

# Summary of 2021-23 Agency Request Budget

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## Summary of 2021-23 Agency Request Budget

### Vision

All Oregonians have the opportunity to pursue prosperity and live free from poverty.

### Mission Statement

We provide stable and affordable housing and engage leaders to develop integrated statewide policy that addresses poverty and provides opportunity for Oregonians.

## Agency Strategic Planning

Oregon Housing and Community Services (OHCS) is placing a greater emphasis on strategic planning and the way the department invests its resources. In recent years, we have restructured, refocused, and reimagined our agency. Our work has led to an increased emphasis on data, research and customer service. We are carrying that effort forward with the Statewide Housing Plan, a five-year strategic plan that guides our policy and funding decisions.

The plan articulates the extent of Oregon's housing problem and what we can do to address it, as well as how OHCS will pave the way for more Oregonians, especially those historically marginalized and underserved, to have access to housing opportunities and achieve housing stability and self-sufficiency. The plan serves the following functions:

- Analyzes quantitative and qualitative data to help us understand areas of need across the state and within specific communities
- Communicates our priorities to partners and legislators to build support and inspire coordinated action
- Articulates how OHCS will lead, fund and support our partners on priority issues over the next five years
- Provides a framework and direction for OHCS to prepare annual work plans, set goals, monitor progress and implement our priorities

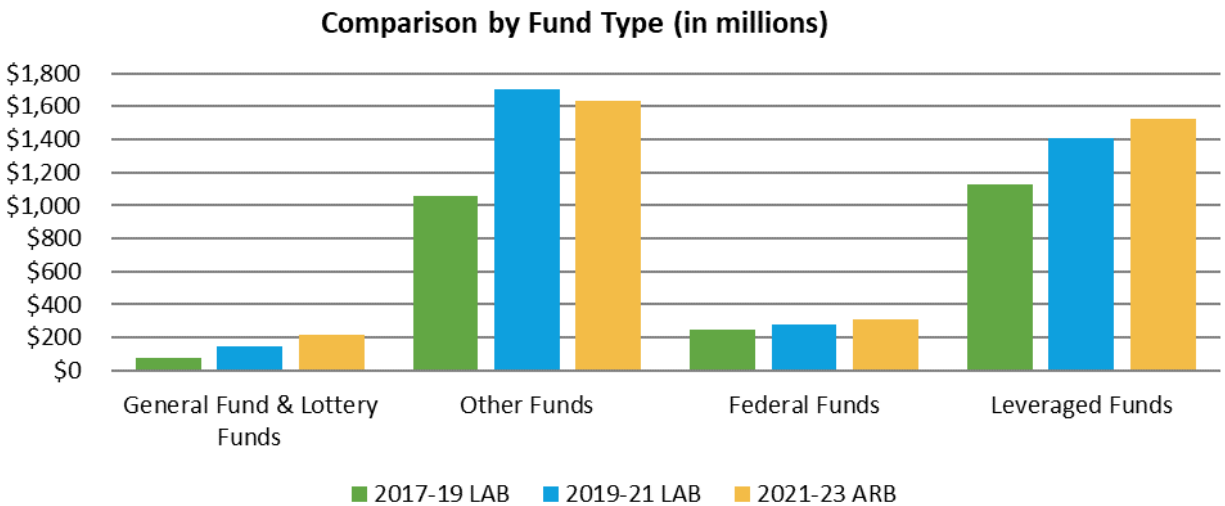
The Statewide Housing Plan is grounded in guiding principles and lays out six policy priorities for 2020-2025.

## Guiding Principles

The guiding principles set direction for OHCS over the five-year plan horizon and beyond, building on its mission statement, vision, and core values. They are crosscutting philosophies that inform how we will approach our work and guide our decisions over the next five-plus years across the department's many programs.



## Comparison of Biennial Budgets

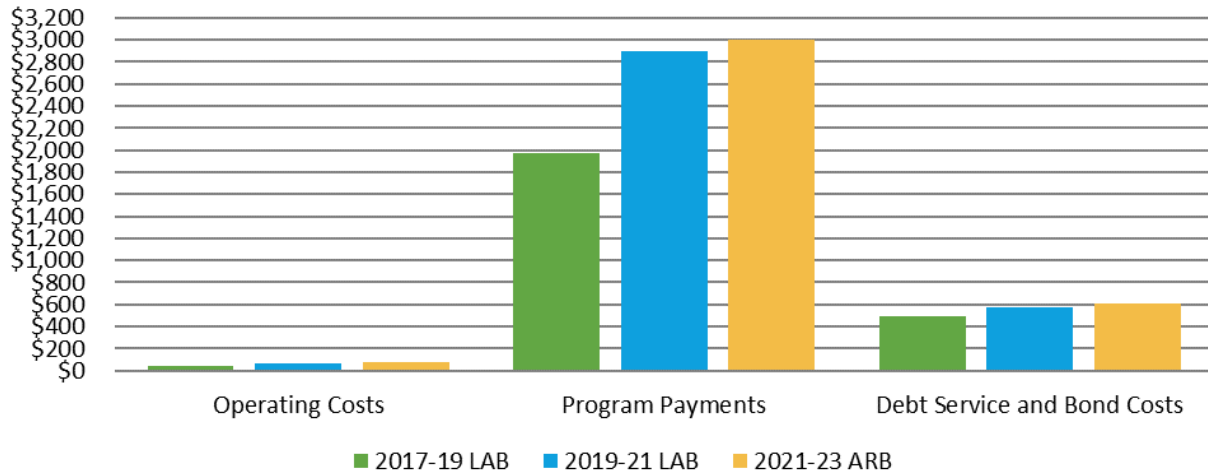


FUND TYPE	2017-19 LAB	2019-21 LAB	2021-23 ARB
General Fund & Lottery Funds	\$77	\$148	\$219
Other Funds	\$1,056	\$1,701	\$1,634
Federal Funds	\$244	\$279	\$309
Leveraged Funds	\$1,129	\$1,409	\$1,526
<b>All Funds</b>	<b>\$2,507</b>	<b>\$3,536</b>	<b>\$3,688</b>

*2019-21 LAB is Legislatively Approved at March 31, 2020 and does not include adjustments made in April, June, August, and September of 2020. OHCS has received unprecedented resources from federal and state policymakers in response to the COVID-19 pandemic and the 2020 wildfires Major Disaster.*

## Comparison of Biennial Budgets

Comparison by Usage (in millions)



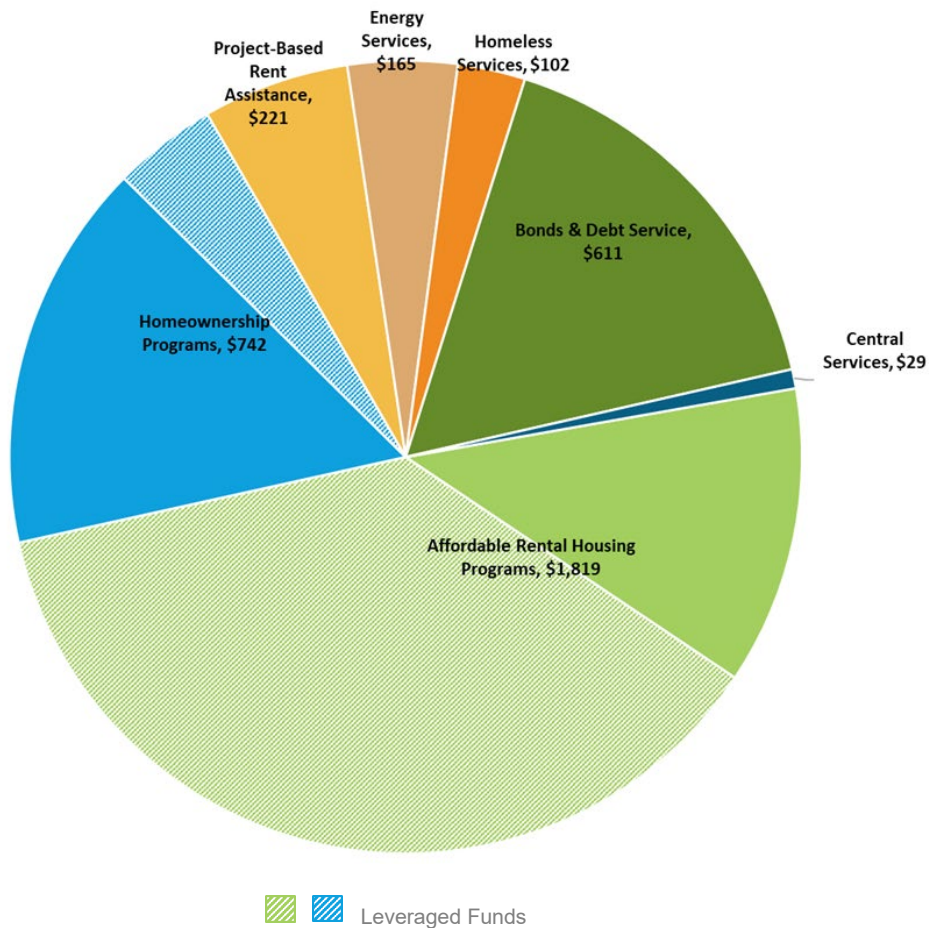
USAGE	2017-19 LAB	2019-21 LAB	2021-23 ARB
Operating Costs	\$43	\$66	\$80
Program Payments	\$1,969	\$2,897	\$2,999
Debt Service & Bond Costs	\$495	\$572	\$609
<b>All Funds</b>	<b>\$2,507</b>	<b>\$3,536</b>	<b>\$3,688</b>
Positions / FTE	170 / 155.12	226 / 217.71	251 / 250.5
Operating Cost Percentage	1.71%	1.88%	2.18%

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## Program Areas

The department's programs address the continuum of housing needs of all Oregonians, from homelessness prevention and housing stabilization, to affordable rental housing, to home ownership and foreclosure prevention. The programs support strategies that help all Oregonians have the opportunity to work toward increased personal well-being and self-sufficiency.

