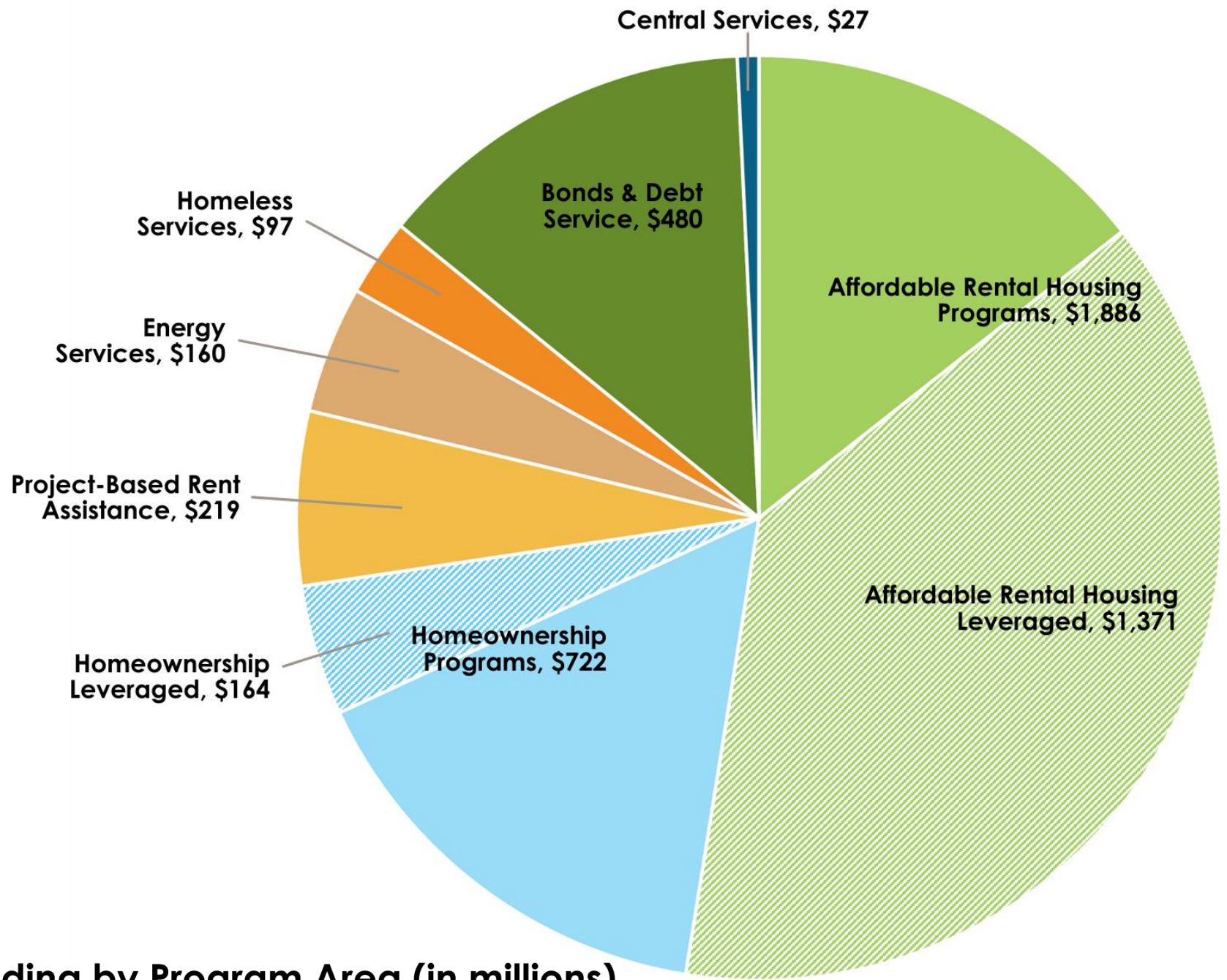
Comparison by Usage (in millions)



2021-23 Budget by Agency Program Areas



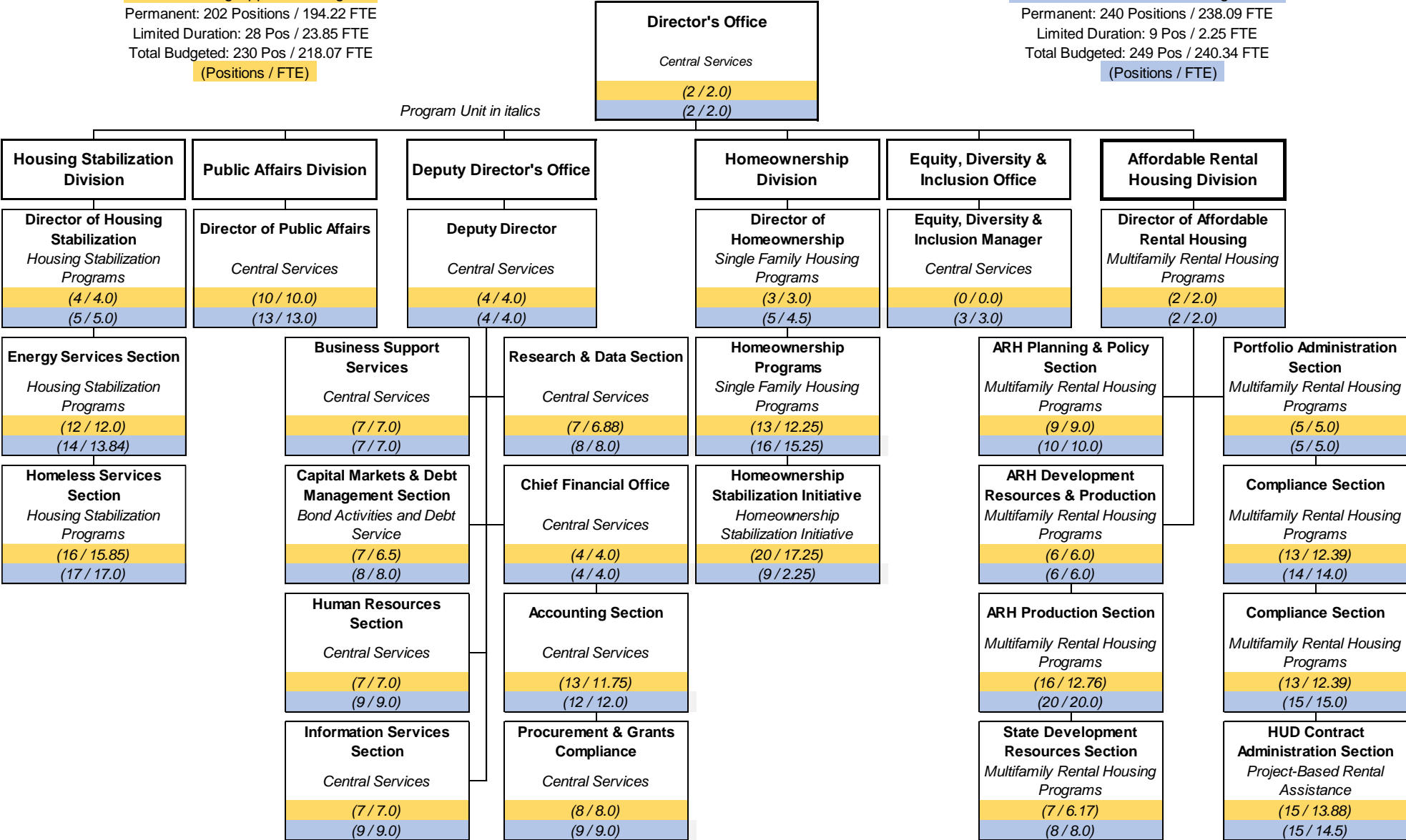
Funding by Program Area (in millions)



2021-23 Proposed Organizational Chart

2019-21 Leg Approved Budget
 Permanent: 202 Positions / 194.22 FTE
 Limited Duration: 28 Pos / 23.85 FTE
 Total Budgeted: 230 Pos / 218.07 FTE
 (Positions / FTE)

2021-23 Governor's Budget
 Permanent: 240 Positions / 238.09 FTE
 Limited Duration: 9 Pos / 2.25 FTE
 Total Budgeted: 249 Pos / 240.34 FTE
 (Positions / FTE)



Budget Drivers

- Concurrent crises of COVID-19, wildfires, and racial injustice in housing outcomes have driven increased resources for housing stability services
- Statewide Housing Plan highlights areas for OHCS to lead initiatives, particularly related to a coordinated and concerted response to the homelessness crisis
- Continued state investments in “gap” funding is enabling unprecedented utilization of federal tax credits, tax-exempt bonds, and ultimately historic levels of housing production
 - As a result of this, Private Activity Bond (PAB) volume cap is becoming constrained and OHCS is changing Homeownership lending strategies
- Scale of OHCS resources demands increased operational investments to ensure effective systems and improved accountability
 - Increased administrative costs are funded by Federal and Other Funds (no General Fund increases for operations)



Budget Risks

- Speed of new programmatic investments outpaces growth in OHCS operating capacity
- Repeated "1-time" investments are stretching the capacity of existing staff, from a leadership, program delivery and operational support perspective
- Emergency Support Functions are under resourced
- Market-oriented programs are subject to economic forces
- Successful program delivery relies on industry capacity to deliver new resources
- OHCS and many business partners and grantees are still at early stages of racial equity work



Central Services

- **Director's Office** (Equity Office, Housing Stability Council staffing)
- **Deputy Director's Division** (human resources, IT, CFO, research, procurement, facilities)
- **Public Affairs Division** (emergency response, stakeholder and community engagement, communications, government relations)

FUND TYPE	2017-19 LAB	2019-21 LAB	2021-23 GB
General Fund & Lottery Funds	\$1	\$1	\$0
Other Funds	\$13	\$20	\$26
Federal Funds	\$3	\$3	\$3
All Funds	\$17	\$25	\$29
USAGE	2017-19 LAB	2019-21 LAB	2021-23 GB
Operating Costs	\$17	\$25	\$29
Program Payments	\$0	\$0	\$0
All Funds	\$17	\$25	\$29
Positions/FTE	53 / 51.8	76 / 74.13	88 / 88.0

Staffing Requests: Leading with Equity

- Establishing Diversity Equity and Inclusion Office, includes two staff positions
 - POP 101 makes permanent a limited duration Diversity, Equity and Inclusion Officer
- Establishing internal committees to improve equitable outcomes in program design, support and promote an inclusive agency culture, establish robust training plan centering equity and racial justice, and exploring implicit biases in our data collection
- Improving language access and community & stakeholder engagement as we develop programs



Staffing Requests: Growth to Meet the Moment

POP 101 Position Breakdown	
Homeownership Division	2
Housing Stabilization Division	1
Affordable Rental Housing Division	4
Central Services	15

Policy Package 101 Essential Current Service Level Staff (agency-wide) - enables the department to deliver programs more efficiently and effectively across the continuum of housing needs through 22 new positions.

Policy Package 102 Essential Current Service Level Position Reclasses (agency-wide) - reclassifies positions where the assigned duties are at a higher level than the current classification.

POP 102 Position Breakdown	Supervisory	Non-supervisory	Total
Housing Stabilization Division		3	3
Affordable Rental Housing Division	4	5	9
Homeownership Division		1	1
Central Services	14	9	13



Strategic Growth Management

- Investments in Accountability:
 - Audit Committee
 - Transitions from manual processes to IT solutions which ensure effective controls
 - Ensuring new programs avoid one-off processes
- Position classifications updated to reflect enhanced strategy, decision making authority, and accountability required of staff and leadership
- Organizational structure updated to improving programmatic and operational oversight and enable increased interagency and partner collaborations



PROGRAM & INVESTMENT SUMMARY

- Homeownership Division
- Housing Stabilization Division
- Affordable Rental Housing Division



OREGON HOUSING AND COMMUNITY SERVICES CONTINUUM

HOUSING STABILIZATION



AFFORDABLE RENTAL HOUSING



HOMEOWNERSHIP



EQUITY AND RACIAL JUSTICE

CORE PROGRAMS

- Energy Bill Pay Assistance
- Weatherization Programs
- IDA (Asset Building)
- Emergency Housing Assistance
- Low-Income Rental Housing Fund (Rental Assistance)

CORE PROGRAMS

- 9% AND 4% LIHTC
- Permanent Supportive Housing
- LIFT Rental
- Gap Funding
- Oregon Multifamily Energy Program
- Agriculture Worker Housing

CORE PROGRAMS

- Home Ownership Assistance Program (HOAP)
- Down Payment Assistance
- Oregon Bonds Residential Loan Program
- Oregon Homeownership Stabilization Initiative
- LIFT Homeownership



HOMEOWNERSHIP DIVISION

- Homebuyer lending and down payment assistance
- Homeowner support
- Foreclosure avoidance



