

April 22, 2023

Ronald Osmundson, NeighborImpact Board of Directors  
2711 SW 24<sup>th</sup> St  
Redmond, OR 97756

Oregon Joint Ways and Means Committee  
900 Court Street  
Salem, OR 97301

Chair Steiner, Members of the Committee:

I write to you today as a member of the board of directors of NeighborImpact, headquartered in Redmond, Oregon. Our organization provides essential human services to approximately 1 in 4 residents of our region, consisting of Crook, Deschutes and Jefferson Counties and the Confederated Tribes of Warm Springs. The services we provide include food assistance, rental assistance, housing support, homeless support, home ownership support, energy assistance and weatherization, Head Start and Oregon Prekindergarten, childcare infrastructure development, representative payee management, community development and lending.

As you can imagine, with this many services, your work intersects with our work in many ways. We are grateful for the support received from the State of Oregon that allows us to do our work. As board members, we prize efficiency, accuracy, a broad reach of services and both geographic and demographic diversity in distributing resources.

The immediate areas of concern for us in the coming biennium are as follows. Your attention to these matters would be greatly appreciated:

- We urge you to support more resources for food purchase by Oregon's 21 regional food banks. Locally, we have gone from feeding 16,000 to pre-pandemic to 60,000 individuals monthly post-pandemic. Our budget has increased even as COVID resources are shrinking, and demand is soaring. It is not reasonable to think that the faith and philanthropic communities can suddenly contribute almost 4 times as much in support of regional food banks as they were previously doing. Pending before Ways and Means are asks to increase Oregon Hunger Relief Fund for \$9 million. Also pending before you is a \$10 million ask to fund critical food purchases through the Oregon Department of Human Services and a proposal to fund \$22 million to the region's food banks. Your support for these initiatives will ensure that Oregonians, including Central Oregonians, eat.
- We strongly urge your support for income-limited homeowners who are facing the prospect of dry wells due to continuing drought and the falling water table in the central part of the state. Last year, using COVID funding provided through Deschutes County, our organization was able to provide 70 homeowners with low-cost loans to

deepen or replace their failed wells, preserving their equity, avoiding blight, and preventing homelessness. These loans once made are repaid to a revolving loan fund and redeployed to support additional wells, home rehabilitation and downpayment assistance. As this time, we have a waiting list of 80 homeowners waiting for help. Your support of \$1 million annually to our organizations (plus additional funding to other organizations like ours) would help mitigate the serious and ongoing and very real impacts of drought.

- Our organization will be working diligently in the coming year to deploy our share of the massive investment of public resources provided through a bipartisan package of resources approved to address homelessness statewide. But we want to caution you that these resources are tightly constrained as to how they can be used, with a primary focus on creating new shelter beds and helping those made newly homeless find new housing through rapid-rehousing programs. What will not be addressed is the ongoing cost of supporting existing shelters or the cost of prevention work to avoid people becoming homeless in the first place (the least expensive way to combat housing). These are very important programs that keep our homeless numbers below what they would otherwise be. The funds received to fund implementation of the executive order must not be looked at as replacement funds for other ongoing resources, such as Emergency Housing Assistance, the State Housing Assistance Program, and the Out of the Cold shelter support funding for winter sheltering (which we use in our region to ensure that there is an overnight shelter in every community in cold years.) EHA/SHAP should be returned to a \$50 million current service level (It was previously reduced to \$40 million when COVID funds were flowing freely). Out of the Cold funds should be sustained at current service level statewide. We also urge your support for SB918. Please do not unintentionally make the homeless situation worse by not funding these vital programs.
- The cost of homeownership continues to soar in Oregon. Renters in our region are forced to pay \$2500 monthly for a simple apartment. Rising mortgage interest rates burden would-be homeowners but lack of supply is a bigger problem. NeighborImpact provides homeownership counseling to approximately 1,200 households annually. We help homeowners hurdle the significant and growing barriers that stand between them and their dreams. Regrettably, we also help homeowners navigate foreclosure and provide mortgage assistance when it is available through public resources. We also administer Individual Development Accounts, matching savings for would-be homeowners, entrepreneurs and those seeking education. For reasons not entirely clear, Oregon Housing and Community Services has chosen not to prioritize foreclosure assistance or mortgage assistance in this budget, despite gathering concerns about a potential coming storm of foreclosures as the economy continues to weaken and recession of unknown magnitude looms. Sustaining foreclosure prevention programs is critical to being able

to respond in real time to a foreclosure crisis as it emerges. (This is a lesson learned from 2008.) If you must reopen the program, you have already lost the opportunity to respond timely and mitigate economic damage. The legislature should fund the foreclosure assistance and mortgage assistance programs at current service level, based on 2021-23 funding of foreclosure assistance and 2019-21 levels of mortgage assistance. We also appreciate the legislative support already shown for the IDA program and would urge some “topping off” to address the higher discount required by the current economic environment to sell the underlying tax credits that support the program.

- During COVID, both Oregon and the federal government independently funded low-income water assistance programs, based on energy assistance models. These programs were highly successful, keeping water flowing and wastewater systems functioning for struggling households and helping make local water providers, mostly cities, whole. These funds were targeted to households earning 60% of state median area income or less, which is \$60,126. Oregon’s investment in LIWA was a pilot. A renewal is pending (HB 3125). Currently, there is no pending renewal of the federal program. The committee is urged to support renewal of this program to reduce neighborhood blight, help struggling Oregon households and preserve local infrastructure by capitalizing operations and repair by maintaining ratepayer income.

The Committee has significant decisions before it. We appreciate the effort to gather public input in advance of making critical policy choices. I urge you to consider the needs of the most voiceless and politically marginalized Oregonians in making your allocations.

Thank you for this opportunity to share information.

Sincerely,

A handwritten signature in black ink that reads "Ronald Osmundson". The signature is written in a cursive style with a large, looped "R" and "O".

Ronald Osmundson  
BOARD MEMBER, NeighborImpact