

# ANALYSIS

## Housing and Community Services Department Shelter and Rehousing Investments

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**Analyst:** Michelle Deister

**Request:** Acknowledge receipt of a report on shelter and rehousing investments.

**Analysis:** In January 2023, Governor Kotek issued Executive Order 23-02 declaring a state of emergency in areas of the state that have experienced an increase in unsheltered homelessness of 50% or more since 2017. The initial declaration took effect January 10, 2023, and has been extended by subsequent executive orders through December 2026.

The Legislature adopted HB 2001 and HB 5019 in the 2023 legislative session to implement policy changes and provide \$158.9 million General Fund for state and local entities to address the emergency declaration and related issues in both the 2021-23 and 2023-25 biennia. HB 5019 appropriated \$129.2 million General Fund to the Housing and Community Services Department (HCSD), including \$26 million for efforts in areas not meeting the Executive Order's emergency criteria. To continue these investments through the remaining months of the 2023-25 biennium, an additional \$111.2 million General Fund was included in SB 5511 (2023) HCSD's primary budget bill.

A budget note adopted as part of HB 5019 requires HCSD to report quarterly through June 2025 on resources and outcomes related to shelter and rehousing investments made through that legislation, through June 2025. These quarterly reports must include the following:

- The amount of funding awarded to each continuum of care region.
- Targets and actual outcomes for each continuum of care region, including:
  - the number of new emergency shelter beds created;
  - the number of unsheltered homeless families rehoused and the duration of their rehousing (to measure housing retention);
  - the number of households whose homelessness was prevented; and
  - information on contracts with individual service delivery partners, including funding amounts, services provided, timeliness for service delivery, and outcomes achieved.

This is the 8th and final quarterly report submitted pursuant to the budget note, and covers funding allocations and expenditures through March 31, 2025, with reported outcomes through February 28, 2025, for shelter, rehousing efforts, and eviction prevention.

Executive Order Regions - Shelter and Rehousing: The full \$190.5 million appropriated for shelter and rehousing efforts through HB 5019 and SB 5511 has been allocated to Multi-Agency Coordinating Groups in regions of the state designated by the Governor's Executive Orders. Of that amount, \$87.98 million had been expended through March 31, 2025. 1,047 beds were created, surpassing the original goal of 600 beds by 175%. SB 5511 also included \$39.7 million for rehousing, focused on longer-term (up to 24 months) rental assistance for the 1,426 households rehoused with HB 5019 funds. An assumed 1,009 households will need longer-term assistance, and 901 households had been enrolled as of February 28th.

Rural Oregon Continuum of Care: The \$26.1 million appropriated for shelter and rehousing efforts delivered through Local Planning Groups in areas not covered by the Executive Order has been allocated. Goals of 450 households rehoused, and creation of 100 shelter beds have been surpassed, with 868 households rehoused and 387 beds created, as of February 28th.

Oregon Rehousing Initiative: SB 5701 (2024) included \$39 million to expand long-term rental and rehousing assistance to an estimated 700 additional households for up to 24 months. As of February 28, 2025, \$39.5 million had been allocated, with \$5.2 million expended. Mac groups and local planning groups have until June 30, 2025, to place households, and until June 30, 2027, to deploy all funding. 636 households have been served to date (compared with 120 households in the last quarterly report), with an intent to serve 1,137 households statewide.

Of the total available funding, \$3.4 million was set aside for clients with behavioral health diagnoses. Since the last report, four grantees have been selected to conduct a pilot program called Housing 360. Collectively, the awardees intend to serve 160 households with this set-aside, providing services such as housing and treatment navigators and case work. Results are not yet available, and grantees have until June 30, 2027, to implement their programs.

Eviction Prevention: Resources appropriated for eviction prevention total \$122.6 million. This includes \$33.6 million in HB 5019 (2023), \$55 million in SB 5511 (2023), and \$34 million in SB 1530. The funding is intended to prevent 24,609 households from falling into homelessness. Community Action Agencies and culturally specific organizations have received allocations totaling \$101.5 million for services delivered through the Oregon Eviction Diversion and Prevention Program, of which \$55.6 million had been spent through March 31, 2025. All of the \$21.1 million allocated for the Eviction Prevention Rapid Response program has been expended. The programs have served a collective total of 19,669 households through February 28th, 2025, compared with 14,843 households through October 31, 2024.