Funding by Program Area (in millions)



*The charts in this document include funds that are administered and disbursed outside of state bank accounts and therefore not recognized in the state's budget system. The "Leveraged Funds" include the total equity provided to affordable housing projects from state and federal tax credits, tax credits for the Individual Development Accounts initiative, conduit (pass through) bond proceeds, foreclosure prevention payments through the Oregon Homeownership Stabilization Initiative, and mortgage-backed securities in the down payment assistance lending program.*

## Housing Stabilization Division Programs

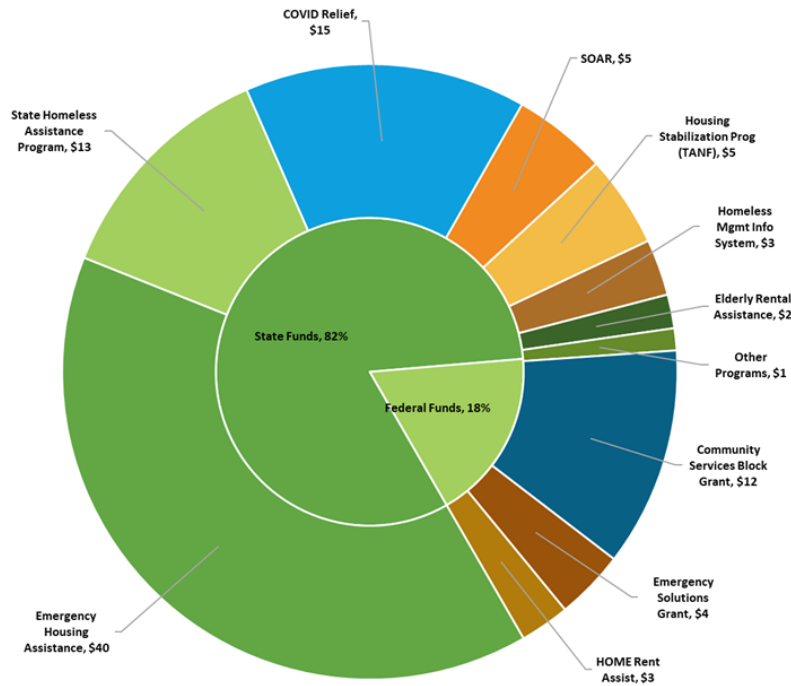
The Housing Stabilization Division programs are designed to stabilize housing for low-income Oregonians and support community resiliency, including programs to prevent and end homelessness and reduce energy costs. These programs include:

- **Homeless Assistance Programs** deliver services that enable households that are homeless or at risk of homelessness to maintain or regain housing stability.
- **Rental Assistance Programs** are available to Oregonians earning at or below 50% of area median income. These programs offer rental assistance and refundable security deposits paid directly to property owners on the tenants' behalf.
- **Low-Income Energy Assistance Programs** provide bill payment assistance to eligible households earning 60% or less of Oregon's median income.
- **Low-Income Weatherization Assistance Programs** provide home health and safety improvements, heating system repair and replacement, energy conservation services, and baseload measures to households earning 200% or less of the federal poverty level.
- **Individual Development Accounts** provide matched savings to help low-income Oregonians save for a specified goal, such as a home, an education, a micro-business, and more.

Programs	Pos.	FTE	General Fund	Other Funds	Federal Funds	All Funds
Homeless Services	19	19.0	\$67,147,566	\$16,281,561	\$18,257,762	\$101,686,889
Energy Services	14	14.0	\$10,000,000	\$68,051,628	\$86,776,741	\$164,828,369
<b>Total</b>	<b>33</b>	<b>33.0</b>	<b>\$77,147,566</b>	<b>\$84,333,189</b>	<b>\$105,034,503</b>	<b>\$266,515,258</b>

# OREGON HOUSING AND COMMUNITY SERVICES

Homelessness Prevention Funding (in millions)



This chart removes funds that are transferred from the General Fund to dedicated accounts to prevent “double counting” of funds. This practice is used in the Housing Choice Landlord Guarantee program, and in the Emergency Housing Assistance and Elderly Rental Assistance programs prior to the 2021-23 biennium.

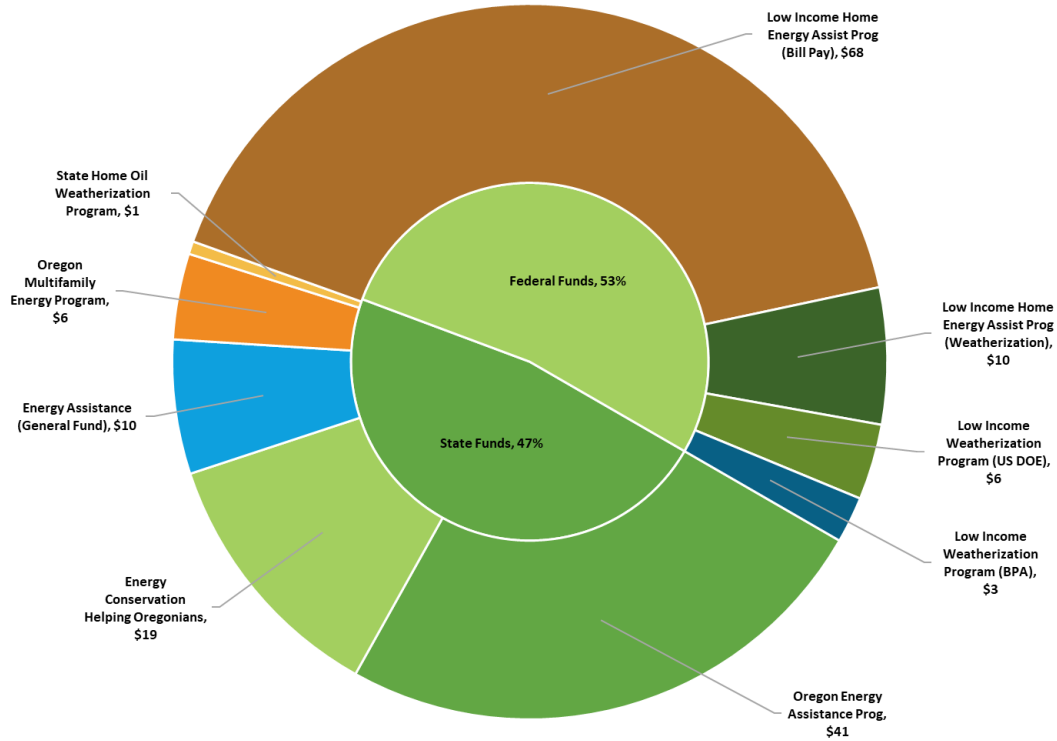
Homeless Services Programs (in millions)			
FUND TYPE	2017-19 LAB	2019-21 LAB	2021-23 ARB
General Fund & Lottery Funds	\$48	\$68	\$67
Other Funds	\$42	\$89	\$16
Federal Funds	\$18	\$18	\$18
<b>All Funds</b>	<b>\$108</b>	<b>\$175</b>	<b>\$102</b>
USAGE	2017-19 LAB	2019-21 LAB	2021-23 ARB
Operating Costs	\$2	\$7	\$7
Program Payments	\$106	\$168	\$95
<b>All Funds</b>	<b>\$108</b>	<b>\$175</b>	<b>\$102</b>
Positions / FTE	11 / 10.0	18 / 18.0	19 / 19.0
Operating Cost Percentage	2.2%	4.1%	6.4%

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# OREGON HOUSING AND COMMUNITY SERVICES

Energy & Weatherization Services Funding (in millions)



Energy Services Programs (in millions)			
FUND TYPE	2017-19 LAB	2019-21 LAB	2021-23 ARB
General Fund & Lottery Funds	\$0	\$0	\$10
Other Funds	\$60	\$80	\$68
Federal Funds	\$80	\$83	\$87
<b>All Funds</b>	<b>\$140</b>	<b>\$163</b>	<b>\$165</b>
USAGE	2017-19 LAB	2019-21 LAB	2021-23 ARB
Operating Costs	\$5	\$7	\$6
Program Payments	\$136	\$156	\$159
<b>All Funds</b>	<b>\$140</b>	<b>\$163</b>	<b>\$165</b>
Positions / FTE	11 / 10.9	14 / 14.0	14 / 14.0
Operating Cost Percentage	3.3%	4.5%	3.5%

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## Project-Based Rent Assistance Programs

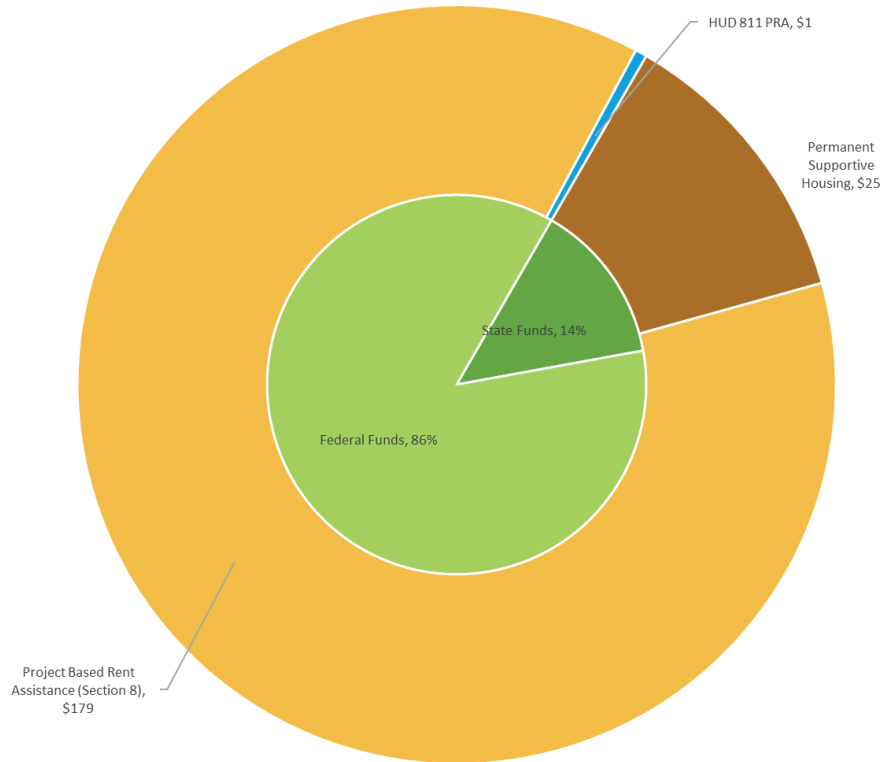
The Project-Based Rent Assistance programs provide state and federal rent subsidies for low-income tenants of specific units. The state-funded program, Permanent Supportive Housing or PSH, was initiated in the 2019-21 biennium. This budget unit is new in the 2021-23 biennium, and is intended to make a distinction between these programs and the tenant-based rent assistance in the Housing Stabilization Division. These programs include:

- The **HUD Project-Based Rental Assistance Program** provides rent subsidy payments paid directly to property owners. These subsidies ensure that tenants pay no more than 30 percent of their income for rent. Contract administration of these programs includes contract renewals, rent adjustments, tenant complaint resolution, and on-site monitoring of owner policies, procedures, and practices, as well as follow-up on physical inspection findings.
- The **Section 811 Project Rental Assistance (PRA) Program** provides project-based rental assistance to extremely-low-income persons with mental, intellectual and/or developmental disabilities, and allows them to live in the community as independently as possible by increasing the supply of rental housing linked with support services.
- **Permanent Supportive Housing Rental Assistance (PSH)** combines lease-based, affordable housing with tenancy supports and other voluntary services to help individuals with high needs, including persons with disabilities and persons coming out of chronic homelessness, achieve stable housing and recovery in their communities.

Programs	Pos.	FTE	General Fund	Other Funds	Federal Funds	All Funds
HUD PBRA	12	12.0	\$0	\$2,984,357	\$176,472,688	\$179,457,045
Section 811	1	0.5	\$0	\$0	\$1,020,396	\$1,020,396
Permanent Supportive Housing	2	2.0	\$15,000,000	\$10,436,993	\$0	\$25,436,993
<b>Total</b>	<b>15</b>	<b>14.5</b>	<b>\$15,000,000</b>	<b>\$13,421,350</b>	<b>\$177,493,084</b>	<b>\$205,914,434</b>

# OREGON HOUSING AND COMMUNITY SERVICES

**Project-Based Rent Assistance Funding (in millions)**



*This chart removes funds that are transferred from the General Fund to dedicated accounts to prevent “double counting” of funds. This was done in the Permanent Supportive Housing program in error, and will be corrected in future versions of the 2021-23 budget.*

Project-Based Rent Assistance Programs (in millions)			
FUND TYPE	2017-19 LAB	2019-21 LAB	2021-23 ARB
General Fund & Lottery Funds	\$0	\$0	\$15
Other Funds	\$2	\$6	\$13
Federal Funds	\$122	\$153	\$177
<b>All Funds</b>	<b>\$124</b>	<b>\$159</b>	<b>\$206</b>
USAGE	2017-19 LAB	2019-21 LAB	2021-23 ARB
Operating Costs	\$2	\$3	\$4
Program Payments	\$122	\$156	\$202
<b>All Funds</b>	<b>\$124</b>	<b>\$159</b>	<b>\$206</b>
Positions / FTE	10 / 9.5	15 / 13.7	15 / 14.5
Operating Cost Percentage	1.7%	2.0%	1.6%

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## Affordable Rental Housing Division Programs

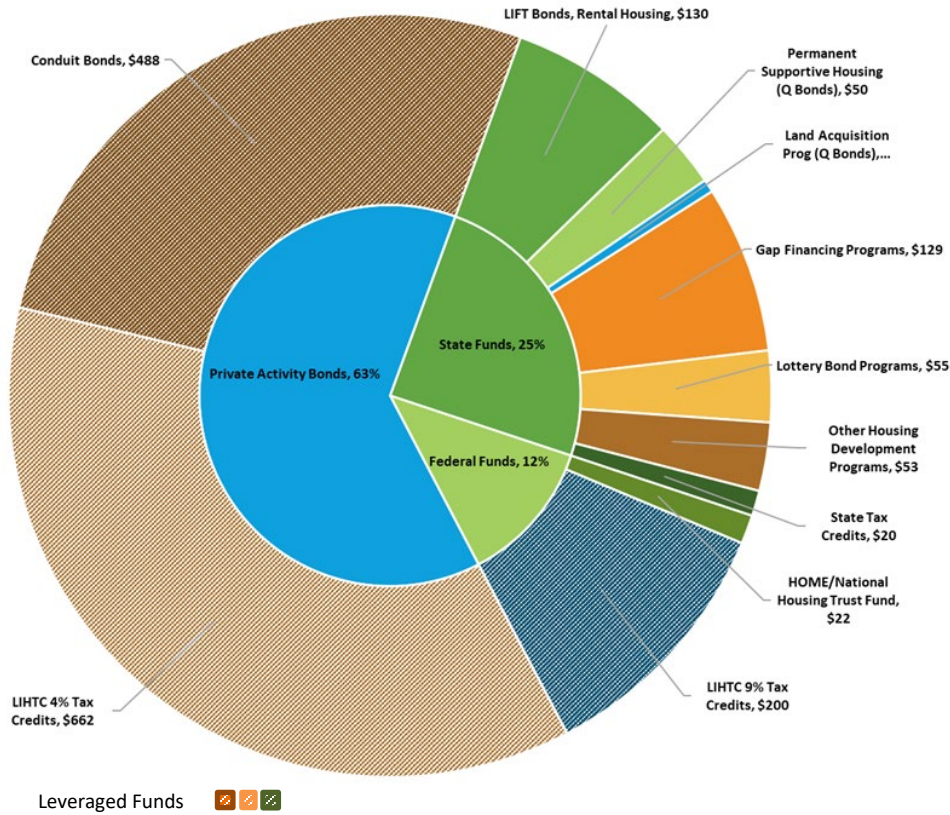
The Affordable Rental Housing Division programs provide partial financing for developing or preserving affordable rental housing and ensure that the units meet physical and financial standards. These programs include:

- **Affordable Rental Housing Development Programs** provide a continuum of housing options for low-income and fragile Oregonians. Federal and state-funded programs provide financing for the development of new housing units, rehabilitation of existing units, preservation of affordable housing projects with project-based Section 8 and Rural Development rental subsidies, and preserving manufactured dwelling parks.
- **Asset Management and Compliance Monitoring** of projects that have received OHCS funding ensures that the projects meet regulatory requirements of the various funding sources. Many properties are physically inspected on a regular basis, and a review of management is conducted to ensure compliance with regulatory standards, federal regulations, and state rules. The projects' financial statements are reviewed annually to ensure the fiscal viability of the project.

Programs	Pos.	FTE	General Fund	Other Funds	Federal Funds	Leveraged Funds	All Funds
Affordable Rental Housing Resources & Production	40	40.0	\$555,426	\$417,593,210	\$22,124,268	1,369,600,0000	\$1,809,872,904
Portfolio Administration	34	34.0	\$266,371	\$8,358,275	\$163,235	\$0	\$8,787,881
<b>Total</b>	<b>74</b>	<b>74.0</b>	<b>\$821,797</b>	<b>\$425,951,485</b>	<b>\$22,287,503</b>	<b>\$1,369,600,000</b>	<b>\$1,818,660,785</b>

# OREGON HOUSING AND COMMUNITY SERVICES

**Affordable Rental Housing Funding (in millions)**



Affordable Rental Housing Programs (in millions)			
FUND TYPE	2017-19 LAB	2019-21 LAB	2021-23 ARB
General Fund & Lottery Funds	\$2	\$8	\$1
Other Funds	\$175	\$441	\$426
Federal Funds	\$21	\$21	\$22
Leveraged Funds	\$1,064	\$1,212	\$1,370
<b>All Funds</b>	<b>\$1,262</b>	<b>\$1,683</b>	<b>\$1,819</b>
USAGE	2017-19 LAB	2019-21 LAB	2021-23 ARB
Operating Costs	\$11	\$19	\$22
Program Payments	\$1,250	\$1,664	\$1,796
<b>All Funds</b>	<b>\$1,262</b>	<b>\$1,683</b>	<b>\$1,819</b>
Positions / FTE	53 / 45.0	72 / 69.4	74 / 74.0
Operating Cost Percentage	0.9%	1.1%	1.2%

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## Homeownership Division Programs

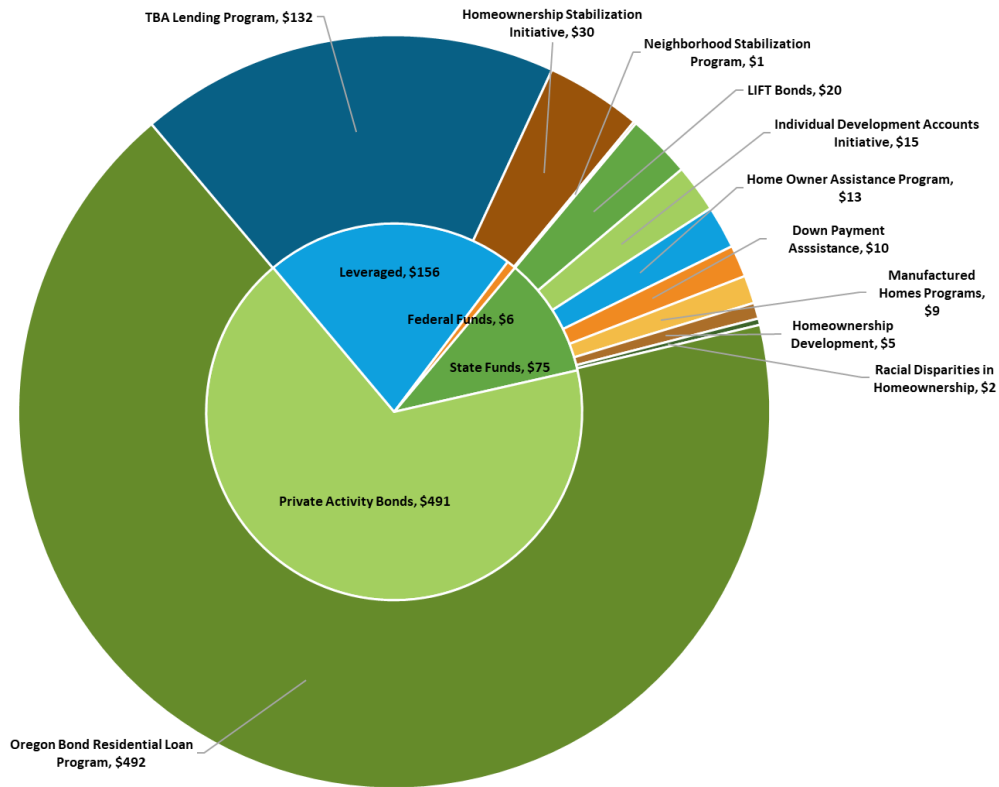
The Homeownership Division programs offer homeownership opportunities, and assist with foreclosure prevention for low- and moderate-income Oregonians. These programs include:

- **Homeownership Programs** expand access to affordable homeownership through below market rate residential loans, as well as assisting homeowners in purchasing and retaining their homes through education, foreclosure counseling, and financial assistance services. These programs benefit homebuyers and homeowners who are typically not served by traditional lenders, and who would not otherwise have access to the housing market and homeownership services.
- **Manufactured Housing** programs include mediation services for marina and manufactured home park residents and owners, park preservation, and manufactured home replacement. The Marinas and Manufactured Communities Resource Center (MMCRC) provides assistance to park owners and tenants to resolve disputes outside of court by promoting cooperation, open communication, and a positive environment. In 2019, resources were made available through House Bill 2896 to provide loans to preserve manufactured home parks and to replace older homes with newer, more energy-efficient models. The bill also provided grants for the costs of decommissioning the older homes.
- The **Oregon Homeownership Stabilization Initiative** program assists at-risk homeowners to avoid foreclosure through a number of activities. The program, known nationally as the Hardest Hit Fund (HHF) program, is funded entirely by federal Troubled Asset Relief Program (TARP) resources from the US Department of Treasury. The overall goal of the program is to stabilize the housing market through foreclosure prevention activities. Oregon received \$94.5 million in additional funding in February 2016, and the program is now expected to continue through December 2021.

Programs	Pos.	FTE	General Fund	Other Funds	Federal Funds	Leveraged Funds	All Funds
Homeownership	14	14.0	\$31,721,055	\$539,720,715	\$787,655	\$131,250,000	\$703,479,425
Manufactured Housing	5	5.0	\$6,000,000	\$2,721,559	\$0	\$0	\$8,721,559
Homeownership Stabilization Initiative	22	22.0	\$0	\$4,943,336	\$0	\$25,000,000	\$29,943,336
<b>Total</b>	<b>41</b>	<b>41.0</b>	<b>\$37,721,055</b>	<b>\$547,385,610</b>	<b>\$787,655</b>	<b>\$156,250,000</b>	<b>\$742,144,320</b>

# OREGON HOUSING AND COMMUNITY SERVICES

## Homeownership & Foreclosure Prevention Funding (in millions)



Homeownership Programs (in millions)			
FUND TYPE	2017-19 LAB	2019-21 LAB	2021-23 ARB
General Fund & Lottery Funds	\$1	\$21	\$38
Other Funds	\$294	\$544	\$547
Federal Funds	\$1	\$1	\$1
Leveraged Funds	\$65	\$196	\$156
<b>All Funds</b>	<b>\$361</b>	<b>\$761</b>	<b>\$742</b>
USAGE	2017-19 LAB	2019-21 LAB	2021-23 ARB
Operating Costs	\$6	\$7	\$11
Program Payments	\$355	\$755	\$731
<b>All Funds</b>	<b>\$361</b>	<b>\$761</b>	<b>\$742</b>
Positions / FTE	33 / 28.4	32 / 28.75	41 / 41.0
Operating Cost Percentage	1.6%	0.9%	1.5%

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# OREGON HOUSING AND COMMUNITY SERVICES

## Central Services

Central Services includes the administrative functions for the department, including the Director's Office and the Housing Stability Council; the Deputy Director's Office and Human Resources, Business Support Services, Research Section, and Information Services Sections; the Chief Financial Office, and the Accounting and Procurement and Grants Compliance Sections; and the Public Affairs Division, including the Housing Integrators. 2021-23 LAB funding for these area is shown in the chart below.

Section	Pos.	FTE	General Fund	Other Funds	Federal Funds	All Funds
Director's Office	4	4.0	\$0	\$1,526,408	\$132,972	\$1,659,380
Housing Stability Council	0	0.0	\$0	\$47,521	\$0	\$47,521
Deputy Director's Office	5	5.0	\$0	\$1,323,480	\$320,055	\$1,643,535
Human Resources	9	9.0	\$0	\$1,985,909	\$328,226	\$2,314,135
Business Support Services	7	7.0	\$0	\$1,214,166	\$68,171	\$1,282,337
Information Services	9	9.0	\$0	\$2,385,646	\$291,168	\$2,676,814
Public Affairs Division	14	14.0	\$0	\$3,837,232	\$346,518	\$4,183,750
Chief Financial Office	4	4.0	\$0	\$1,019,804	\$176,772	\$1,196,576
Research Section	8	8.0	\$408,260	\$1,570,138	\$0	\$1,978,398
Accounting	10	10.0	\$66,269	\$1,813,262	\$518,544	\$2,398,075
Procurement & Grants Compliance	10	10.0	\$0	\$2,367,071	\$489,053	\$2,856,124
Department and IS Pools	0	0.0	\$120,777	\$5,807,100	\$567,730	\$6,495,607
<b>Total</b>	<b>80</b>	<b>80.0</b>	<b>\$595,306</b>	<b>\$24,897,737</b>	<b>\$3,239,209</b>	<b>\$28,732,252</b>

Central Services (in millions)			
FUND TYPE	2017-19 LAB	2019-21 LAB	2021-23 ARB
General Fund & Lottery Funds	\$1	\$1	\$1
Other Funds	\$12	\$18	\$25
Federal Funds	\$3	\$3	\$3
<b>All Funds</b>	<b>\$15</b>	<b>\$21</b>	<b>\$29</b>





# OREGON HOUSING AND COMMUNITY SERVICES

Central Services (in millions)			
USAGE	2017-19 LAB	2019-21 LAB	2021-23 ARB
Operating Costs	\$15	\$21	\$29
Program Payments	\$0	\$0	\$0
<b>All Funds</b>	<b>\$15</b>	<b>\$21</b>	<b>\$29</b>
Positions / FTE	47 / 45.8	68 / 67.4	80 / 80.0
Operating Cost Percentage	100%	100%	100%

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## Debt Service and Bond Costs

Debt Service and Bond Costs encompass activities related to the department's bond-financed loan programs. This includes issuance of bonds to finance multifamily and single-family mortgage loans, bond issuance costs, administrative expenses related to performing these functions, and asset-protection costs associated with foreclosures and acquired properties. Costs related to general obligation and lottery-backed bonds issued by the Department of Administrative Services on behalf of OHCS are included here as well.

Programs	Pos.	FTE	General Fund	Lottery Funds	Other Funds	All Funds
Debt Management Team	8	8.0	\$0	\$0	\$2,240,211	\$2,240,211
Debt Service & Bond Costs	0	0.0	\$56,929,153	\$31,039,264	\$521,183,810	\$609,152,227
<b>Total</b>	<b>8</b>	<b>8.0</b>	<b>\$56,929,153</b>	<b>\$31,039,264</b>	<b>\$523,424,021</b>	<b>\$611,392,438</b>

Bond Activities and Debt Service (in millions)			
FUND TYPE	2017-19 LAB	2019-21 LAB	2021-23 ARB
General Fund & Lottery Funds	\$25	\$50	\$88
Other Funds	\$471	\$523	\$523
Federal Funds	\$0	\$0	\$0
<b>All Funds</b>	<b>\$496</b>	<b>\$574</b>	<b>\$611</b>
USAGE	2017-19 LAB	2019-21 LAB	2021-23 ARB
Operating Costs	\$1	\$2	\$2
Debt Service & Bond Costs	\$495	\$572	\$609
<b>All Funds</b>	<b>\$496</b>	<b>\$574</b>	<b>\$611</b>
Positions / FTE	6 / 6.0	7 / 6.5	8 / 8.0
Operating Cost Percentage	100%	100%	100%

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## Changes in 2021-23 Agency Request Budget

### Housing Stabilization Division

#### **Policy Package 101 Essential Current Service Level Staff**

OHCS requested additional staff to enable the department to more efficiently and effectively deliver current programs across the continuum of housing needs. These positions add capacity and relieve double-filled positions. Positions include roles related to section management, policy leadership, program delivery and compliance. One Assistant Director of Homeless Services position was requested in the Housing Stabilization Division to address this need.

GF \$0 | LF \$0 | OF \$343,581 | FF \$0 | Pos. 1, FTE 1.0

#### **Policy Package 102 Essential Current Service Level Position Reclasses**

OHCS requested reclassification of existing staff to enable the department to more efficiently and effectively deliver current programs across the continuum of housing needs. Some employees have been working at the higher level classification and receiving work out of class compensation for many months, while other positions are vacant and the agency's needs have changed to require a different class. OHCS requested that 25 positions be reclassified to a higher level, and for one half-time position to become a full-time position. This includes the agency's Director and Deputy Director, and six additional supervisory positions that do not meet DAS CHRO's approved classification.

Three position reclasses were requested in the Housing Stabilization Division, including two in Energy Services and one in Homeless Services. The Homeless Services position classification has been revised after review by DAS CHRO. (The amounts below are ARB amounts.)