Homeownership & Foreclosure Prevention Programs

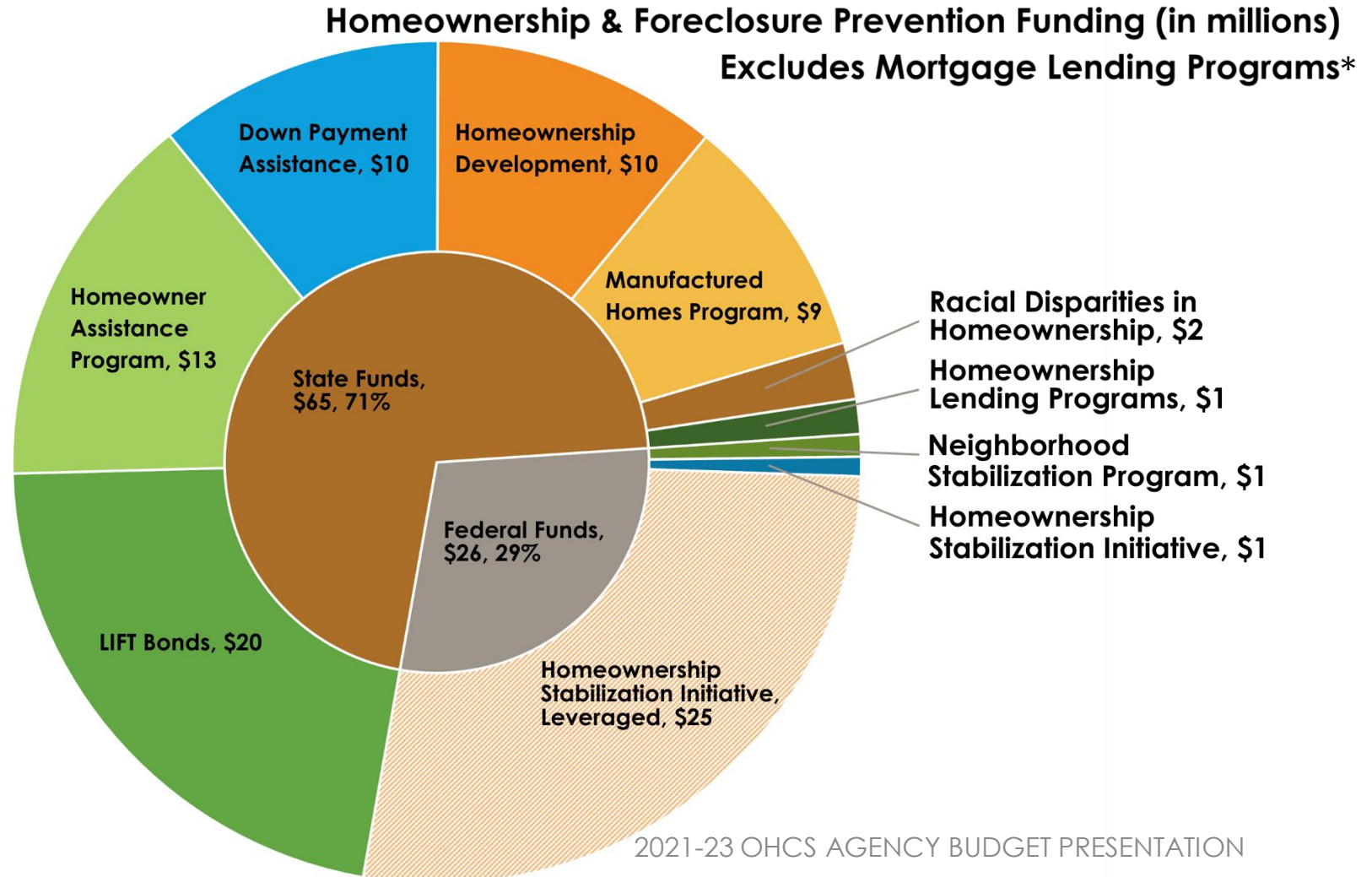
Homeownership flex lending programs will provide up to an additional \$622 million* to Oregonians.

Changes since budget submission*:

- New mortgage assistance coming from the American Rescue Plan Act



**mortgage lending and new federal assistance not reflected in pie chart*

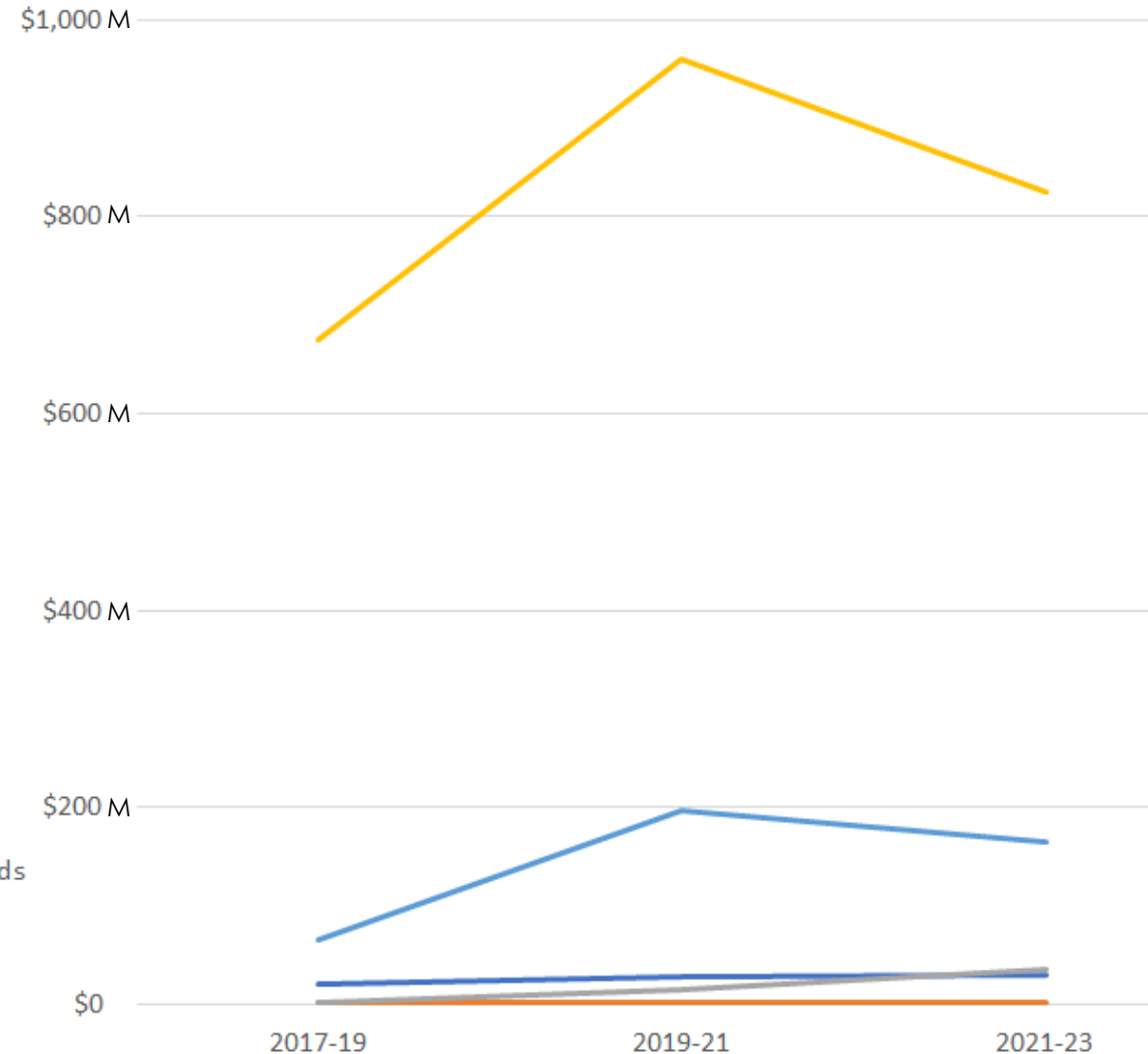
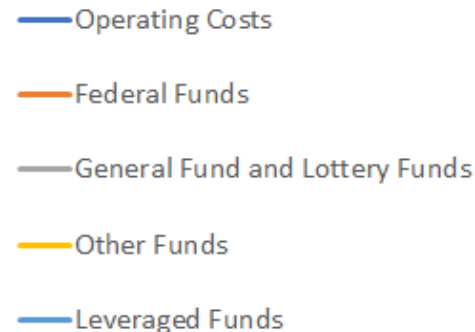


Homeownership & Foreclosure Prevention

- Programs designed to promote homeownership and prevent foreclosures:
 - Single family homeownership lending and development
 - Oregon Homeownership Stabilization Initiative



Operating costs come from all fund types



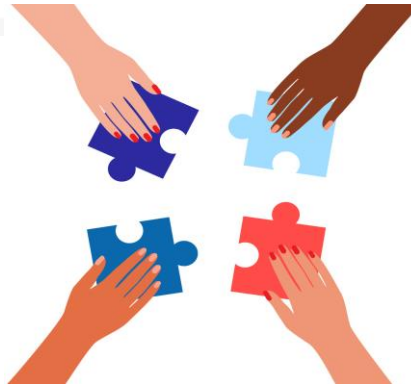
A Tool for Generational Wealth Building

Counseling & Education



- 7,303 people received counseling and education
- 40% were Black, Indigenous, or People of Color (BIPOC)

Down Payment Assistance



69 Homes Purchased
30% by BIPOC households

Homeownership Centers



1,349 Homes Purchased
33% by BIPOC households

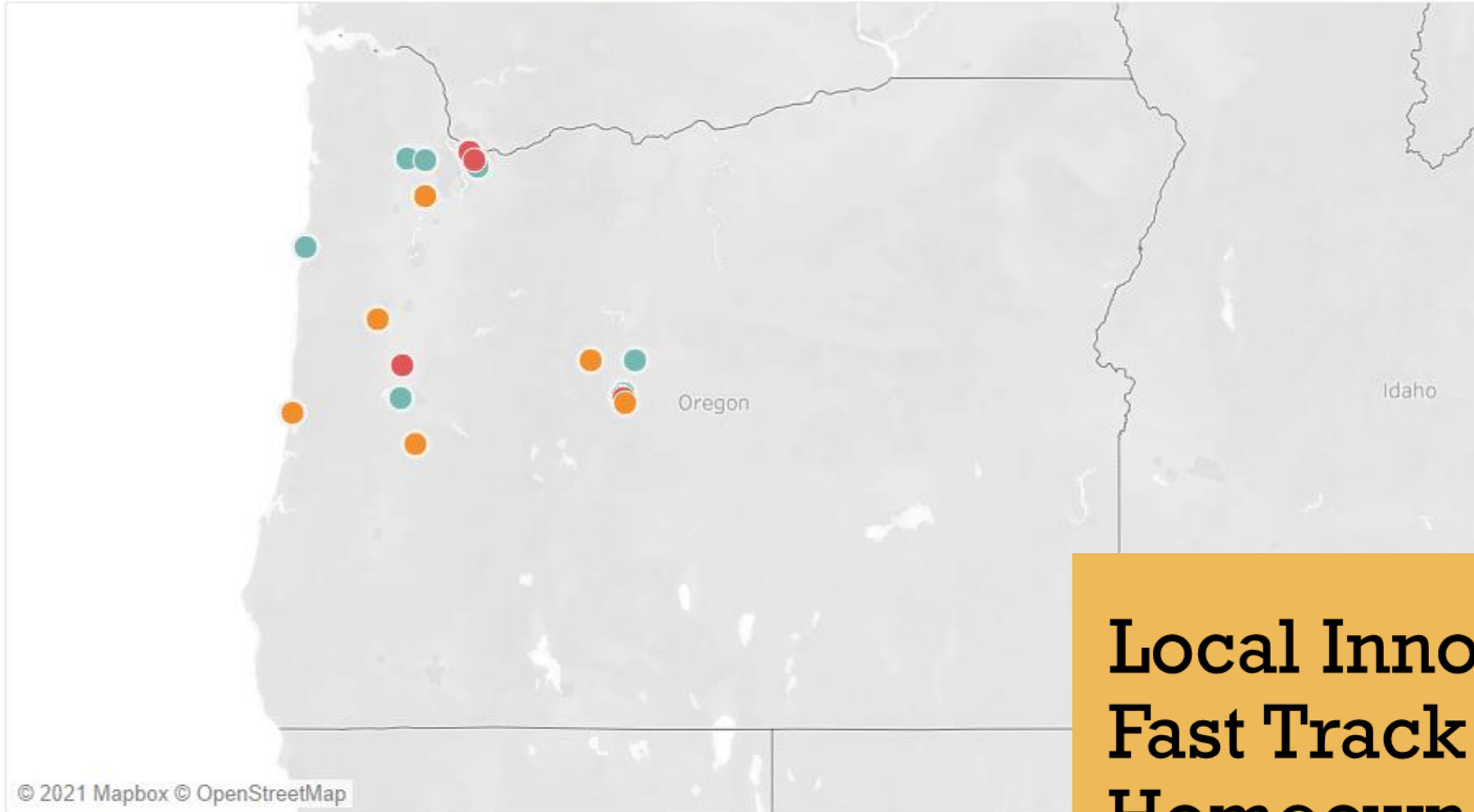
Oregon Bond Residential Loan Program



1,707 Homes Purchased
23% by BIPOC households*

**Note: for ORBL, there are a high number of people who selected unknown as their race, while 57% of people selected their race as white. Unknown race responses can often lead to underreporting of communities of color..*

LIFT Homeownership: Projects Approved for Funding



Projects Approved:

19

Homes Approved:

219

Total LIFT Funding Approved:

\$17,015,000

Local Innovation Fast Track (LIFT) Homeownership

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Year of Date Approved

■ 2018

■ 2019

■ 2020

Investing in Homeownership Supply

- Policy Package 114 Homeownership Development
 - \$10.0M General Fund and 3 positions (1.75 FTE) to finance construction of homes in various ownership models.
 - Racial Justice Council priority
 - Explore different development strategies:
 - Fee simple land development model to increase generational wealth building
 - Co-operative development model
 - Cottage clusters



Additional supply investments in the Affordable Rental Housing Division (LIFT Homeownership, bond funding package)

Investing in Strategies to Address Disparities in Homeownership

- Policy Package 106 Addressing Racial Disparities in Homeownership
 - \$2.0M General Fund and 2 positions (2.0 FTE) to provide technical assistance and outreach to culturally specific organizations to reduce barriers among populations with a disproportionate rate of renters versus homeowners.
 - **SB 79** makes programmatic changes to the Homeownership Assistance Program (HOAP) to address disparities
- Policy Package 107 Down Payment Assistance tied to OHCS Lending Programs
 - \$10.0M General Fund to address the biggest barrier to homeownership for most first-time home buyers



Investing in Manufactured Housing

- Policy Package 113 Safe and Healthy Manufactured Housing
 - \$6.0M General Fund for manufactured home parks acquisition and preservation, and to replace and decommission older manufactured homes.
 - **HB 2099** makes programmatic updates to increase utilization of resources and adapt to changing landscapes
 - **HB 3218** includes changes to help funds be deployed in wildfire recovery and the programmatic changes in HB 2099.