**Recommendation:** The Legislative Fiscal Office recommends acknowledging receipt of the report.

# Oregon Housing and Community Services Department Brickman

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**Request:** Report on expenditures and outcomes related to investments in shelter and rehousing per a budget note in House Bill 5019 (2023).

**Recommendation:** Acknowledge receipt of the report.

**Discussion:** The Oregon Housing and Community Services Department (OHCS) is submitting a report per the following budget note contained in the Department's budget report for House Bill 5019 (2023).

## **Budget Note**

*The Housing and Community Services Department will report quarterly to the Joint Committee on Ways and Means and House and Senate policy committees relating to housing through June 30, 2025, with information on resources and outcomes related to investments in shelter and rehousing pursuant to HB 5019. Reports shall include the following:*

- *The amount of funding awarded to each continuum of care region.*
- *Targets and actual outcomes for each continuum of care region, including:*
  - *the number of new emergency shelter beds created;*
  - *the number of unsheltered homeless families rehoused and the duration of their rehousing (to measure housing retention);*
  - *the number of households whose homelessness was prevented; and*
  - *information on contracts with individual service delivery partners including funding amounts, services provided, timelines for service delivery, and outcomes achieved.*

This is the eighth quarterly report submitted by OHCS. Early in the 2023 Legislative Session, House Bill 5019 and House Bill 2001 were passed into law providing funds to support emergency efforts outlined in Executive Order (EO) 23-02 and meet certain goals in designated emergency areas, and for the Balance of State (Rural) Continuum of Care (CoC) by June 30, 2025. House Bill 5019 and House Bill 2001 provided \$129.2 million General Fund to the agency for implementation of the EO starting in the latter part of the 2021-23 biennium and for the first six months of the 2023-25 biennium. OHCS received additional EO related funding (\$111.2 million General Fund) to provide resources for the remainder of the 2023-25 biennium, in Senate Bill 5511 during the 2023 Legislative Session. The goals established by Executive Order 23-02 and to be achieved by January 10, 2024, were:

- Prevent 8,750 households from becoming homeless statewide,
- Rehouse at least 1,200 unsheltered households in the emergency areas designated in the Executive Order, and
- Add 600 low-barrier shelter beds in emergency area.

In the May 2025 report submitted by OHCS, regarding Shelter and Rehousing, OHCS reports that all funding from House Bill 5019 (2023) and Senate Bill 5511 (2023) has been allocated to Multi-Agency Coordinating (MAC) groups for a total of \$151.9 million. As of January 10, 2024, 1,047 low-barrier shelter beds had been created (exceeding the goal of 447 beds), and 1,426 households experiencing unsheltered homelessness were rehoused (exceeding the goal by 226 households). OHCS received just over \$26 million through House Bill 5019 (2023) for rural communities within the “Rural Oregon Continuum of Care” (COC) and set up a competitive funding process to select the most viable projects. As of data through December 31, 2024, the Local Planning Groups (LPG) within the COC have rehoused 888 households (exceeding their goals by 141 households). The LGPs have also created 387 shelter beds (exceeding their goal by 287 beds).

For eviction prevention efforts, OHCS received a total of \$95.9 million through three bills – House Bill 5019 (2023), Senate Bill 5511 (2023), and Senate Bill 1530 (2024) – to pursue a goal of preventing 20,606 households from falling into homelessness. OHCS has allocated \$73.7 million to Community Action Agencies (CAA) for the Oregon Eviction Diversion and Prevention Program (ORE-DAP), and as of March 31, 2025, \$54.6 million has been spent. The Eviction Prevention Rapid Response Program (EPRR), for which OHCS received \$21.1 million, was established to provide rent assistance for households with eviction court dates. OHCS reports that nearly 100 percent of these funds have been expended as of March 31, 2025. As of February 28, 2025, the ORE-DAP and EPRR programs have served 17,233 households, which represents 83.6 percent of the overall goal for 20,066 households.