GF \$0 | LF \$0 | OF \$0 | FF \$35,188 | Pos. 0, FTE 0.0

#### **Policy Package 104 Improving Oregon's Homeless Management Information System (HMIS)**

In response to a 2019 budget note regarding implementation of a statewide homeless management information system, OHCS requested two additional positions and on-going funding to develop, implement, and maintain this system. The system will allow current and new community partners into the HMIS for little to no cost and create reporting specific to our needs. In doing so, Oregon will have robust and accurate statewide data that both tracks outcomes for homeless individuals and allows for data-driven decision making.

GF \$3,000,000 | LF \$0 | OF \$0 | FF \$0 | Pos. 2, FTE 2.0

# OREGON HOUSING AND COMMUNITY SERVICES

## **Policy Package 105 COVID-19 Revitalization**

The Revitalization Initiative is a place-based initiative that seeks to bolster the resilience of Oregon communities as they rebound from COVID 19 impacts. OHCS will do this by providing flexible competitive grants toward community-led and community-driven recovery strategies that address the barriers and inequities in their community. The Initiative is spurred from the acknowledgement that place, where individuals and children live, impacts economic mobility, well-being, health, and long-term stability. OHCS requested \$15 million in one-time funding, and will use existing staff to deliver the funds.

GF \$15,000,000 | LF \$0 | OF \$0 | FF \$0 | Pos. 0, FTE 0.0

## **Policy Package 109 Restructure Individual Development Accounts**

This package proposes to sunset the funding of the Oregon Individual Development Account (IDA) Initiative as a \$7.5 million annual state tax credit and redirect the funds as a \$15 million General Fund appropriation in perpetuity. The request includes one permanent position, whose initial duties will include assessing the program to determine the most effective program oversight with the transition away from tax credit funding.

GF \$15,000,000 | LF \$0 | OF \$14,025,740 | FF \$0 | Pos. 1, FTE 1.0

## **Policy Package 111 SSI/SSDI Outreach Access & Recovery (SOAR)**

SSI/SSDI Outreach Access & Recovery (SOAR) is a best practice program model supported by the Substance Abuse and Mental Health Services Administration (SAMHSA). The program is designed to increase access to the disability income benefit programs administered by the Social Security Administration (SSA) for eligible adults and children who are experiencing or at risk of homelessness and have a serious mental illness, medical impairment, and/or a co-occurring substance use disorder. This package seeks to increase SOAR services statewide, which will leverage federal resources coming into Oregon. OHCS has assumed a leadership role in implementing this program across the state, and requested permanent funding to integrate the services into the continuum of homeless and prevention services.

GF \$5,000,000 | LF \$0 | OF \$0 | FF \$0 | Pos. 0, FTE 0.0

## **Policy Package 112 Increase Energy Assistance**

OHCS requested \$10 million General Fund to provide “fuel-blind” energy assistance to low-income Oregonians. The federal Low-Income Home Energy Assistance Program (LIHEAP) is only able to serve about 20 percent of eligible Oregonians. State resources are available for electricity bill payment assistance in some, but not all, areas of the state, and no state program assists with natural gas or other energy sources. This request will provide funds to assist all areas of the state, and will not be dedicated to a specific fuel type. This assistance has become more critical as



households have remained at home in response to the COVID-19 pandemic and energy bills have increased. As moratoria on shut-offs expire, OHCS expects to see additional requests to maintain their energy services.

GF \$10,000,000 | LF \$0 | OF \$0 | FF \$0 | Pos. 0, FTE 0.0

## Affordable Rental Housing Division

### **Policy Package 101 Essential Current Service Level Staff**

OHCS requested additional staff to enable the department to more efficiently and effectively deliver current programs across the continuum of housing needs. These positions add capacity and relieve double-filled positions. Positions include roles related to section management, policy leadership, program delivery and compliance. In the Affordable Rental Housing Division, OHCS requested one each of a Program Analyst 3, Program Analyst 2, Loan Specialist 3, and Admin Specialist 2 to address these needs.

GF \$0 | LF \$0 | OF \$824,615 | FF \$0 | Pos. 4, FTE 4.0

### **Policy Package 102 Essential Current Service Level Position Reclasses**

OHCS requested reclassification of existing staff to enable the department to more efficiently and effectively deliver current programs across the continuum of housing needs. Some employees have been working at the higher level classification and receiving work out of class compensation for many months, while other positions are vacant and the agency's needs have changed to require a different class. OHCS requested that 25 positions be reclassified to a higher level, and for one half-time position to become a full-time position. This includes the agency's Director and Deputy Director, and six additional supervisory positions that do not meet DAS CHRO's approved classification.

OHCS wishes to remove two positions that were included in the ARB in this division. (The amounts below are ARB amounts.)

GF \$0 | LF \$0 | OF \$67,823 | FF \$0 | Pos. 0, FTE 0.0

### **Policy Package 103 Resources for LIFT, Permanent Supportive Housing, and Land Acquisition**

This package requests \$210 million in Article XI-Q General Obligation bond funds for developing housing that increases the supply of family housing for rent or purchase (LIFT), creating permanent supportive housing (PSH) units to address the complex needs of those experiencing chronic homelessness, and land acquisition loans to governmental agencies or nonprofits for purchasing development property in their communities when it becomes available. These resources will be allocated to the different programs in partnership with our policy advisory body,

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the Housing Stability Council. In addition, this package requests \$15 million in General Fund to provide rental assistance tied to the PSH units.

GF \$19,407,869 | LF \$0 | OF \$228,194,330 | FF \$0 | Pos. 5, FTE 5.0

## **Policy Package 108 Agricultural Worker Housing Tax Credit Increase**

This package works in conjunction with Legislative Concept 678, which changes the timing of awarding Agricultural Worker Housing Tax Credits (AWHTC) and increases the annual amount of the credit. The concept also allows a portion of credits to be sold and offered as grants to build on-farm housing for agricultural workers. Tax credits are a viable tool for community-based developers to create this much needed agricultural workforce housing, but they are often not feasible for individual farm owners due to the nature of farm income and the lack of access to a secondary market for selling credits. Farm owners do not always have a profit to be taxed, so the grants could be more useful.

The AWHTC is chronically oversubscribed and unable to meet the capacity of developers to build new housing. Additionally, the supply of agricultural worker housing is insufficient to serve all of these essential workers. Meeting the capacity and need for this housing development requires additional resources and maximum efficiency and leverage.

GF \$0 | LF \$0 | OF \$2,250,000 | FF \$0 | Pos. 0, FTE 0.0

## **Policy Package 110 Affordable Housing Preservation**

OHCS is requesting \$10 million in new tax-exempt lottery-backed bond proceeds to fund the preservation of multifamily housing units needed to address the housing crisis pervasive across Oregon. These proceeds will enable federal funds to be leveraged that otherwise wouldn't be available in Oregon. In prior biennia, proceeds from lottery-backed bonds have been used by OHCS for a variety of purposes, most typically for the preservation of federal rent subsidized units and manufactured park preservation. This request is for funding to be used to address the extreme need that exists in three areas:

- Preserving federal rent subsidies for units at risk of losing the subsidies and converting to market rate rental housing and Rental Assistance Demonstration (RAD) projects.
- Preserving manufactured home parks to prevent the displacement of extremely-low-income tenants.
- Preserving existing rent and income restricted affordable housing at risk of loss due to expiring restrictions or physical condition.

GF \$0 | LF \$769,524 | OF \$10,179,678 | FF \$0 | Pos. 0, FTE 0.0



## Homeownership Division

### **Policy Package 101 Essential Current Service Level Staff**

OHCS requested additional staff to enable the department to more efficiently and effectively deliver current programs across the continuum of housing needs. These positions add capacity and relieve double-filled positions. Positions include roles related to section management, policy leadership, program delivery and compliance. Agency-wide, OHCS is requesting 22 permanent positions. All but eight of these positions are 2019-21 limited duration positions that OHCS needs permanently, and all costs will be paid through existing revenues.

GF \$0 | LF \$0 | OF \$569,445 | FF \$0 | Pos. 2, FTE 2.0

### **Policy Package 102 Essential Current Service Level Position Reclasses**

OHCS requested reclassification of existing staff to enable the department to more efficiently and effectively deliver current programs across the continuum of housing needs. Some employees have been working at the higher level classification and receiving work out of class compensation for many months, while other positions are vacant and the agency's needs have changed to require a different class. OHCS requested that 25 positions be reclassified to a higher level, and for one half-time position to become a full-time position. This includes the agency's Director and Deputy Director, and six additional supervisory positions that do not meet DAS CHRO's approved classification.

GF \$0 | LF \$0 | OF \$11,224 | FF \$0 | Pos. 0, FTE 0.0

### **Policy Package 106 Addressing Racial Disparities in Homeownership**

This package requests General Fund to provide technical assistance and outreach to culturally specific organizations, including federally recognized Indian Tribes in Oregon. OHCS will provide technical assistance and language access to OHCS Homeownership programs. The goal is to reduce barriers among populations that have a disproportionate rate of renters versus homeowners, with the ultimate goal of reducing the racial disparities in homeownership.

GF \$2,000,000 | LF \$0 | OF \$0 | FF \$0 | Pos. 2, FTE 2.0

### **Policy Package 107 Down Payment Assistance Tied to OHCS Lending**

The biggest barrier to homeownership for most people is the lack of cash for a down payment, particularly reaching a 20 percent down payment which removes the additional cost of mortgage insurance. The problem is exceptionally acute in communities of color that have been systematically excluded from homeownership opportunities, and thus have lower personal and family wealth. The goal of this funding is to increase the impact of taxpayer dollars while allowing families to build equity. Providing down payment assistance (DPA) paired with OHCS mortgage

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lending products will allow public dollars to stretch farther by creating efficiencies in DPA delivery.