Continuing Homeownership Stabilization

- Policy Package 115 Continue the Oregon Homeownership Stabilization Initiative
 - 9 limited duration positions (2.25 FTE) to conclude the department's successful OHSI program
 - \$684,859 Hardest Hit Funds (federal)



OHSI Loan Preservation Assistance (LPA) Clients 2019 & 2020	
	1,654
OHSI Mortgage Payment Assistance (MPA) Clients 2019 & 2020	
	1,600
OHSI Principal Reduction/Lien Extinguishment Client 2019 & 2020	
	350

HOUSING STABILIZATION DIVISION

- Homeless Services Section
- Energy Services Section
- Individual Development Account
- Long-term Rental Assistance Program for Youth



Homelessness & Rental Assistance 2021-23 Programs

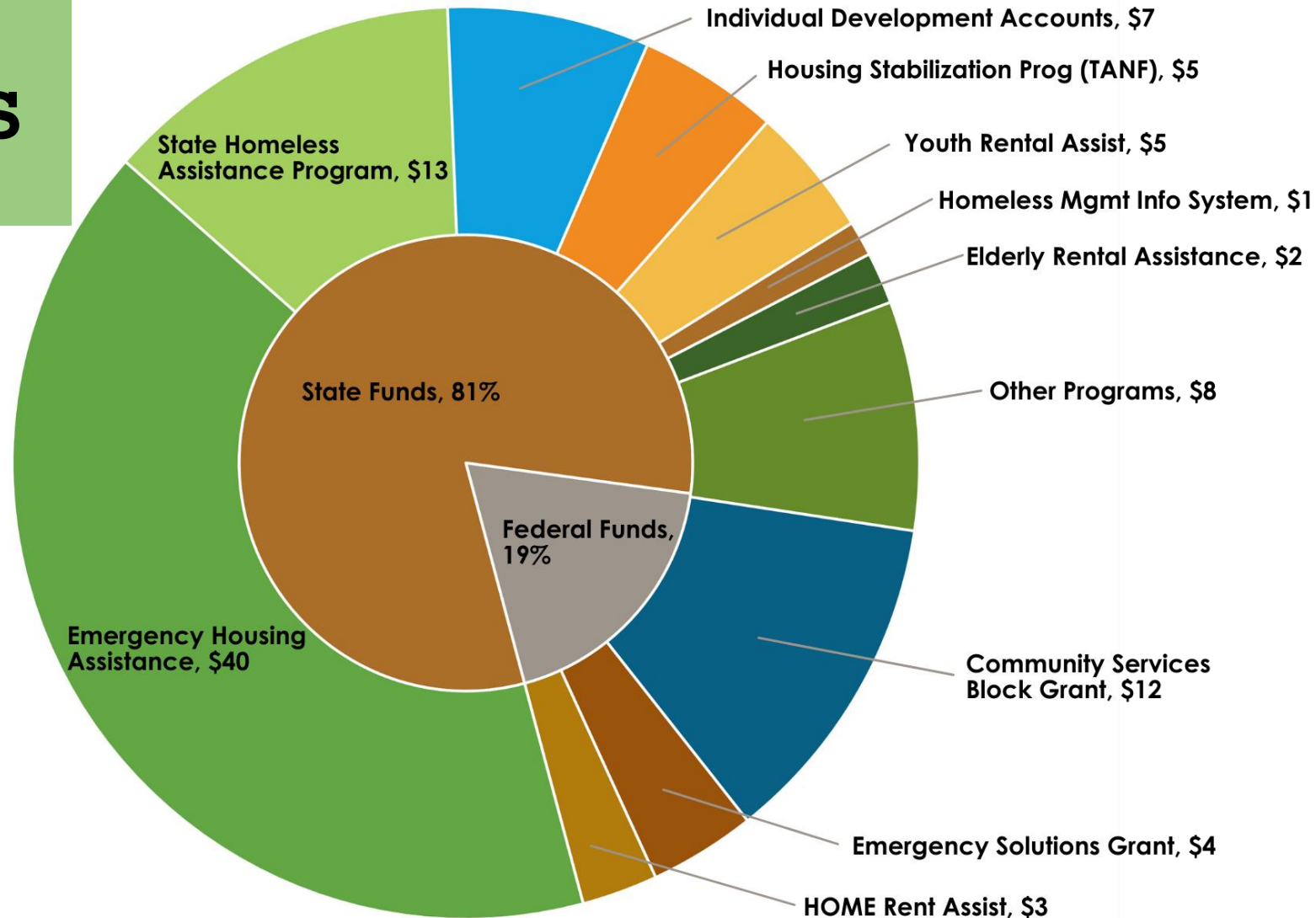
Changes since budget submission*:

- Emergency Solution Grants (\$56.2 million)
- Emergency Rental Assistance Program (\$204 million)
- American Rescue Plan Act (total resources TBD)



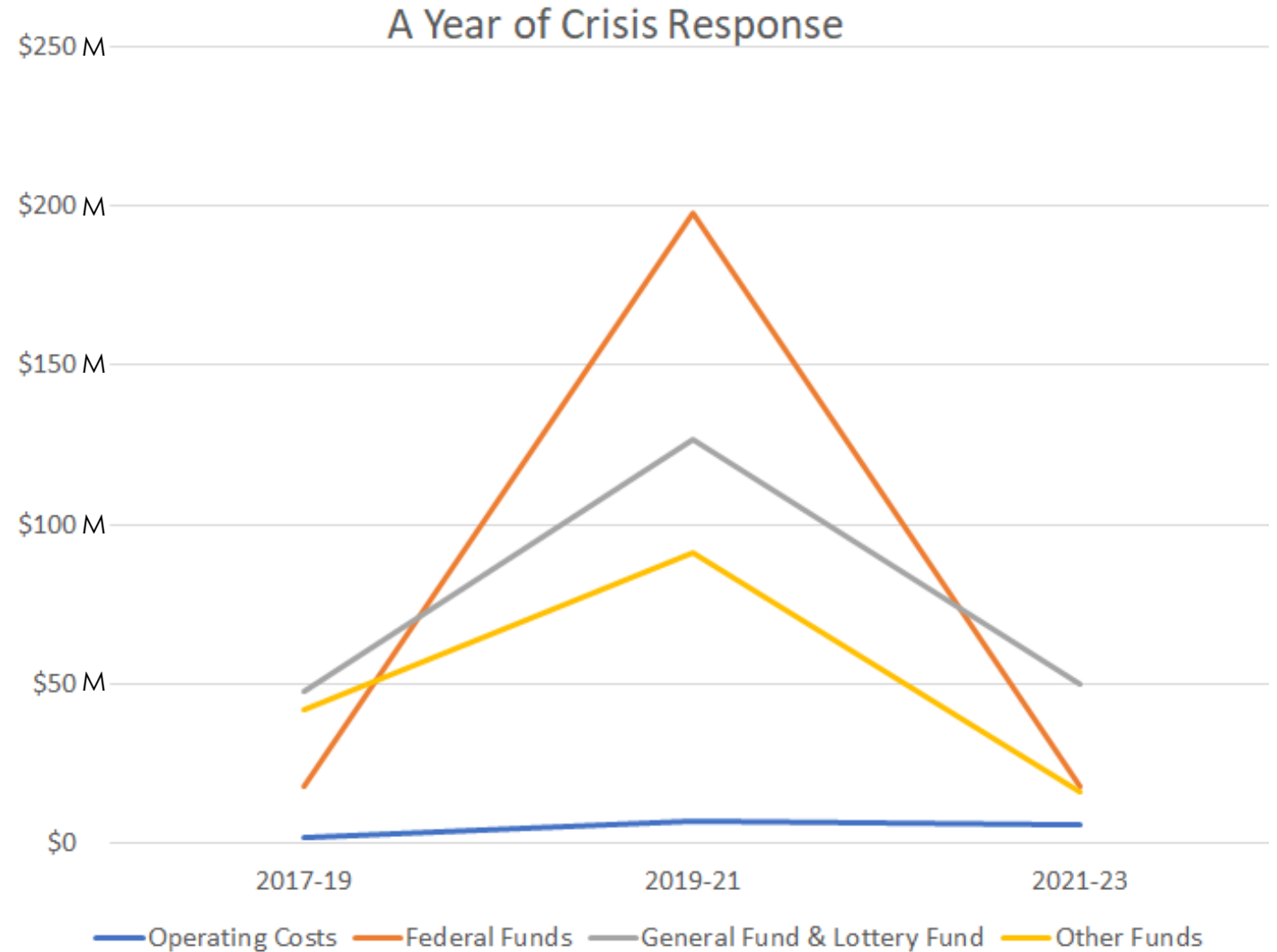
*Not reflected in pie chart

Homelessness Prevention Funding (in millions)



Homeless Services Programs

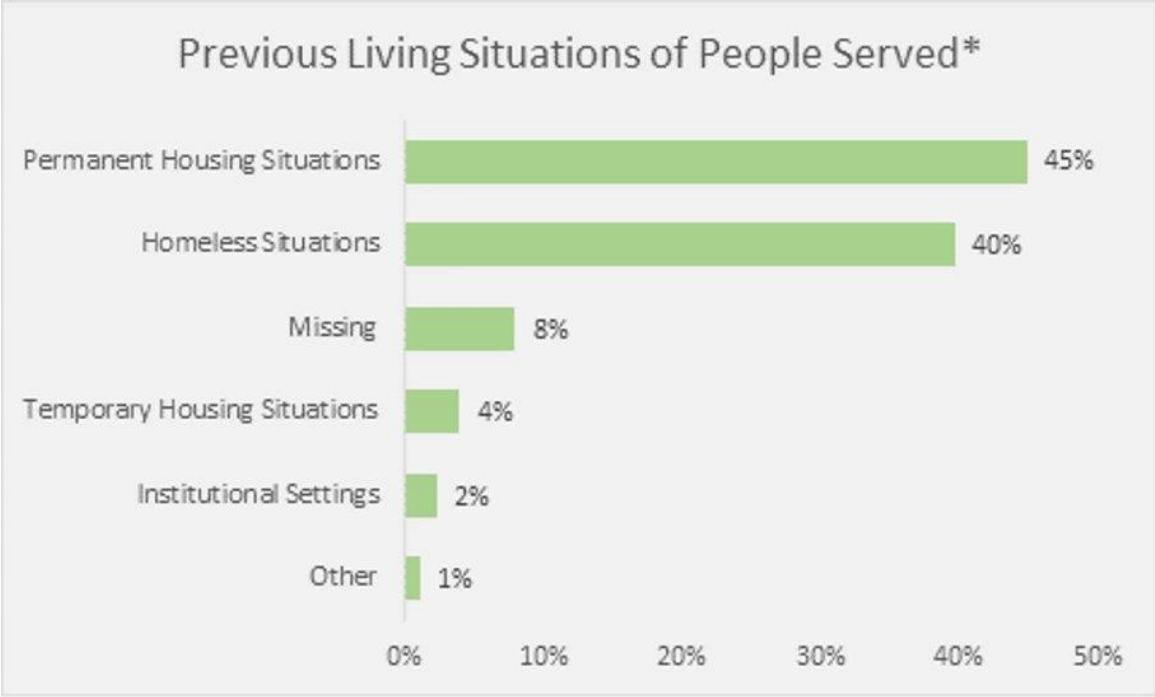
- Federal December and March Relief Packages not reflected in the graph
- Inadequate program and support staff, see flat operating costs line
- Operating costs come from all fund types



Homeless Services Programs

55,946 people served by OHCS
homeless services dollars

20% of those served are people
of color*



***NOTES:**

- These numbers are de-duplicated, meaning they only articulate one point of connection with a service provider. Many people connect with the system more than one time, so this number is not fully representative of every point of contact an individual had with the system over a two-year period. The number of total services provided would render a much larger number.
- This number also represents only OHCS funded programs – we know that our providers receive funding from other sources, so their reported numbers may look different when reporting on all their combined funding sources
- Previous living situations is only reported for FY 2020
- Percent of people of color served is only reported for FY 2020. There are a high number of unknowns for race responded. We know that unknown race can often lead to underreporting of communities of color.