OHCS maintains public dashboards providing data on the number of households services and units funded through its homeownership, affordable rental housing, and homeless services programs. Additionally, OHCS has created new dashboards related to EO activities including Shelter Development and Rehousing activities.



April 25, 2025

Senator Mark Meek, Co-Chair  
Representative David Gomberg, Co-Chair  
Joint Committee on Ways and Means  
Subcommittee on Transportation and Economic Development  
900 Court Street NE  
Salem, OR 97301

Dear Co-Chairs:

### **Nature of the Request**

Signed into law in March 2023, House Bill 5019 allocated \$158,856,981 in General Fund resources to Oregon Housing and Community Services (OHCS) and repurposed \$30,623,741 in funds previously allocated to the agency. The HB 5019 Budget Report for the bill included a Budget Note directing OHCS to “*report quarterly to the Joint Committee on Ways and Means and House and Senate policy committees relating to housing through June 30, 2025, with information on resources and outcomes related to investments in shelter and rehousing pursuant to HB 5019. Reports shall include the following:*

- *The amount of funding awarded to each continuum of care region.*
- *Targets and actual outcomes for each continuum of care region, including:*
  - *the number of new emergency shelter beds created;*
  - *the number of unsheltered homeless families rehoused and the duration of their rehousing (to measure housing retention);*
  - *the number of households whose homelessness was prevented; and*
  - *information on contracts with individual service delivery partners including funding amounts, services provided, timelines for service delivery, and outcomes achieved.”*

This quarter, OHCS will provide the Legislature’s Joint Committee on Ways and Means an updated summary of the critical work connected to Executive Order 24-02, including updated outcomes through Feb. 28, 2025, for MAC Groups’ rehousing efforts and eviction prevention statewide, as well as regions’ spend-down information on EO-related grants (HB 5019, SB 5701, SB 5511, and SB 1530).

### **Agency Action**

#### Background

On Jan. 10, 2023, Governor Tina Kotek declared a state of emergency due to unsheltered homelessness in designated areas across Oregon through EO 23-02. Governor Kotek also

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proposed three actionable goals to be achieved by Jan. 10, 2024:

1. Prevent 8,750 households from becoming homeless statewide;
2. Add 600 low-barrier shelter beds in emergency areas as designated in Executive Order 23-02; and
3. Rehouse at least 1,200 unsheltered households in emergency areas designated in Executive Order 23-02.

The Oregon State Legislature acted swiftly in partnership with Governor Kotek and passed HB 5019 and HB 2001 to fund and support the emergency response efforts, in addition to supporting homelessness response efforts in the Rural Oregon Continuum of Care (commonly referred to as the Balance of State, or BoS), with additional goals to be achieved by June 30, 2025:

1. Add 100 low-barrier shelter beds in the Balance of State; and
2. Rehouse at least 450 unsheltered households in the Balance of State.

On Jan. 9, 2024, Governor Kotek signed Executive Order 24-02 to maintain the added capacity to the state's shelter system and expand goals to rehouse and prevent homelessness for additional households. OHCS and Oregon Department of Emergency Management (OEM) developed measurable outcomes for the new executive order in collaboration with local communities. The MAC Groups will work collectively to rehouse 650 households, though some groups have identified regional goals that reach beyond that total number. The Balance of State's Oregon Rehousing Initiative (ORI) goals are not included within EO 24-02, but they will collectively rehouse an additional 277 households by June 30, 2025, through ORI.

On Jan. 9, 2025, Governor Kotek signed Executive Order 25-01, extending the emergency response through Jan. 10, 2026. The order extends EO 24-02 and directs state agencies to continue the implementation of the executive order work on reducing homelessness. The new executive order intends to maintain the added capacity to the state's shelter system, rehouse people experiencing homelessness, and prevent homelessness in all designated regions.