GF \$10,000,000 | LF \$0 | OF \$0 | FF \$0 | Pos. 0, FTE 0.0

## **Policy Package 113 Safe and Healthy Manufactured Homes**

This package addresses the challenges to preserving and improving manufactured housing as an affordable and safe homeownership option in Oregon. One program helps preserve manufactured housing parks with permanently affordable home sites through park ownership by nonprofit organizations or resident cooperatives. The other programs provide affordable resources for manufactured homeowners to replace dilapidated and unsafe homes with new, energy-efficient homes, allowing them to safely and securely remain in their homes and build wealth through homeownership. With a focus on underserved manufactured housing residents, many of whom are well under 100% median family income (MFI) and live in rural areas, these programs align with the Homeownership and Rural Communities priorities of the Oregon Statewide Housing Plan.

GF \$6,000,000 | LF \$0 | OF \$83,125 | FF \$0 | Pos. 0, FTE 0.0

## **Policy Package 114 Homeownership Development**

This request is for \$5 million to create a revolving loan fund for affordable homeownership development that prioritizes generational wealth building for households of color that have been historically excluded from homeownership by governments, lending institutions, and other institutions of power. This initial funding will serve as a pilot to seed the revolving fund, and determine the development program that best fits the goal of doubling the number of homeowners of color in OHCS homeownership programs as outlined in the Statewide Housing Plan. As the funds are repaid, OHCS would continuously have funds for new projects.

This fund will allow flexible lending terms for affordable Homeownership Development partners to access cash needed to purchase land, purchase blighted homes, or purchase short sale or foreclosed properties, and then create affordable homeownership opportunities. Partners need a funding source that can be flexible to meet the ever-changing market along with an interest rate on the borrowed funds that will ensure affordability to the consumer.

GF \$5,000,000 | LF \$0 | OF \$0 | FF \$0 | Pos. 1, FTE 1.0

## **Policy Package 115 Restore Oregon Homeownership Stabilization Initiative Positions**

This package requests limited duration positions and Other Funds limitation to continue the Oregon Homeownership Stabilization Initiative (OHSI). This program began in the 2009-11 biennium with an initial end date of December 31, 2017. However, in February 2016, additional funding of \$95.4 million was awarded to OHCS to continue the program until December 31, 2021.



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The program has been reopened in response to the COVID-19 pandemic and is using funds generated by OHCS operations of the program, not additional federal funding.

OHCS wishes to revise the request to nine positions (2.25 FTE) and reduce Services & Supplies to \$90,821. (The amounts below are ARB amounts.)

GF \$0 | LF \$0 | OF \$4,943,336 | FF \$0 | Pos. 22, FTE 22.0

## Central Services

### **Policy Package 101 Essential Current Service Level Staff**

OHCS requested additional staff to enable the department to more efficiently and effectively deliver current programs across the continuum of housing needs. These positions add capacity and relieve double-filled positions. Positions include roles related to section management, policy leadership, program delivery and compliance. Agency-wide, OHCS is requesting 22 permanent positions. All but eight of these positions are 2019-21 limited duration positions that OHCS needs permanently, and all costs will be paid through existing revenues.

GF \$0 | LF \$0 | OF \$3,927,505 | FF \$0 | Pos. 15, FTE 15.0

### **Policy Package 102 Essential Current Service Level Position Reclasses**

OHCS requested reclassification of existing staff to enable the department to more efficiently and effectively deliver current programs across the continuum of housing needs. Some employees have been working at the higher level classification and receiving work out of class compensation for many months, while other positions are vacant and the agency's needs have changed to require a different class. OHCS requested that 25 positions be reclassified to a higher level, and for one half-time position to become a full-time position. This includes the agency's Director and Deputy Director, and six additional supervisory positions that do not meet DAS CHRO's approved classification.

OHCS wishes to remove three positions that were included in the ARB, and two positions should have a different classification than originally requested to align with DAS CHRO review of the duties. (The amounts below are ARB amounts.)

GF \$0 | LF \$0 | OF \$190,275 | FF \$19,039 | Pos. 0, FTE 0.5





## Program Detail Appendix

### Housing Stabilization Division Programs

Homeless Services Programs	Fund Type	2021-23 Limitation
<p><b>Community Services Block Grant (CSBG)</b> These funds are awarded by the US Department of Health &amp; Human Services. CSBG provides operating funds for community action agencies and supports anti-poverty programs.</p> <p>Note: The Agency Request Budget does not include additional funding from the CARES Act.</p>	Federal Funds	\$11,674,157
<p><b>COVID-19 Revitalization Initiative</b> The Revitalization Initiative is a place-based initiative that seeks to bolster the resilience of Oregon communities as they rebound from COVID-19 impacts. Flexible competitive grants to community-led and community-driven recovery strategies will address barriers and inequities in the community.</p>	General Fund	\$15,000,000
<p><b>Elderly Rental Assistance (ERA)</b> This program aligns with the EHA program, with services targeted to elderly clients as defined by ERA statute.</p> <p>The General Fund transfer to Other Funds is being phased out in the 2021-23 biennium. The Other Funds expenditures shown are from the account balance.</p>	General Fund  Other Funds	\$1,526,514  \$266,580
<p><b>Emergency Housing Assistance (EHA)</b> EHA helps fund emergency shelters, transitional housing, rapid re-housing, homelessness prevention, supportive in-home services, veteran’s housing assistance, data collection, and community capacity building designed to prevent and reduce homelessness.</p> <p>Revenue sources include a General Fund appropriation and 10 percent of fees collected for the recording of certain real property documents. The General Fund has historically been transferred to the dedicated EHA account, but is being phased out in the 2021-23 biennium.</p>	General Fund  Other Funds	\$29,453,670  \$10,157,033

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Homeless Services Programs	Fund Type	2021-23 Limitation
<p><b>Emergency Solutions Grant (ESG) Program</b> Funds for this program are awarded by HUD as part of the 1987 McKinney Act. These funds are used to provide street outreach, emergency shelter, homelessness prevention, rapid re-housing, and data collection to prevent and reduce homelessness.</p> <p>Note: The Agency Request Budget does not include additional funding from the CARES Act.</p>	Federal Funds	\$3,697,330
<p><b>HOME Tenant-Based Rental Assistance (TBRA)</b> TBRA is part of the HOME Investment Partnership Program funded through HUD. These funds provide tenant-based rental assistance including rent subsidies, utility payments, and refundable security deposits for very-low-income families and individuals.</p>	Federal Funds	\$2,645,649
<p><b>Homeless Management Information System (HMIS)</b> OHCS requested positions and on-going funding to develop, implement, and maintain a Homeless Management Information System. The system will allow access to current and new community partners, and provide robust and accurate statewide data that both tracks outcomes for homeless individuals and allows for data-driven decision making.</p>	General Fund Other Funds	\$3,000,000 \$240,626
<p><b>Housing Choice Landlord Guarantee Program (HCLGP)</b> The program provides a guarantee to landlords for damages that may be caused by tenants with Housing Choice or VASH vouchers.</p> <p>The General Fund appropriation is transferred to the Housing Choice Landlord Guarantee account and payments to landlords are made from this account.</p>	General Fund Other Funds	\$324,290 \$332,524
<p><b>Housing Stabilization Program (HSP)</b> The Oregon Department of Human Services transfers a portion of its Temporary Assistance to Needy Families (TANF) funds to OHCS for this program. HSP provides funds for temporary housing-related assistance, stabilization services, case management, and data collection to address non-recurring needs of TANF eligible families who are homeless or at risk of becoming homeless.</p>	Other Funds	\$5,000,000



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Homeless Services Programs	Fund Type	2021-23 Limitation
<p><b>Individual Development Accounts (IDAs)</b> Individual Development Accounts are matched savings accounts that build the financial management skills of qualifying Oregonians with lower incomes while they save toward a defined goal.</p> <p>Beginning in 2021-23, OHCS is requesting that the tax credit be changed to a General Fund appropriation. The funding for the matched savings will be transferred to a dedicated account, earn interest, and be expended as Other Funds.</p>	<p>General Fund</p> <p>Other Funds</p>	<p>\$15,000,000</p> <p>\$14,056,239</p>
<p><b>Rent Guarantee Program (RGP)</b> The Rent Guarantee Program was restored in House Bill 2724 (2017). This program provides landlord guarantees to tenants who complete certified tenant readiness training, have a household income at or below 60 percent of area median income, and experience barriers to finding rental housing. No additional funding was provided in 2021-23; expenditures are from the account balance.</p>	<p>Other Funds</p>	<p>\$122,922</p>
<p><b>State Homeless Assistance Program (SHAP)</b> This program funds facility maintenance and operations for emergency shelters, supportive services for shelter residents, and data collection.</p>	<p>General Fund</p>	<p>\$12,564,147</p>
<p><b>SSI/SSDI Outreach Access &amp; Recovery (SOAR)</b> SSI/SSDI Outreach Access &amp; Recovery (SOAR) is a best practice program model supported by the Substance Abuse and Mental Health Services Administration. The program is designed to increase access to the disability income benefit programs administered by the Social Security Administration (SSA) for eligible adults and children who are experiencing or at risk of homelessness and have a serious mental illness, medical impairment, and/or a co-occurring substance use disorder.</p>	<p>General Fund</p>	<p>\$5,000,000</p>



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Homeless Services Programs	Fund Type	2021-23 Limitation
<p><b>Wildfire Damage Housing Relief Fund</b> This program was established by the 2015 Legislature and modified in 2017. The program provides grants of up to \$7,000 to qualifying households that suffer a loss of housing due to wildfire.</p> <p>Legislation passed in August 2020 abolished the program and returned any account balance to the General Fund. However, due to the wildfires in September 2020, the program repeal was vetoed and OHCS received additional funding from the General Fund, which is not shown here. The future of the program is undetermined, due to the high need for resources in this area.</p>	Other Funds	\$201,630
<b>Total Homeless Services Programs</b>		<b>\$130,263,311</b>