Investing in At Risk Youth

- Policy Package 90 – Long Term Rental Assistance
 - \$4.5 million for long-term rental assistance for at risk youth, including those exiting the foster care system and those experiencing homelessness
 - Racial Justice Council priority
 - **HB 2163** includes this investment
 - Long term rent assistance can support youth to transition to adulthood and access career and educational opportunities, find safety, and receive the support they need



Investing in HMIS

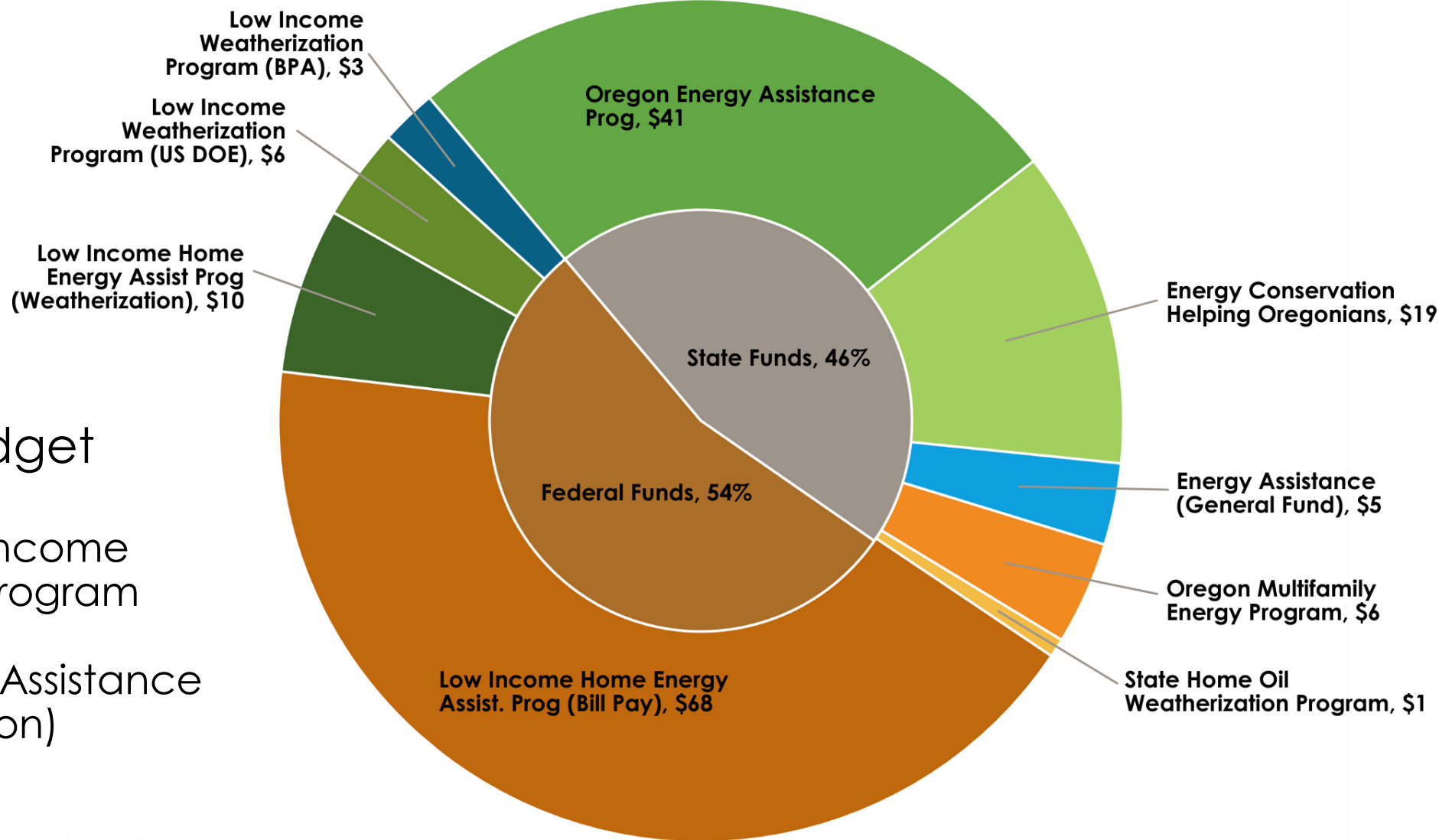
- Policy Package 104: Improving Oregon's Homeless Information Management Information System
 - \$1.2M General Fund and 2 positions (2.0 FTE) to improve utilization of the HMIS to track data more effectively and measure programs' results.
 - Increase support to rural communities in utilizing data driven decision making



HB 2100 modernizes Oregon's homeless response system, this investments is necessary for an improved data-informed system

Energy Services Programs

Energy & Weatherization Services Funding (in millions)



Changes since budget submission*:

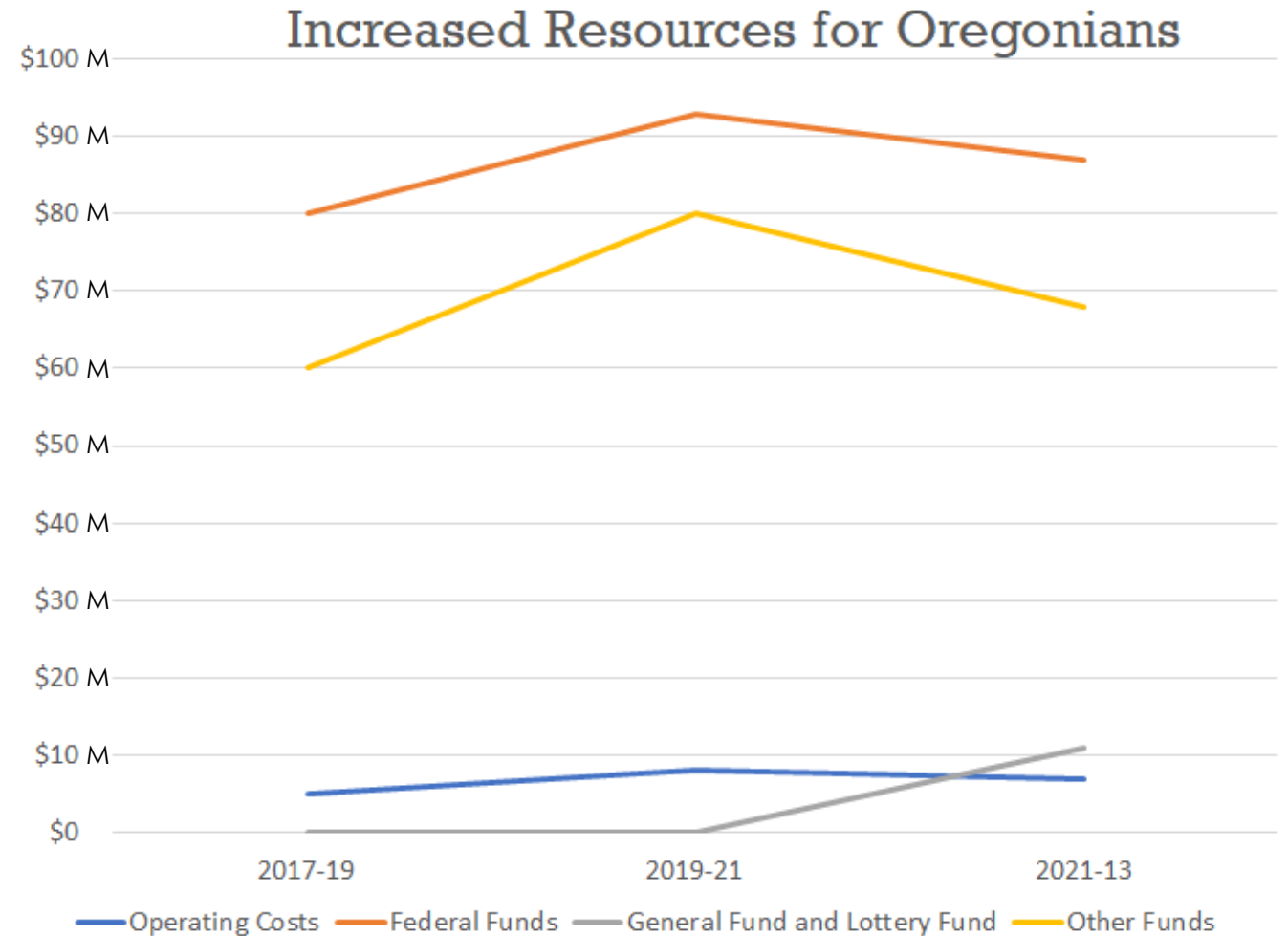
- New Federal Low Income Water Assistance Program (amount TBD)
- Emergency Rental Assistance Program (\$204 million)



**Not reflected in pie chart*

Energy Services Programs

- Federal December and March Relief Packages not reflected in the graph
- Energy services expanding to utility services, water assistance program and complex legal questions
- Operating costs come from all fund types



Energy Assistance Programs Fiscal Years 2019 and 2020



Total Households Served
95,035



Total People Served
231,748



Total Households with
Children Served
24,661



Total Preventative Payments
55,620



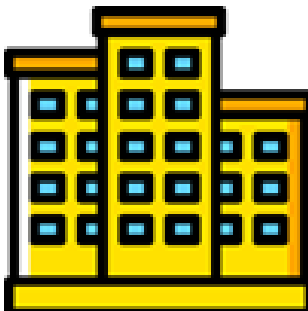
Total Restore Payments
6,942

**note: these numbers have some duplicates as a household can receive multiple instances of bill pay assistance over a year period.*

Weatherization Programs Fiscal Years 2019 and 2020



Total Single-Family Homes
Weatherized
2,347



Total Multifamily
Weatherized
69 Properties
1,500 units completed
*5,023 units remaining to be
completed by 2022**



Total Weatherization Savings
67,874 mm BTUs saved

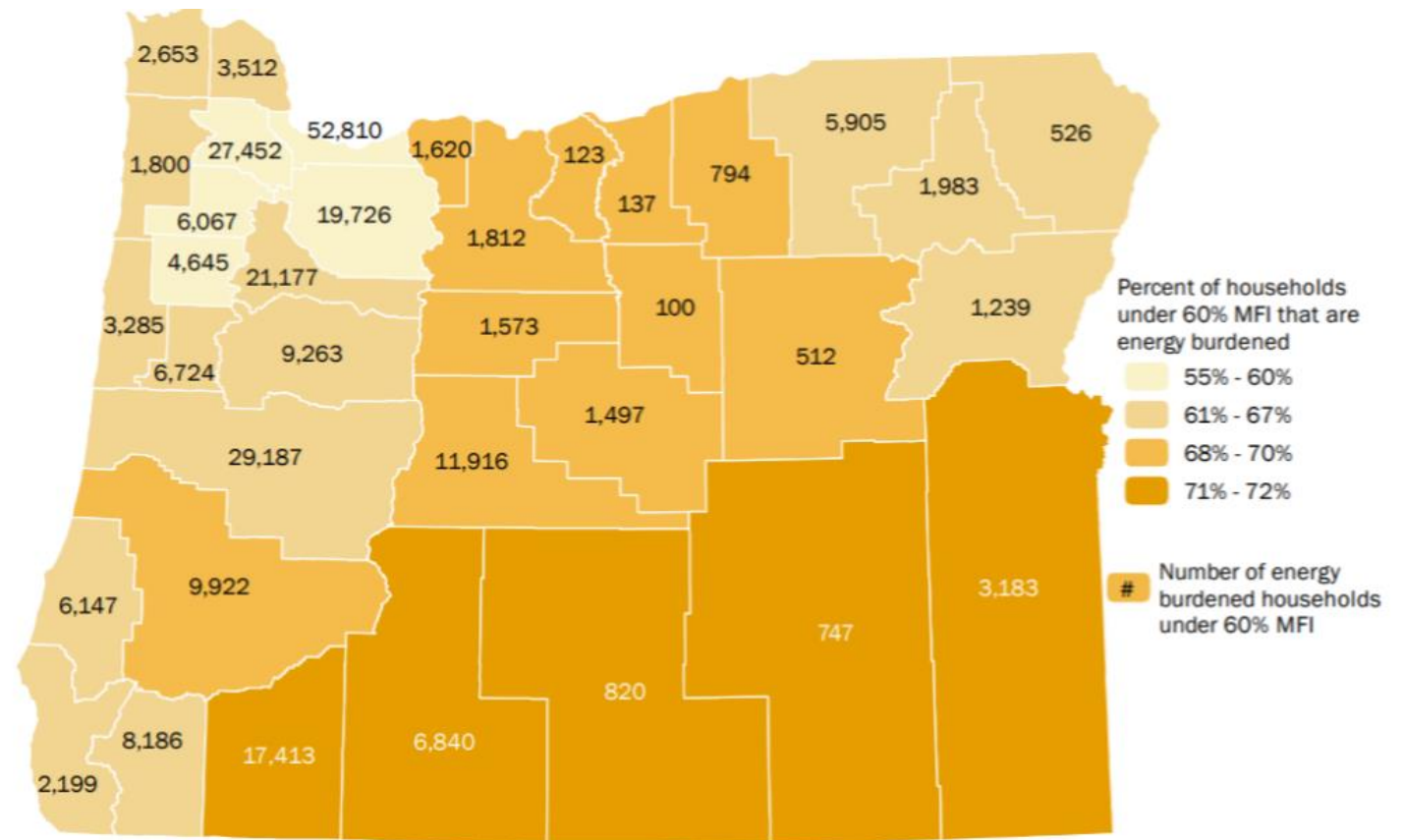
Note: these units are currently in the pipeline but have yet to be developed

Investing in Energy Assistance

- Policy Package 112 Increase Energy Assistance
 - \$5M General Fund to provide “fuel-blind” energy assistance to low-income Oregonians
 - Existing energy assistance serves less than 20% of those eligible