#### Executive Order Regions – Shelter and Rehousing

All of the \$86.3 million appropriated for shelter and rehousing efforts through HB 5019 has been allocated to MAC Groups in regions designated by the Executive Order to meet specific shelter and rehousing goals. By Jan. 10, 2024, 1,047 low-barrier shelter beds were created, surpassing the original goal by 447 beds (175% of the goal), and 1,426 households experiencing unsheltered homelessness were rehoused, exceeding the original goal by 226 households (119%). The HB 5019 agreements for MAC Groups were extended to June 30, 2025. MAC Groups also received \$65.6 million in continuation funds through SB 5511 to sustain work established during EO 23-02, including emergency shelter operations, unit access and landlord engagement, and street outreach services.

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### Rural Oregon Continuum of Care

OHCS received \$26.04 million through HB 5019 for funding the Balance of State. Every community across the BoS received funding to rehouse a specific number of households and provide support for street outreach costs and other critical homeless services. A competitive funding process was utilized to select the most viable and robust projects to receive additional shelter funding. Local Planning Groups (LPGs) are in the process of implementing these programs, with rehousing and new shelter bed goals to be met by June 30, 2025. As of preliminary data through Dec. 31, 2024, LPGs have rehoused 868 households and created 387 shelter beds, exceeding their collective goals by 141 households and 287 beds well in advance of the June 30, 2025, deadline.

### Oregon Rehousing Initiative

OHCS received \$39.5 million in a special purpose appropriation via SB 5701 (2024). This funding is designated for a statewide rehousing program—the Oregon Rehousing Initiative (ORI)—to build upon the rehousing success of HB 5019 and expand long-term rent assistance to eligible households for up to 24 months. MAC Groups and LPGs have until June 30, 2025, to place households and until June 30, 2027, to deploy all funding. There is also a 25% set-aside for culturally responsive organizations (CROs). Through these partnerships, regional rehousing goals were established, with a collective goal of rehousing an additional 1,137 households by June 30, 2025.

As a secondary component of ORI, \$3.4 million has been set-aside for the Housing 360 Pilot. The goal of the pilot is to cultivate greater coordination of health, behavioral health, and social services through: (1) improvement of housing and behavioral health outcomes for individuals with behavioral health diagnoses living unsheltered or otherwise homeless; and (2) a reduction of racial disparities in housing and behavioral health outcomes. OHCS underwent a proposal selection and funding determination process. In March 2025, four pilots were selected for funding: Mid-Columbia Community Action Council (MCCAC); Benton County; Mid-Willamette Valley Community Action Agency (MWVCAA); and Washington County. Grantees will have until June 30, 2027, to implement their pilot programs. Grantees will receive technical assistance (TA) support through a cohort model. This cohort will include all Housing 360 grantees and a TA provider with behavioral health expertise. The TA implementation will be in coordination with the Oregon Health Authority.

### Eviction Prevention

Resources appropriated for eviction prevention under EO 23-02 and EO 24-02 total \$95.9 million. This includes \$33.6 million in HB 5019 (2023), \$38.5 million in SB 5511 (2023), and \$23.8 million in SB 1530 (2024). The funding represents a collective goal of preventing 20,606 households from falling into homelessness. Community Action Agencies (CAAs) have received allocations totaling \$73.67 million for services delivered through the Oregon Eviction Diversion and Prevention Program (ORE-DAP), of which \$54,606,138 had been spent through March 31, 2025. Of the \$21.1 million allocated for the Eviction Prevention Rapid Response program

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(EPRR) that provides rent assistance for households with eviction court dates supported by legal services, nearly 100% had been expended by March 31, 2025. As of Feb. 28, 2025, ORE-DAP and EPRR have served 17,233 households (*83.63% towards the overall Biennium goal of 20,606 for EO providers*).

**Action Requested**

The Oregon Housing and Community Services Department requests acceptance of this report.

**Legislation Affected**

None.

Sincerely,

A handwritten signature in black ink, appearing to be the initials 'AB' with a stylized flourish underneath.

Andrea Bell, Executive Director  
Oregon Housing and Community Services

cc: Amanda Beitel, Legislative Fiscal Office  
Michelle Deister, Legislative Fiscal Office  
Kate Nass, Chief Financial Office  
Tamara Brickman, Chief Financial Office