Energy Services Programs	Fund Type	2021-23 Limitation
<p><b>Bonneville Power Administration (BPA)</b> These funds are awarded by the Bonneville Power Administration for home energy conservation measures and home health-related repairs. The program is available to households that heat with electricity from a public utility. Households must be at or below 200% of the federal poverty level to be eligible for this program. BPA funds can also be combined with DOE and Low-Income Home Energy Assistance Program (LIHEAP) funds.</p>	Federal Funds	\$3,438,337
<p><b>Department of Energy (DOE)</b> This program is funded through the US Department of Energy for home energy conservation measures and home health-related repairs. DOE provides home weatherization assistance to low-income renters and homeowners regardless of heating fuel source (termed “fuel blind”). These funds are available in all areas of the state. Households must be at or below 200% of the federal poverty level to be eligible for this program.</p>	Federal Funds	\$5,642,837

# OREGON HOUSING AND COMMUNITY SERVICES

Energy Services Programs	Fund Type	2021-23 Limitation
<p><b>Energy Assistance Program</b> OHCS requested \$10 million General Fund to provide “fuel-blind” energy assistance to low-income Oregonians. Currently, OHCS does not have a state program where resources are available in all areas of the state for all energy sources, and federal programs can only serve 1 in 5 Oregonians in need. This assistance has become more critical as Oregonians have remained at home in response to the COVID-19 pandemic, causing energy bills to increase. As moratoria on shut-offs expire, OHCS expects to see additional requests to maintain their energy services.</p>	General Fund	\$10,000,000
<p><b>Energy Conservation Helping Oregonians (ECHO)</b> ECHO is funded by receipts from public purpose charges (PPC) collected by Portland General Electric (PGE) and PacifiCorp. The funds are used for home energy conservation measures and services, and are available to households that heat with electricity from one of these utilities. These funds can be combined with DOE and LIHEAP, but cannot be combined with BPA funds. Households must be at or below 200% of the federal poverty level to be eligible for this program.</p>	Other Funds	\$19,490,870
<p><b>Low-Income Home Energy Assistance Program (LIHEAP)</b> Awarded by US Department of Health and Human Services (DHHS) for heating and cooling bill payment assistance to low-income renters and homeowners. Services include bill payment assistance, energy education, heating equipment repair or replacement, and case management. Households must be at or below 60% of state median income to be eligible for this program.</p> <p>Note: The Agency Request Budget does not include additional funding from the CARES Act.</p>	Federal Funds	\$67,531,741
<p><b>LIHEAP Weatherization</b> Fifteen percent of the LIHEAP award is used for home energy conservation measures and home health-related repairs. LIHEAP is also fuel blind and the funds are available in all areas of the state. LIHEAP and DOE are often combined to provide greater assistance to households.</p>	Federal Funds	\$10,163,826

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Energy Services Programs	Fund Type	2021-23 Limitation
<b>Multifamily Energy Program (MEP)</b> Fifteen percent of the PPC weatherization dollars collected is used for energy conservation measures in affordable multifamily rental housing. The housing units must be in the utility service areas of PGE and PacifiCorp.	Other Funds	\$6,398,556
<b>Oregon Energy Assistance Program (OEAP)</b> This program is funded by receipts from monthly meter charges collected by Portland General Electric (PGE) and PacifiCorp. The program provides electric bill payment assistance and crisis assistance to low-income households, with priority assistance given to those in danger of service disconnection. Renters and homeowners at or below 60% of the state median income who are customers of PGE or PacifiCorp are eligible for this program.	Other Funds	\$41,208,745
<b>State Home Oil Weatherization (SHOW)</b> Senate Bill 100 (2017) transferred this program from the Dept. of Energy to OHCS. The program is funded through an assessment on petroleum dealers operating in Oregon, and serves households that use oil heat and install certain weatherization measures.	Other Funds	\$1,154,329
<b>Total Energy Services Programs</b>		<b>\$165,029,241</b>

## Affordable Rental Housing Division Programs

Project-Based Rental Assistance Programs	Fund Type	2021-23 Limitation
<b>Permanent Supportive Housing Rental Assistance (PSH)</b> Permanent supportive housing (PSH) combines lease-based, affordable housing with tenancy supports and other voluntary services to help individuals with high needs, including persons with disabilities and persons coming out of chronic homelessness, achieve stable housing and recovery in their communities.  In 2019-21, OHCS received \$50 million in Article XI-Q bond proceeds to build PSH units, and rental assistance for tenants in those units is through the Oregon Health Authority. In 2021-23, OHCS is requesting	General Fund	\$15,000,000
	Other Funds	\$25,436,993



# OREGON HOUSING AND COMMUNITY SERVICES

Project-Based Rental Assistance Programs	Fund Type	2021-23 Limitation
additional bond proceeds and General Fund to provide rent assistance to tenants.		
<b>Section 8 Performance-Based Contract Administration</b> Funds are received from the US Department of Housing and Urban Development (HUD). Rent subsidy payments are paid directly to property owners. These subsidies ensure that tenants pay no more than 30% of their income for rent. OHCS also receives fees for contract administration and monitoring.	Other Funds	\$2,984,357
	Federal Funds	\$176,472,688
<b>Section 811 Project Rental Assistance (PRA) Program</b> This program provides project-based rental assistance to extremely-low-income persons with mental, intellectual and/or developmental disabilities, and allows them to live in the community as independently as possible by increasing the supply of rental housing linked with support services.	Federal Funds	\$1,020,396
<b>Total Project-Based Rental Assistance Programs</b>		<b>\$220,914,434</b>

Affordable Rental Housing Resources & Production and Portfolio Administration	Fund Type	2021-23 Limitation
<b>Agriculture Worker Housing Tax Credit (AWHTC)</b> The tax credit is a tool for community-based developers and farm owners to develop on-farm housing for agriculture workers. OHCS is proposing an increase to the credit, a change in the timing for awarding credits, and the opportunity to sell a portion of the credits and offer the proceeds as grants to farm owners.	Other Funds	\$2,250,398
<b>Conduit Bond Program</b> The conduit program provides tax-exempt bond proceeds to finance the construction, rehabilitation, and acquisition of multi-unit affordable housing for lower-income Oregonians through the issuance of “no obligation” debt to the bond issuer. The OHCS budget includes the administrative costs for issuing bonds, but does not include bond proceeds.	Other Funds	\$3,619,758

# OREGON HOUSING AND COMMUNITY SERVICES

Affordable Rental Housing Resources & Production and Portfolio Administration	Fund Type	2021-23 Limitation
<p><b>Elderly &amp; Disabled Housing Bond Program (E&amp;D)</b> Administration fees and distributions from the bond indenture are used for monitoring and compliance activities related to projects funded with E&amp;D bond proceeds.</p> <p>The ARB includes \$48.5 million in limitation for additional bond proceeds that could be issued if requested by an eligible project.</p>	Other Funds	\$50,884,140
<p><b>General Housing Assistance Program</b> These funds are used for construction, acquisition, and rehabilitation of multifamily properties to expand the supply of housing for low- and very-low-income Oregonians.</p> <p>OHCS charges fees to recover costs for certain administrative functions, but most of the GHAP funding is received through fees collected for the recording of certain real property documents. Statute requires that 76 percent of these funds are used to finance affordable multifamily rental housing.</p>	Other Funds	\$90,964,476
<p><b>HOME Partnership Investment Program (HOME)</b> HOME funds are awarded by HUD to develop affordable housing for low- and very-low-income households. Eligible uses include acquisition, rehabilitation, and new construction of rental housing, and operating funds for community housing development organizations.</p> <p>OHCS charges fees to recover costs for certain administrative functions, which are shown here as Other Funds.</p>	Other Funds  Federal Funds	\$276,847  \$15,441,365
<p><b>Housing Development Grant Program</b> Receipts from public purpose charges (PPC) collected by Portland General Electric and PacifiCorp. These funds are used for construction, acquisition, and rehabilitation of multifamily properties. The program requires that resident services are incorporated with housing, and supports the match requirement for HOME program funds.</p>	Other Funds	\$20,198,585





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Affordable Rental Housing Resources & Production and Portfolio Administration	Fund Type	2021-23 Limitation
<p><b>Land Acquisition Loan Program (LAP)</b> House Bill 2912 (2017) established the Affordable Housing Land Acquisition Loan Program and directs 40 percent of the loans to go to organizations operating home ownership programs for low-income households. However, if the goal is not attainable, those funds may be loaned to other eligible organizations.</p> <p>The 2021-23 ARB includes \$210 million in Article XI-Q bond proceeds, which includes a soft set-aside of \$10 million to use for LAP. Oregon’s Housing Stability Council will guide OHCS in determining the highest and best use of bond resources.</p>	Other Funds	\$10,750,044
<p><b>Local Innovation and Fast-Track Housing (LIFT) program</b> The 2015 Legislature established the LIFT program to develop housing targeted to low-income individuals and families. In 2017, legislation allowed funds to be used for homeownership opportunities in addition to multifamily rental housing. OHCS uses 80 percent for rental housing and 20 percent for homeownership.</p> <p>The 2021-23 ARB includes \$210 million in Article XI-Q bond proceeds, which includes a soft set-aside of \$130 million for LIFT rental housing. Oregon’s Housing Stability Council will guide OHCS in determining the highest and best use of bond resources.</p>	General Fund  Other Funds	\$555,426  \$130,554,285
<p><b>Lottery Bonds for Preserving Affordable Rental Housing</b> Proceeds from the sale of lottery-backed bonds are used for gap financing to preserve low-income housing units and their associated federal rent subsidies. The total includes funding approved by the 2019 Legislature, plus \$25 million of new funding in the 2021-23 biennium that will also be available for preserving manufactured home parks.</p>	Other Funds	\$43,824,436