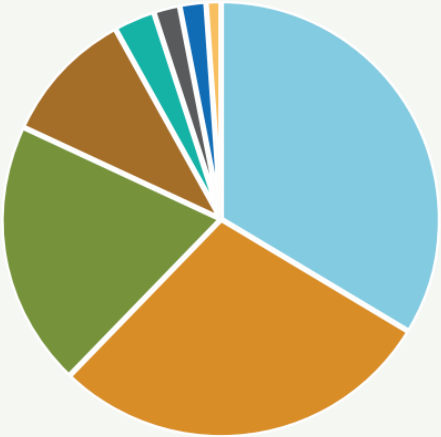


Statewide Energy Burden Pre-COVID



IDA Program Data

Asset goals of IDA savers



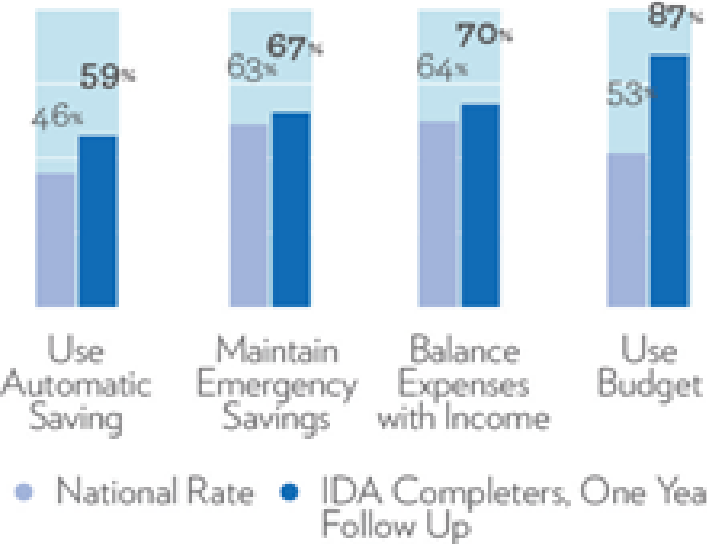
- 34% Home Purchase
- 29% Education
- 20% Microenterprise
- 10% Vehicle
- 3% Home Renovation
- 2% Assistive Technology
- 2% Rental Housing
- 1% Retirement

Source: IDA Administrative Dataset, account openings in 2018 and 2019 program years (n=2,847).



Tax credit, \$7.5 million/year, expires January 2022

People save 2 years after being in IDA Program



2,027 people saved with IDA



Investing in IDAs

- Policy Package 109 Restructure Individual Development Account (IDA) Program
 - **SB 82** - Allow the tax credit to sunset and replace with general fund due to inconsistent tax sales
 - 1 positions (1.0 FTE) to provide program oversight and coordination with IDA partners
 - \$7M General Fund to provide stable funding after the tax credit sunsets. Funds to fiduciary organizations are transferred to a dedicated IDA account resulting in Other Funds expenditures of \$6,025,740.

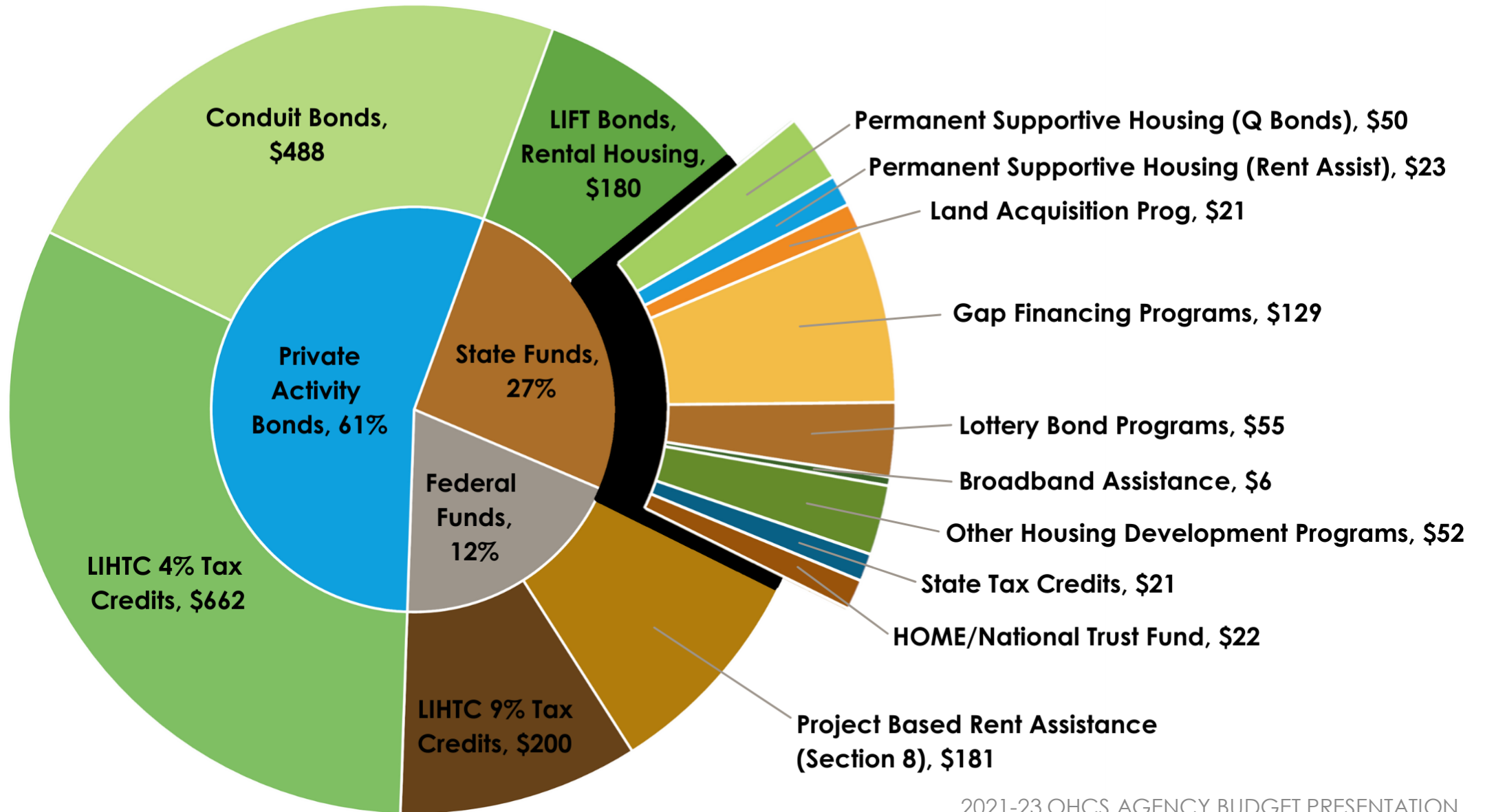


AFFORDABLE RENTAL HOUSING DIVISION

- Housing Development and Preservation Resources
- Permanent Supportive Housing
- Project-Based Rental Assistance



Affordable Rental Housing (in millions)



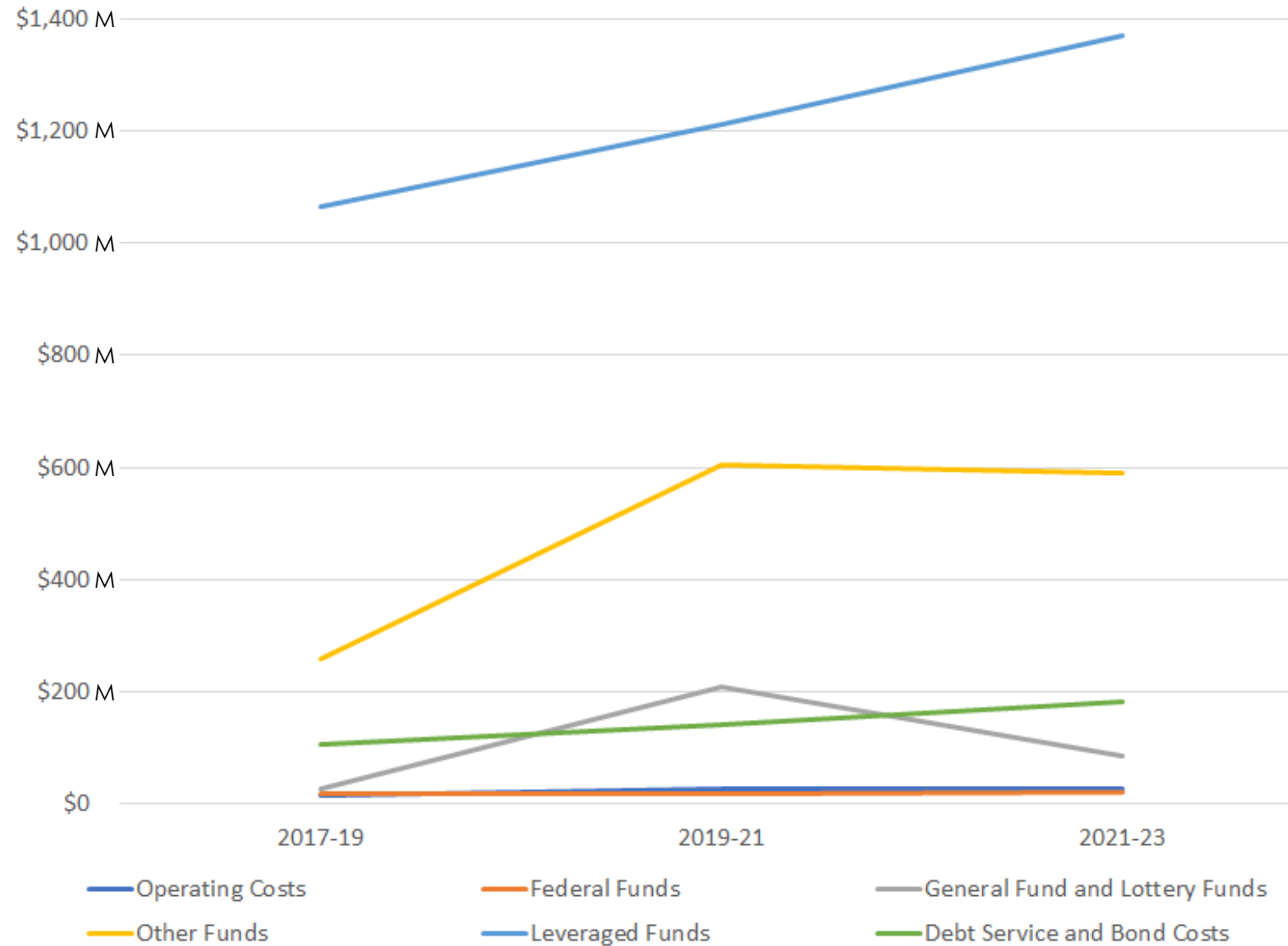
Affordable Rental Housing

Programs designed to increase and retain the stock of affordable rental housing opportunities through development (funding construction) and asset management.

In 2020, **OHCS added more than 5,000 homes to our development pipeline** (funding commitments for 2,874 homes and closing on 41 transactions that will produce an additional 2,785 homes).

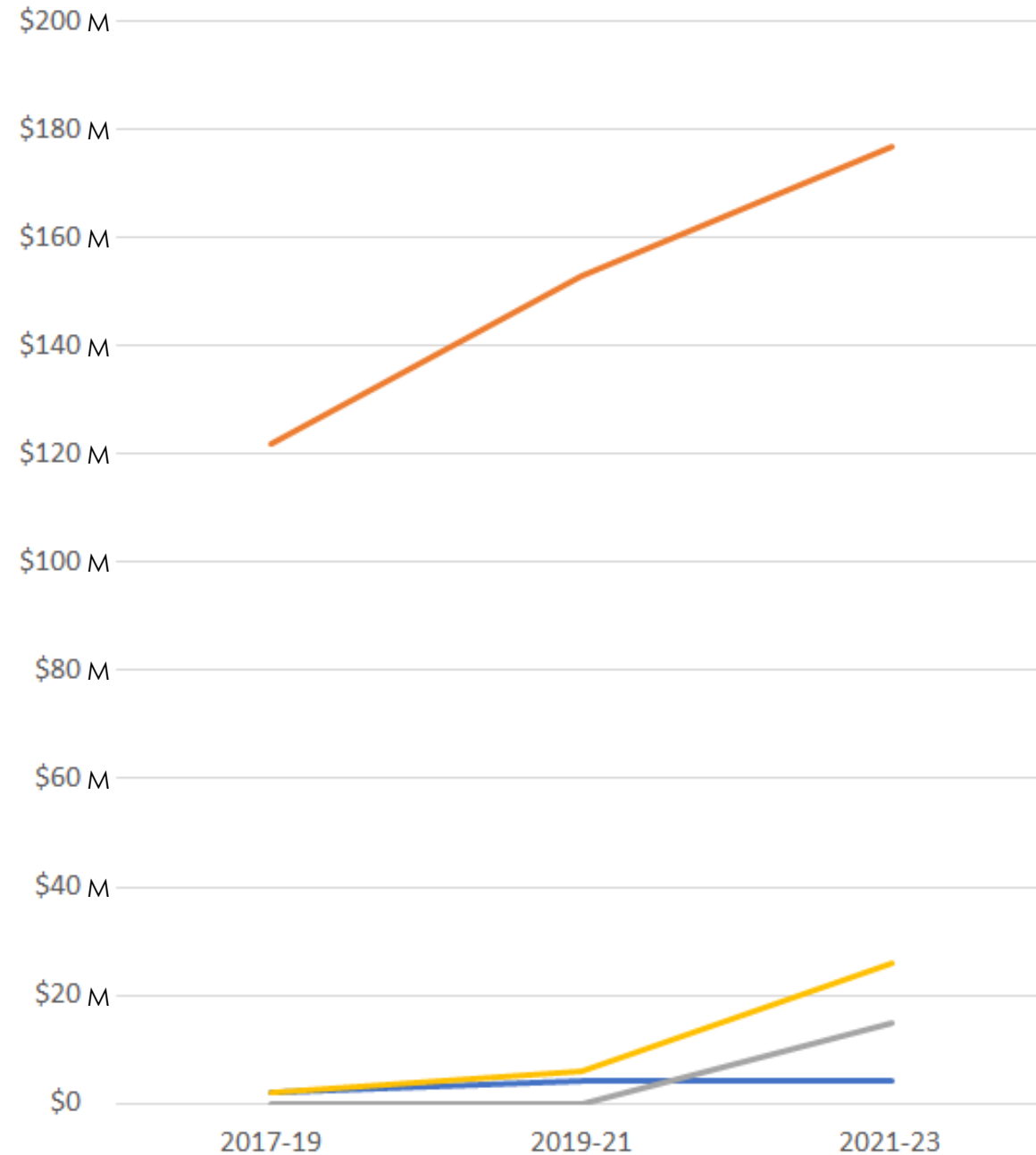


Operating costs come from all fund types



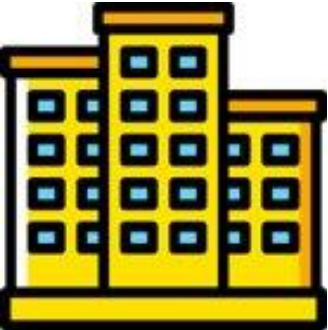
Project-Based Rental Assistance Programs

- Federal rent assistance subsides increase as rents rise
- Newly established state Permanent Supportive Housing program

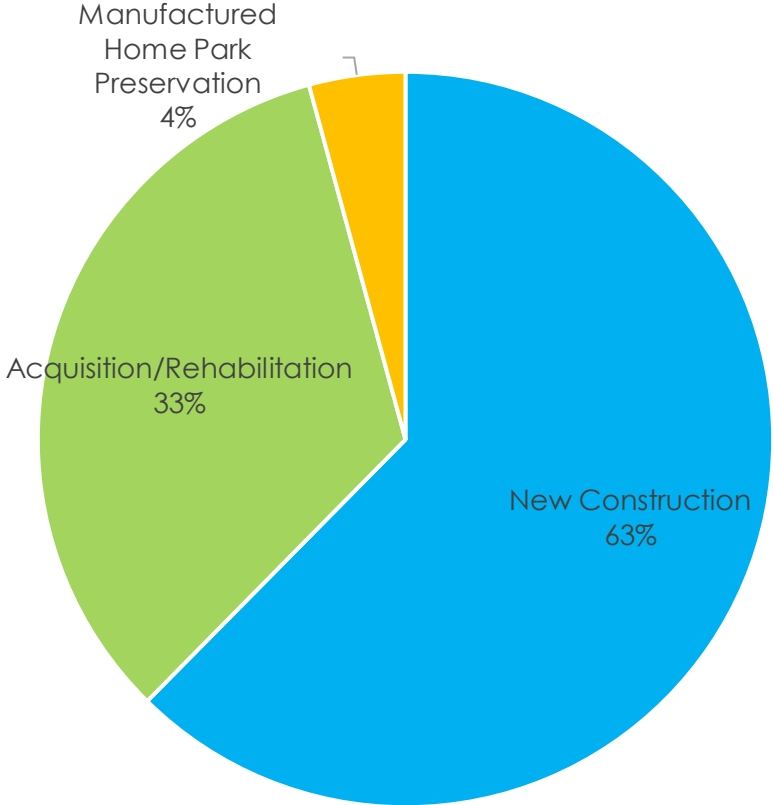
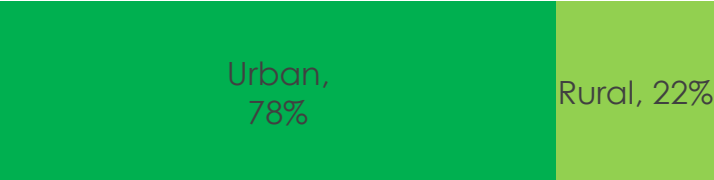


Operating costs come from all fund types

Developing and Preserving Homes

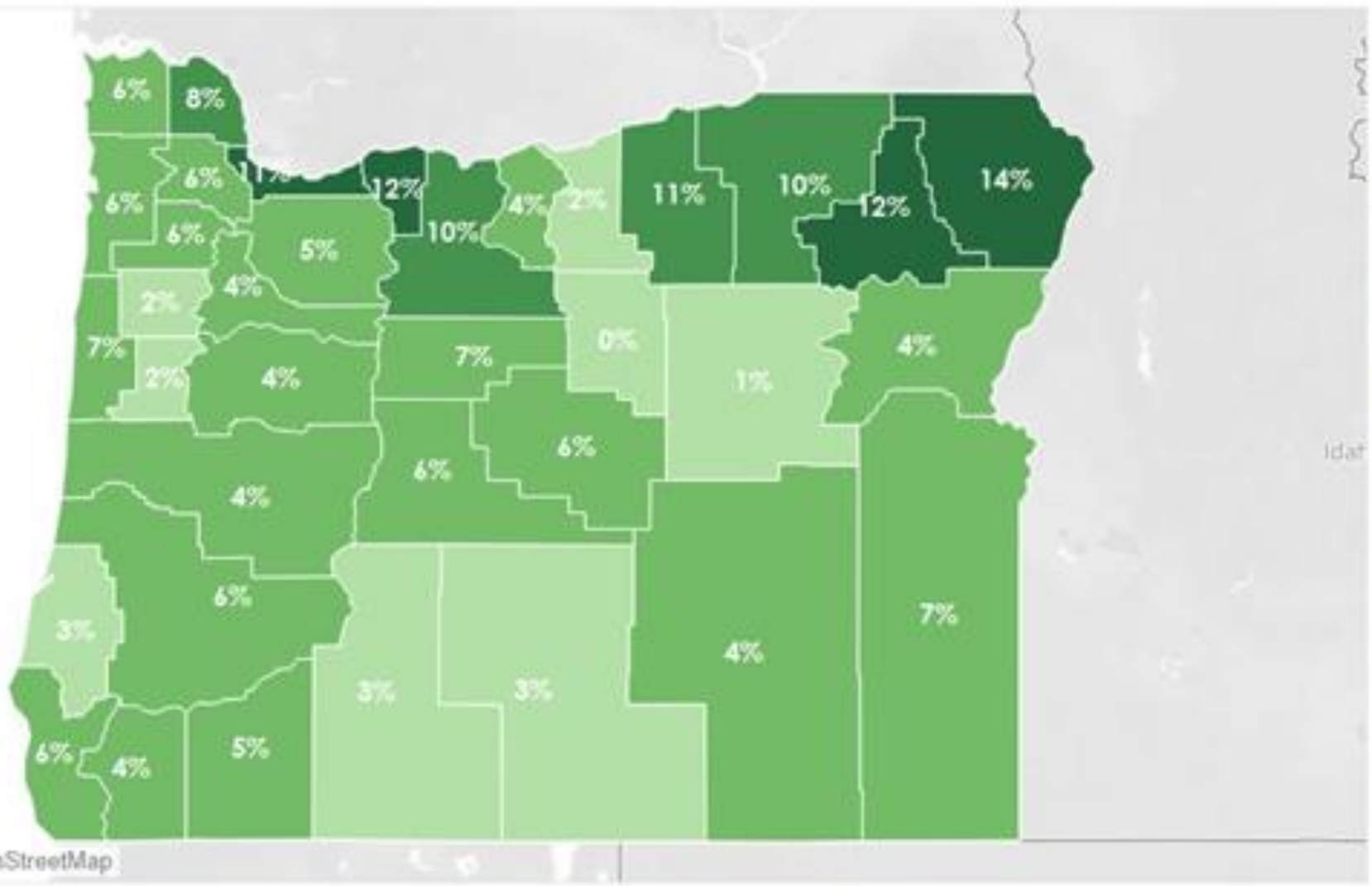


8,651 homes approved for funding
1/1/2019 – 12/31/2020



GOAL: Add 25,000 homes to the Affordable Rental Housing Pipeline





Active OHCS-funded restricted rental units:
42,084

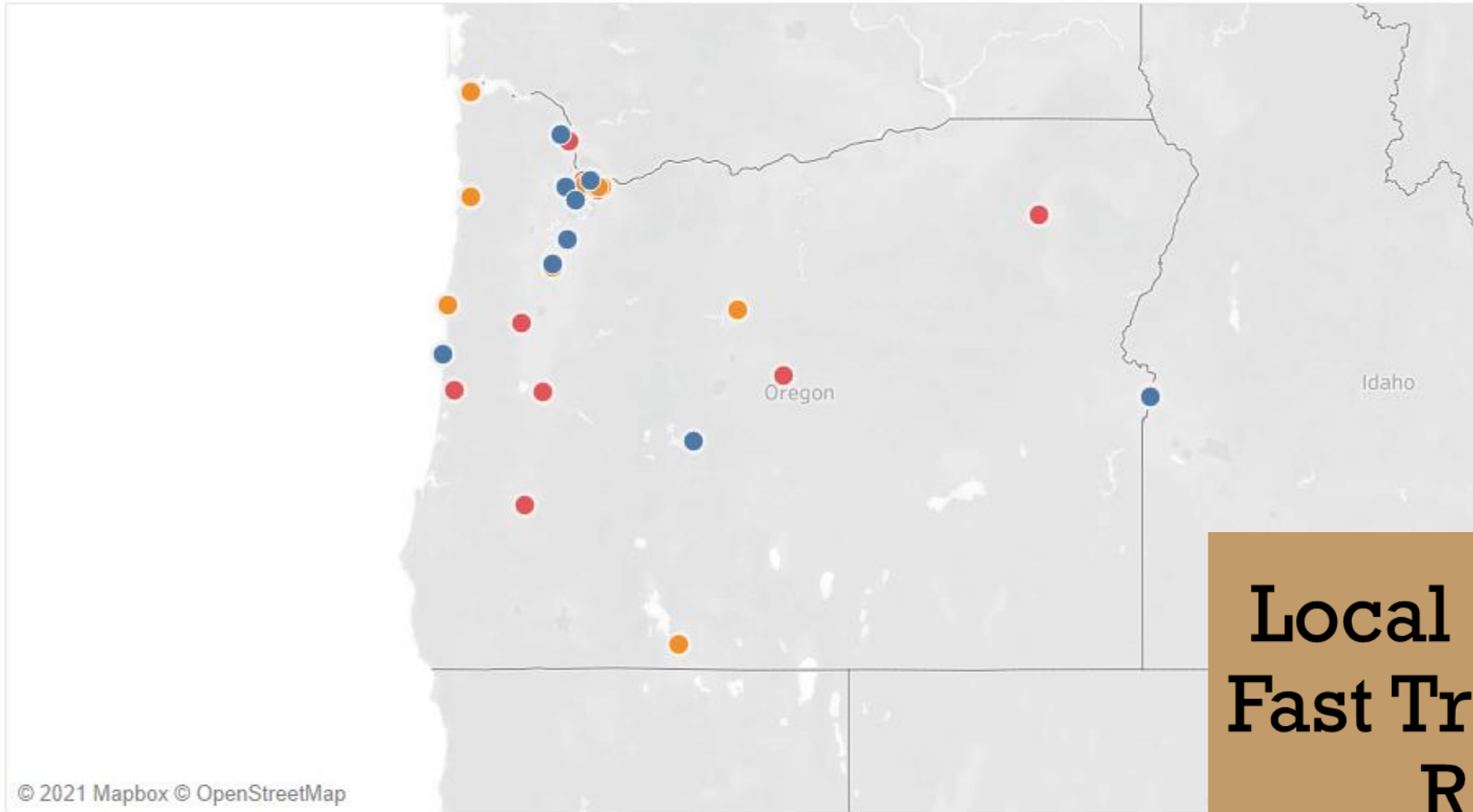
Percent of total rental stock:
7%

**OHCS
Funded
Homes as a
Percentage
of Total
Rental
Units**

*Map and data only include active rental units with affordability restrictions



LIFT Rental Housing: Projects Approved for Funding



Projects Approved:
37

Homes Approved:
3,631

Total LIFT Funding
Approved:
\$232,612,309

**Local Innovation
Fast Track (LIFT)
Rental**

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Year Approved

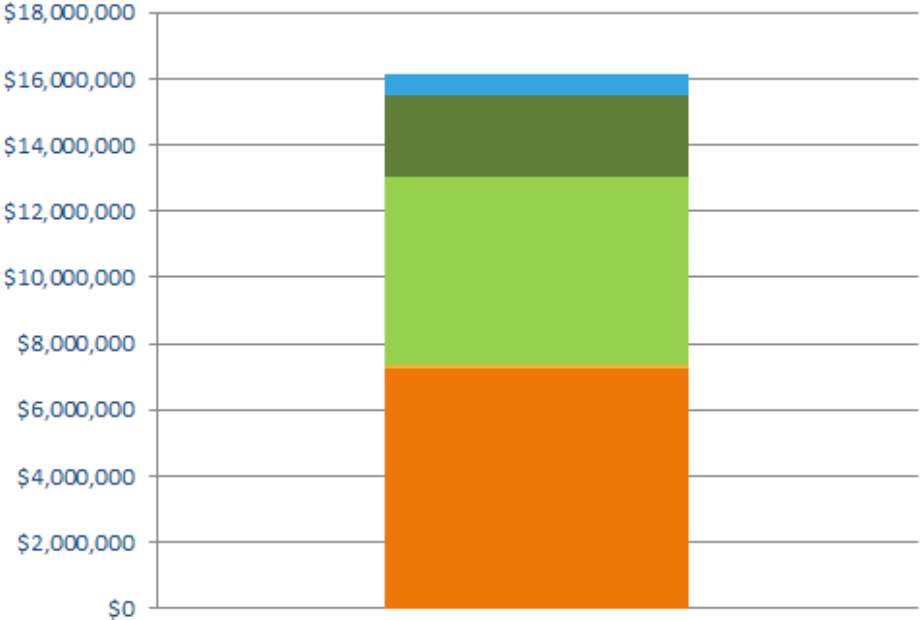
- 2016
- 2018
- 2020

Affordable Housing Case Study: LIFT

Sunrise Vista

Klamath Falls

- 58 homes affordable to those living at or below 60% of the area median income
- 6 homes with HUD-811 rent assistance (ensures tenants don't pay more than 30% of their income on rent)
- Serving communities of color
- Local Innovation Fast Track (LIFT)
- Oregon Multifamily Energy Program (MEP)



- Deferred Developer Fee
- Permanent Debt
- 4% Tax Credit Equity
- MEP
- LIFT funds

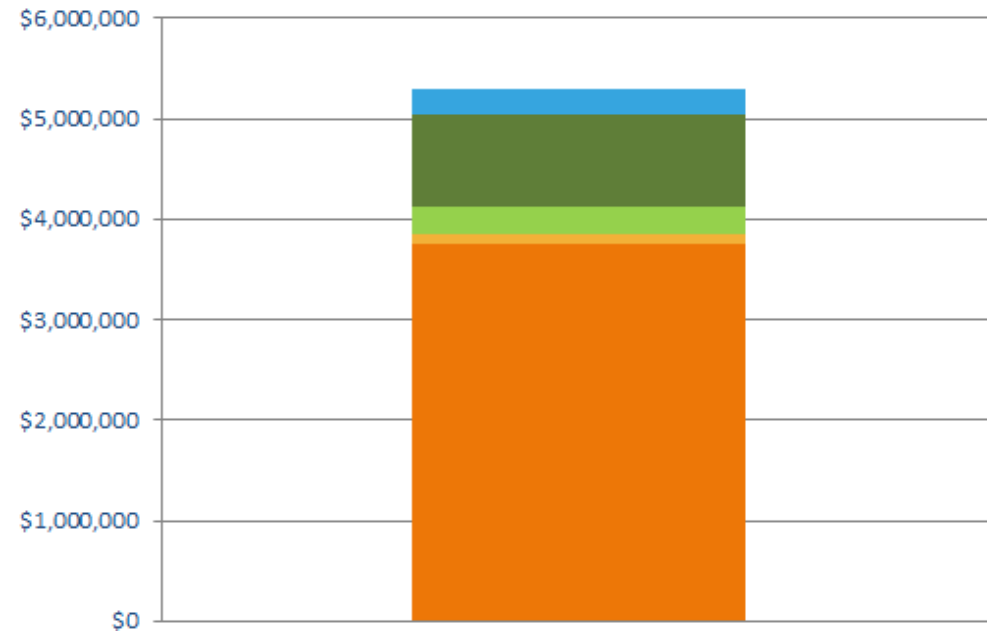


Affordable Housing Case Study: PSH

Keystone Apartments

Eugene

- 15 permanent supportive housing (PSH) homes for chronically homeless families
- Serving communities of color
- PSH development - \$3.75 million
- Support services funds that allow for wrap around support
- Local support, System Development Charge (SDC) waiver



- Deferred Developer Fee
- Loan
- Private Grant
- SDC Waiver
- OHCS PSH Development Funding

Investing in New Affordable Homes

- Policy Package 103 Resources for LIFT and Permanent Supportive Housing, \$250 M in bonds, \$15 M in GF
 - \$250M Article XI-Q bonds for housing development
 - LIFT Rental – soft set aside of \$180 M
 - LIFT Homeownership – soft set aside of \$20 M
 - Permanent Supportive Housing – soft set aside of \$50 M
 - \$15M General Fund for rental assistance and services to tenants in Permanent Supportive Housing units developed with 2021-23 Article XI-Q bonds.
 - 5 positions (5.0 FTE) for loan underwriting, project guidance, and long-term program compliance.



Investing in Preservation & Land Acquisition

- Policy Package 110
 - \$10M in Lottery-backed bond proceeds to preserve up to 300 units of:
 - housing developments with federal rent subsidies
 - manufactured home parks, and
 - housing with expiring rent and income restrictions
 - \$20M in Lottery-backed bond proceeds for the Land Acquisition Program



Investing in Broadband Assistance

- Policy Package 90 Broadband Assistance
 - \$6.4 million for an Urban Connectivity program to provide financial assistance to Oregonians
 - Paired with \$100 million rural infrastructure investment through Business Oregon and a \$10.1 million for school broadband through the Oregon Department of Education
 - Racial Justice Council priority



KEY PERFORMANCE MEASURES



KEY PERFORMANCE MEASURES

KPM #	Area
1	Homeless Services: Preventing and Ending Homelessness
2	Energy Services: Energy Assistance
3	Multifamily Housing: Affordable Rental Housing (incomes served)
4	Multifamily Housing: Affordable Rental Housing (special needs populations)
5	Multifamily Housing: Affordable Rental Housing (construction costs)
6	Multifamily Housing: Affordable Rental Housing (high opportunity areas)
7	Single Family Housing: Homeownership (incomes served)
8	Single Family Housing: Homeownership (serving people of color)
9	Agency: Customer Service

Proposed KPM: Permanent Supportive Housing

- **Delete:** Percentage of affordable rental housing units funded that provide rental opportunities for low-income individuals with physical or mental disabilities
- **Replace with:** The number of Permanent Supportive Housing (PSH) units funded by OHCS. PSH provides service-enriched affordable housing to help individuals living with a serious persistent mental illness and persons experiencing chronic homelessness.



Proposed KPM: Affordable Rental Housing (Areas of Opportunity)

- **Delete**: Percentage of affordable rental housing units funded with 9% Low Income Housing Tax Credits or HOME program funds that will be developed in high opportunity areas. High opportunity areas are defined as census tracts that meet two of the following three criteria: low poverty rate, below average unemployment rate, high ratio of jobs to labor force.
- **Replace with**: Same 1st Sentence. High opportunity areas are defined as census tracts that meet three of the following five criteria when compared to other census tracts in the region: higher median income, higher job accessibility for low and median wage employees, higher labor market engagement, higher rate of owner-occupied units, higher performing elementary schools.



Proposed KPM: Affordable Rental Housing (Rural)

- **Proposed**: Percent increase in the number of affordable rental housing units that will be developed in rural areas.
 - Rural areas are defined as: communities with population 15,000 or less outside of the Portland Urban Growth Boundary in counties within Metropolitan Statistical Areas (Benton, Clackamas, Columbia, Deschutes, Jackson, Josephine, Lane, Marion, Multnomah, Polk, Washington and Yamhill Counties) and communities with 40,000 population or less in the balance of the state.



Proposed KPMs: Homeownership

- **Delete:** Percentage of households at or below the state's median household income served by our single-family programs.
- **Replace with:** Percentage of households at or below the county median family income served by the Oregon Bond Residential Loan program.
- **Delete:** Percentage of OHCS residential loan program loans issued to people of color.
- **Replace with:** Percentage of people served by all OHCS homeownership programs who identify as people of color.

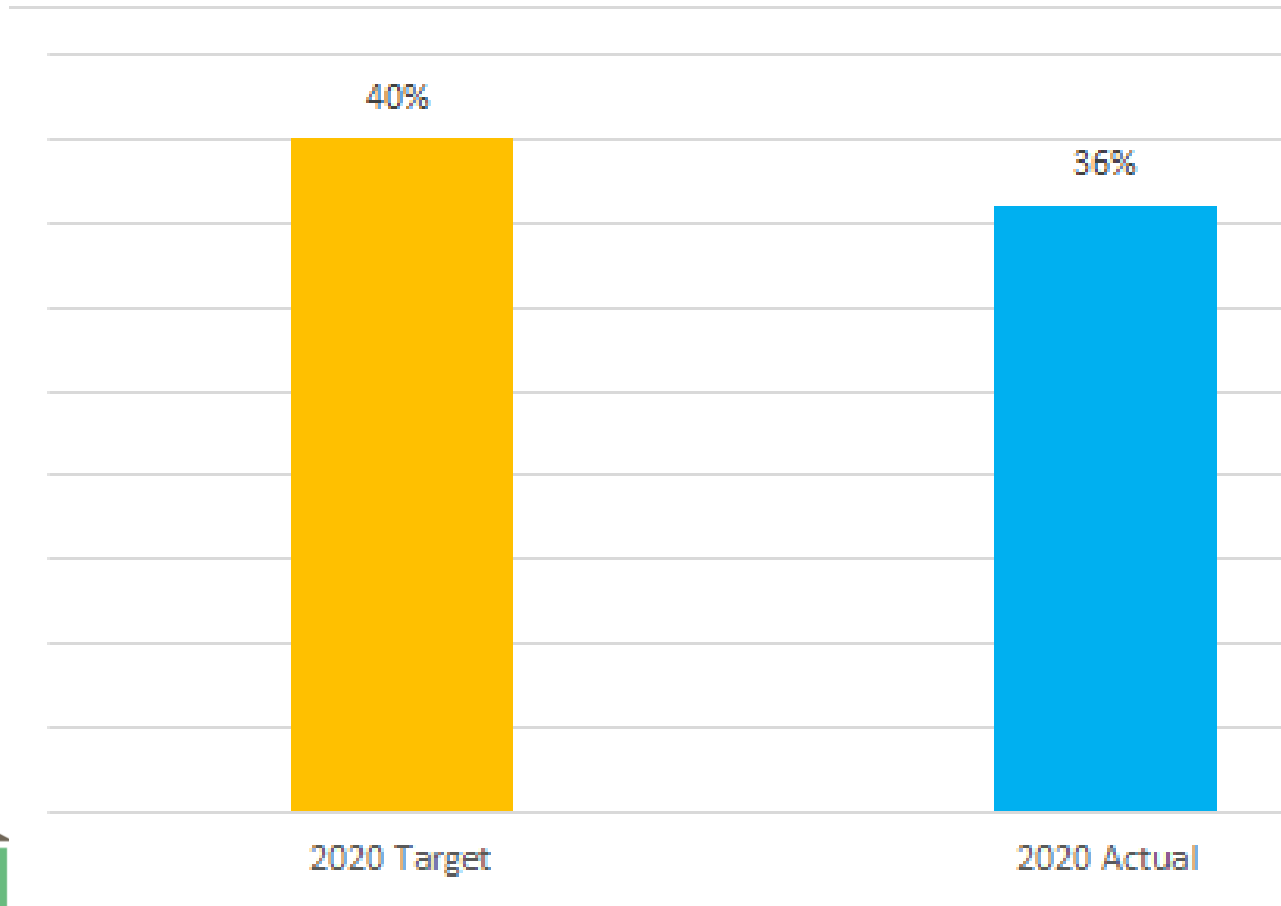


KPM 5: AFFORDABLE RENTAL HOUSING (CONSTRUCTION COSTS)



- Construction costs per square foot for: newly constructed housing units developed through grant and tax credit programs; and construction costs per square foot for rehabilitated housing units developed through grant and tax credit programs, as compared to national RS Means data.

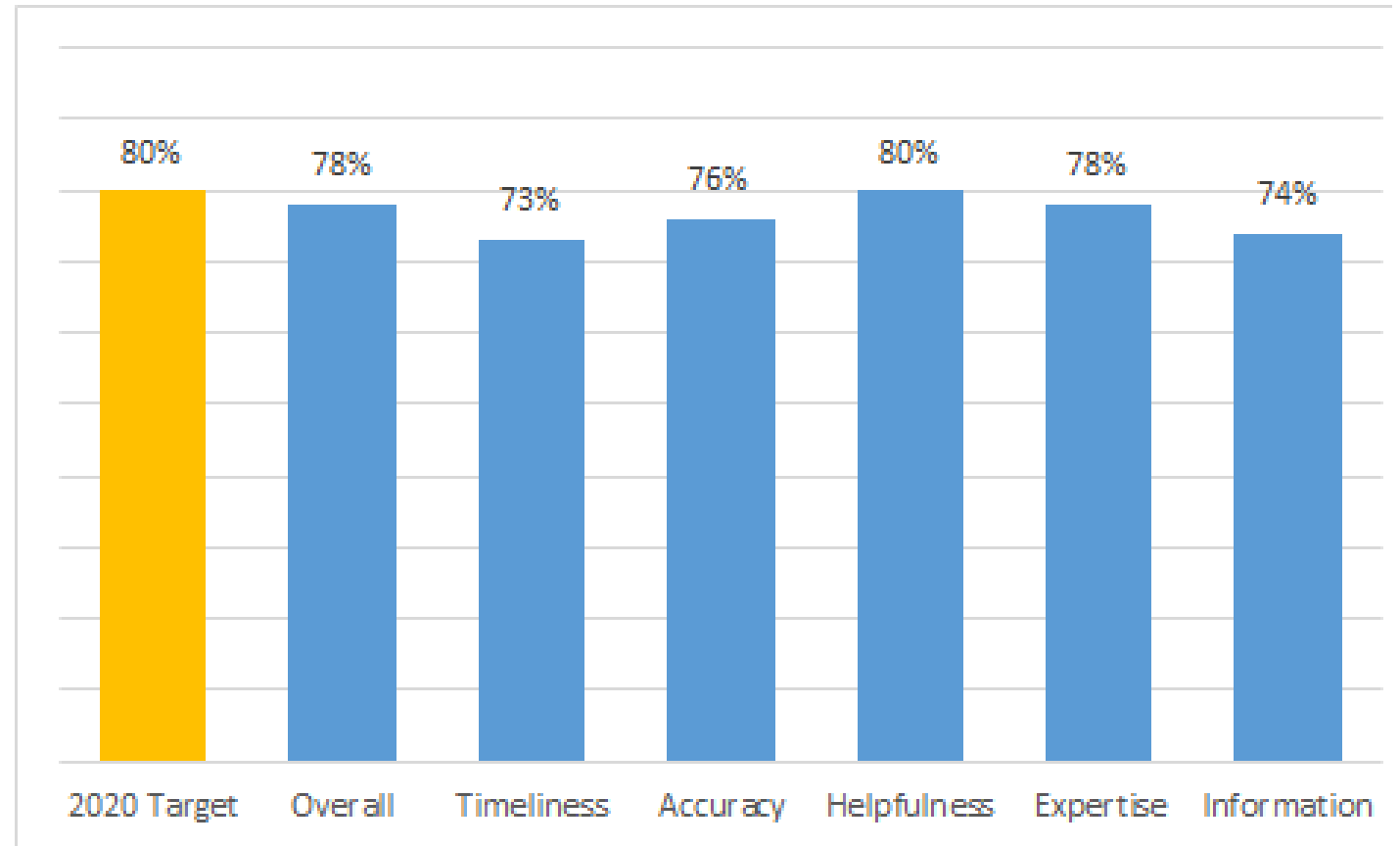
KPM 6: AFFORDABLE RENTAL HOUSING (AREAS OF OPPORTUNITY)



Percentage of affordable rental housing units funded with 9% Low Income Housing Tax Credits or HOME program funds that will be developed in high opportunity areas. High opportunity areas are defined as census tracts that meet two of the following three criteria: low poverty rate, below average unemployment rate, high ratio of jobs to labor force.

KPM 9: CUSTOMER SERVICE

Percentage of customers rating their satisfaction with the agency's customer service as "good" or "excellent": timeliness, accuracy, helpfulness, expertise, availability of information, overall.



10% REDUCTION OPTIONS

1. Fund shifts from General Fund to Other Funds for 2 positions and some Services & Supplies
2. All programs are reduced proportionately



Reduction Options

PROGRAM AREA	PROGRAM NAME	IMPACT OF 10% REDUCTION	GENERAL FUND	OTHER FUNDS
Administrative Services & Supplies Costs		OHCS would correct funding on one position in the Energy Services Section, shift General Fund costs for the LIFT program to Other Funds, and shift S&S costs to Other Funds, specifically State Government Service Charges. OHCS uses a cost allocation plan that charges indirect costs based on time spent working on each program. This reduction would mean that GF programs would be subsidized by other programs.	(\$901,318)	\$901,318
Homeless Services	Emergency Housing Assistance	OHCS estimates that 5,600 low and very low income persons would not receive homeless and homelessness prevention services. Grantee capacity and regional capacity could also be impacted, which has the potential of reducing the state's ability to acquire and maintain federal homeless assistance funding. No OHCS positions or FTE would be reduced.	(\$2,403,438)	
Homeless Services	State Homeless Assistance Program	Approximately 2,800 homeless persons would not receive shelter and related services. The reduction could also impact the state's ability to secure and maintain federal homeless assistance funding. No OHCS positions or FTE would be reduced.	(\$1,076,964)	
Homeless Services	Elderly Rental Assistance Program	OHCS estimates that 140 low and very low income persons would not receive homeless and homelessness prevention services. No OHCS positions or FTE would be reduced.	(\$122,883)	
Homeless Services	Housing Choice Landlord Guarantee Program	This reduction would impact the number of landlords who could receive reimbursement, and OHCS would run out of program funds in approximately nine months. No OHCS positions or FTE would be reduced.	(\$28,634)	(\$28,634)

OREGON HOUSING AND COMMUNITY SERVICES

QUESTIONS?



Margaret Salazar, *Executive Director* | **Caleb Yant**, *Deputy Director*
Oregon Housing and Community Services

March 22, 24, & 29, 2021
Joint Ways and Means Subcommittee on
Transportation and Economic Development

2021-23 OHCS AGENCY BUDGET PRESENTATION

Reference Slides

2021-23 POLICY PACKAGES

Package	General & Lottery Funds	Other Funds	Federal Funds	Total Funds	Pos	FTE
090 Analyst's Adjustments: Youth Rental Assistance Pilot, Broadband Service Assistance	\$10,911,044	\$0	\$0	\$10,911,044	3	2.84
101 Essential Current Service Level Staff	\$0	\$5,665,146	\$0	\$5,665,146	22	22.0
102 Essential Current Service Level Position Reclasses	\$0	\$269,322	\$54,227	\$323,549	0	0.5
103 Resources for LIFT, Permanent Supportive Housing, and Land Acquisition	\$19,407,869	\$268,444,330	\$0	\$287,852,199	5	5
104 Improving Oregon's Homeless Management Information System	\$1,213,503	\$0	\$0	\$1,213,503	2	2
106 Addressing Racial Disparities in Homeownership	\$1,999,997	\$0	\$0	\$1,999,997	2	2

Package	General & Lottery Funds	Other Funds	Federal Funds	Total Funds	Pos	FTE
107 Down Payment Assistance tied to OHCS Lending	\$10,000,000	\$0	\$0	\$10,000,000	0	0
108 Agricultural Workforce Housing Tax Credit Increase	\$0	\$2,250,000	\$0	\$2,250,000	0	0
109 Restructure Individual Development Account (IDA) Program	\$7,000,000	\$6,025,740	\$0	\$13,025,740	1	1
110 Affordable Housing Preservation	\$769,524	\$30,433,392	\$0	\$31,202,916	0	0
112 Increase Energy Assistance	\$5,000,000	\$0	\$0	\$5,000,000	0	0
113 Safe and Healthy Manufactured Homes	\$6,000,000	\$83,125	\$0	\$6,083,125	0	0
114 Homeownership Development	\$10,000,000	\$0	\$0	\$10,000,000	3	1.75
115 Continue Homeownership Stabilization Initiative	\$0	\$684,859	\$0	\$684,859	9	2.25

NOTE: OHCS is no longer pursuing POP 108

2021-23 POLICY PACKAGES

PENDING LEGISLATION

- Agency Bills: 9
- Establish New Programs or New Resources: 11
- Establish New Studies, Workgroups, or Taskforces: 18
- Amend or Expand Existing Programs: 2



OHCS Sponsored Legislation

Bill	Summary
HB 2094	Expands access to OHCS program serving Veterans, allows Director to designate someone to sign bond documents
HB 2095	Makes technical fixes to the Publicly Supported Housing Preservation (PuSH) Program
HB 2096	Increase the Agricultural Worker Housing Tax Credit and makes programmatic changes
HB 2099	Makes programmatic changes to manufactured housing programs
HB 2100	Modernizes Oregon's homeless services statutes
HB 2101	Makes programmatic changes to the Rent Guarantee Program and the Housing Choice Landlord Guarantee Program
SB 79	Updates the Homeownership Assistance Program (HOAP) to increase the program's ability to address racial disparities in homeownership
SB 81	Corrects the naming conventions for federal energy assistance programs
SB 82	Establishes the Individual Development Account (IDA) program as a General Fund program beginning fiscal year 2022

NOTE: OHCS has chosen to not move some agency bills that were introduced this session

Other Legislation

Bill	Summary
HBs 2004 & 2006	Directs Housing and Community Services Department to study issues relating to housing and report to appropriate committee or interim committee of Legislative Assembly on or before September 15, 2022
HB 2005	Directs Housing and Community Services Department to study issues relating to housing supply and report to appropriate committee or interim committee of Legislative Assembly on or before September 15, 2022.
HB 2007	Authorizes Housing and Community Services Department to provide grants, loans and technical assistance to organizations increasing homeownership program access to underserved communities, including persons of color.
HB 2163	Establishes long term rental assistance program in Housing and Community Services Department.
HB 2202	Establishes Task Force on Lane County Houselessness. Requires task force to report to interim committee of Legislative Assembly by September 15, 2021. Sunsets December 31, 2021. Declares emergency, effective on passage
HB 2233	Establishes Emergency Shelter Task Force. Directs task force to study and make recommendations regarding state provision of emergency shelter.
HB 2289	Directs Housing and Community Services Department to study issues relating to building in areas affected by wildfires and report to appropriate committee or interim committee of Legislative Assembly on or before September 15, 2022.
HB 2364	Before its sale to third party, requires owner of residential dwelling facility to give tenants 20 days to form tenants committee and to give any tenants committee right of first refusal. Makes other procedural amendments to conducting facility sales.
HB 2372	Eliminates landlord's ability to terminate residential tenancy without cause. Clarifies damages available to tenant for landlord's unlawful no-cause notice or fraudulent landlord-cause notice.
HB 2427	Directs Housing and Community Services Department to establish and maintain uniform rental application system.
HB 2471	Directs Housing and Community Services Department to study issues relating to housing and report to appropriate committee or interim committee of Legislative Assembly on or before September 15, 2022.
HB 2511	Directs Housing and Community Services Department to study issues relating to residential dwelling facilities and report to appropriate committee or interim committee of Legislative Assembly on or before September 15, 2022. Sunsets December 31, 2022.
HB 2701	Establishes Rural System Development Charges Program within Housing and Community Services Department to pay system development charges for rural affordable multifamily housing.

Other Legislation

Bill	Summary
HB 2729	Requires Housing and Community Services Department to pay to residential and nonresidential landlords certain uncollected rents due between April 1, 2020, and September 30, 2020.
HB 2766	Establishes Task Force on Use of Surplus Public Lands for Housing. Requires task force to report findings and recommendations to interim committee of Legislative Assembly related to housing on or before December 31, 2021. Sunsets task force December 31, 2022. Declares emergency, effective on passage.
HB 3067	Directs Housing and Community Services Department to study issues relating to foreclosure mitigation and report to appropriate committee or interim committee of Legislative Assembly on or before September 15, 2022.
HB 3141	Reduces public purpose charge for retail electricity consumers within service areas of electric companies and Oregon Community Power. Modifies allocation of funds collected through public purpose charges.
HB 3209	Directs Housing and Community Services Department to make grants to nonprofit housing counseling agencies for purpose of providing appropriate housing counseling services to grantors at risk of foreclosure on real property that is subject to residential trust deed or mortgage.
HB 3218	Expands allowable uses for Housing and Community Services Department's manufactured dwelling programs to support dwellings and parks destroyed by natural disaster.
HB 3219	Requires local governments to approve reconstruction of manufactured dwelling parks after wildfire.
HB 3223	Directs Housing and Community Services Department to study issues relating to residential dwelling facilities and report to appropriate committee or interim committee of Legislative Assembly on or before September 15, 2022.
HB 3224	Directs Housing and Community Services Department to study issues relating to manufactured dwellings and report to appropriate committee or interim committee of Legislative Assembly on or before September 15, 2022.
HB 3225	Directs Housing and Community Services Department to study issues relating to residential tenancies and report to appropriate committee or interim committee of Legislative Assembly on or before September 15, 2022.
HB 3226	Directs Housing and Community Services Department to study issues relating to housing and to report to appropriate committee or interim committee of Legislative Assembly on or before September 15, 2022.

Other Legislation

Bill	Summary
HB 3227	Directs Housing and Community Services Department to study issues relating to adequacy of buildings in this state and report to appropriate committee or interim committee of Legislative Assembly on or before September 15, 2022.
HB 3260	Establishes Local Government Technical Assistance Program within Housing and Community Services Department.
HB 3262	Requires Housing and Community Services Department to conduct study on homelessness in Oregon and provide results to interim committees of Legislative Assembly no later than September 15, 2022.
HB 3263	Requires owners of multifamily rental housing to offer right of first refusal to tenants who form tenant committee and membership entity.
HB 3314 & HB 3315	Directs Housing and Community Services Department to study issues relating to building in areas affected by wildfires and report to appropriate committee or interim committee of Legislative Assembly on or before September 15, 2022.
HB 3325	Establishes Task Force on Rental Property Inspections.
HB 3335	Authorizes Housing and Community Services Department to grant moneys to nonprofit organization for ADU community pilot programs that develop accessory dwelling units for income-eligible homeowners and that are available for lease by income-eligible tenants.
HB 3364	Relating to tax credits for the preservation of publicly supported housing; prescribing an effective date.
HB 3368	Relating to a shared-equity homeownership pilot program; declaring an emergency.
SB 8	Limits standards and conditions of approval that local governments may apply to certain affordable housing.
SB 271	Directs Housing and Community Services Department to study issues relating to housing and report to appropriate committee or interim committee of Legislative Assembly on or before September 15, 2022.
SB 282	Directs Housing and Community Services Department to study issues related to rental housing and report to appropriate committee or interim committee of Legislative Assembly on or before September 15, 2022.
SB 519	Directs Housing and Community Services Department to study issues relating to tenants who are victims of crimes and report to appropriate committee or interim committee of Legislative Assembly on or before September 15, 2022.