# OREGON HOUSING AND COMMUNITY SERVICES

Affordable Rental Housing Resources & Production and Portfolio Administration	Fund Type	2021-23 Limitation
<p><b>Low-Income Housing Tax Credits (LIHTC)</b> The federal Low-Income Housing Tax Credit is an incentive to encourage construction and rehabilitation of rental housing for lower-income households. The program offers credits on federal tax liabilities for 10 years. OHCS uses both competitive and non-competitive processes to award credits in Oregon. The department receives fees from these processes and for on-going compliance monitoring.</p> <p>While the credits are a significant financing source for projects, they are not included in OHCS' budget. Only administrative costs are included in the agency budget.</p>	Other Funds	\$7,009,364
<p><b>Mental Health Housing</b> The 2015 Legislature approved \$20 million in lottery-backed bonds for financing the construction of housing for individuals with mental illness or addiction disorders. The Oregon Health Authority and its partners provided recommendations on project priorities to OHCS.</p>	Other Funds	\$7,278,295
<p><b>National Housing Trust Fund</b> The national Housing Trust Fund is an affordable housing production program that complements existing federal, state and local efforts to increase and preserve the supply of decent, safe, and sanitary affordable housing for extremely-low- and very-low-income households, including homeless families.</p>	Federal Funds	\$6,799,810
<p><b>Oregon Affordable Housing Tax Credits (OAHTC)</b> This program offers a state income tax credit for affordable housing loans. The credit requires that the tax benefit be used to reduce rents for tenants. Similar to the LIHTC program, OHCS receives fees for awarding these credits, and the credits are not included in OHCS' budget.</p>	Other Funds	\$928,375



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Affordable Rental Housing Resources & Production and Portfolio Administration	Fund Type	2021-23 Limitation
<p><b>Permanent Supportive Housing (PSH)</b> This program combines lease-based, affordable housing with tenancy supports and other voluntary services to help individuals with high needs, including persons with disabilities and persons coming out of chronic homelessness, achieve stable housing and recovery in their communities.</p> <p>The 2021-23 ARB includes \$210 million in Article XI-Q bond proceeds, which includes a soft set-aside of \$50 million to develop additional PSH. Oregon’s Housing Stability Council will guide OHCS in determining the highest and best use of bond resources.</p>	Other Funds	\$50,846,387
<p><b>Publicly Supported Housing (PuSH)</b> House Bill 2002 (2017) requires OHCS to maintain a database on publicly supported housing, including data from local, state, and federal sources concerning the status of existing affordability restrictions and rental assistance contracts.</p> <p>Owners of participating properties with an expiring or terminating contract must provide notice to OHCS and the local government before the contract expires or the property is withdrawn from publicly supported housing. Owners are required to provide OHCS and the local government with the opportunity to purchase the property before withdrawal from publicly supported housing.</p>	General Fund	\$266,371
<p><b>Other Multifamily Housing Grants, Loans, and Tax Credits</b> Smaller programs that grant and loan funds that are used to develop housing for specific populations are combined here. Most of these programs have limited activity and the expenditures shown are administrative costs. Programs include HELP, HUD 811 Project Rental Assistance, Multifamily bond program compliance, and Oregon Rural Rehabilitation programs.</p>	Other Funds  Federal Funds	\$6,566,095  \$46,328
<b>Total Multifamily Housing Development and Asset Management and Compliance</b>		<b>\$449,060,785</b>



## Homeownership Division Programs

Homeownership Programs	Fund Type	2021-23 Limitation
<p><b>Addressing Racial Disparities in Homeownership</b> This funding will provide technical assistance and outreach to culturally specific organizations, including federally recognized Indian Tribes in Oregon. OHCS will provide technical assistance and language access to OHCS Homeownership programs. The goal is to reduce barriers among populations that have a disproportionate rate of renters versus homeowners, with the ultimate goal of reducing the racial disparities in homeownership.</p>	General Fund	\$2,000,000
<p><b>Down Payment Assistance tied to OHCS Lending Programs</b> The goal of this funding is to increase the impact of taxpayer dollars while allowing families to build equity. Providing down payment assistance (DPA) paired with OHCS mortgage lending products will allow public dollars to stretch farther by creating efficiencies in DPA delivery.</p>	General Fund	\$10,000,000
<p><b>Home Ownership Assistance Program (HOAP)</b> HOAP provides funding to homeownership centers for pre-purchase homebuyer education, financial coaching, and training. This program also provides down payment assistance to first-time homebuyers whose income does not exceed 100% of area median income.</p> <p>Revenue is received through fees collected for the recording of certain real property documents and a portion of locally imposed construction excise taxes (CET). The revenue received from CET is returned as down payment assistance to the area where it was raised.</p>	Other Funds	\$13,405,155
<p><b>Homeownership Development</b> OHCS requested \$5 million to create a revolving loan fund for affordable homeownership development. This will seed the revolving fund, and determine the development program that best fits the goal of doubling the number of homeowners of color in OHCS homeownership programs as outlined in the Statewide Housing Plan. As the funds are repaid, OHCS will continuously have funds for new projects.</p> <p>This fund will allow flexible lending terms for affordable Homeownership Development partners to access cash needed to purchase land, purchase blighted homes, or purchase short sale or</p>	General Fund	\$5,000,000

# OREGON HOUSING AND COMMUNITY SERVICES

Homeownership Programs	Fund Type	2021-23 Limitation
foreclosed properties, and then create affordable homeownership opportunities. Partners need a funding source that can be flexible to meet the ever-changing market along with an interest rate on the borrowed funds that that will ensure affordability to the consumer.		
<p><b>Local Innovation and Fast-Track Housing (LIFT) program</b> The 2015 Legislature established the LIFT program to develop housing targeted to low-income individuals and families. In 2017, legislation allowed funds to be used for homeownership opportunities in addition to multifamily rental housing.</p> <p>The 2021-23 ARB includes \$210 million in Article XI-Q bond proceeds, which includes a soft set-aside of \$20 million for LIFT home ownership. Oregon’s Housing Stability Council will guide OHCS in determining the highest and best use of bond resources.</p>	Other Funds	\$20,000,000
<p><b>Manufactured &amp; Marina Communities Resource Center (MMCRC)</b> MMCRC is funded by annual assessments on manufactured and floating homes located in parks and marinas, if they are assessed as personal property, and park and marina registration fees from facility owners. A portion of the annual assessment is returned to counties to offset collection costs. Funds are used for mediation, information, referrals, and technical assistance to manufactured home park tenants and owners.</p>	Other Funds	\$1,221,814
<p><b>Manufactured Dwelling Park Preservation</b> OHCS requested additional funding to enhance the program for preserving manufactured dwelling parks that was established in House Bill 2896 (2019). This program helps preserve manufactured housing parks with permanently affordable home sites through park ownership by nonprofit organizations or resident cooperatives.</p>	General Fund Other Funds	\$3,500,000 \$363,796
<p><b>Manufactured Homes Replacement</b> In 2019, House Bill 2896 established a program to assist owners of manufactured homes with replacement and decommissioning of older homes. In the 2021-23 ARB, OHCS is requesting additional funding for this program.</p>	General Fund Other Funds	\$2,500,000 \$1,135,949



# OREGON HOUSING AND COMMUNITY SERVICES

Homeownership Programs	Fund Type	2021-23 Limitation
<b>Neighborhood Stabilization Program (NSP)</b> This program was established in response to the Great Recession. NSP resources provided funding for the purchase and redevelopment of foreclosed, blighted, and vacant properties for the benefit of low-income households. Program funds have been awarded to communities and OHCS is finalizing program administration.	Federal Funds	\$787,655
<b>Residential Loan Program (RLP)</b> This program utilizes a network of approved lenders who originate, underwrite, and finance below market interest rate residential loans for eligible borrowers. The department invests in these loans by purchasing them from the lenders and holding them in its Residential Loan Program portfolio.	Other Funds	\$492,259,321
<b>Total Single Family Housing Programs</b>		<b>\$552,173,690</b>

Homeownership Stabilization Initiative	Fund Type	2019-21 Limitation
<b>Oregon Homeownership Stabilization Initiative (OHSI)</b> This program assists at-risk homeowners to avoid foreclosure through a number of activities. Known nationally as the Hardest Hit Fund program, it is funded by federal Troubled Asset Relief Program (TARP) resources from the US Department of Treasury. Only costs of administering the program are included here, as the payments to homeowners are paid through the Oregon Affordable Housing Assistance Corporation.	Other Funds	\$4,943,336
<b>Total Homeownership Stabilization Initiative</b>		<b>\$4,943,336</b>

## Central Services

Office or Section	Fund Type	2019-21 Limitation
<b>Director's Office</b> The Director's Office provides the leadership for the Department, and includes the Director, executive support, and the Diversity, Equity and Inclusion Office.	Other Funds	\$1,526,408
	Federal Funds	\$132,972



# OREGON HOUSING AND COMMUNITY SERVICES

Office or Section	Fund Type	2019-21 Limitation
<b>Housing Stability Council</b> The Housing Stability Council consists of nine members who are appointed by the Governor. The Council advises the agency, Governor, Legislature, other state agencies, and local governments on housing issues.	Other Funds	\$47,521
<b>Public Affairs Division</b> This division includes the legislative liaison, communications staff, public records and archiving, resiliency planning, and the agency Integrators (outreach workers).	Other Funds Federal Funds	\$3,837,232 \$346,518
<b>Deputy Director's Office</b> The Deputy Director's Office includes the Deputy, internal auditor, strategic planning, and executive support. The Deputy oversees the Business Services, Human Resources, Research and Analysis, Debt Management and Capital Markets, and Information Services Sections, and the Chief Financial Office which has subordinate sections.	Other Funds Federal Funds	\$1,323,480 \$320,055
<b>Business Services and Human Resources</b> This section provides facilities management, records management, reception, and mail processing duties.	Other Funds Federal Funds	\$1,214,166 \$68,171
<b>Human Resources</b> This section provides services such as employee recruitment and retention, employee training activities, leadership development, and workforce planning.	Other Funds Federal Funds	\$1,985,909 \$328,226
<b>Information Services Section</b> This section develops and maintains agency information systems, and serves as the agency's computer Help Desk.	Other Funds Federal Funds	\$2,385,646 \$291,168
<b>Research &amp; Analysis Section</b> supports the entire agency, and has team members focused on and embedded within specific program areas. Additionally, the research section leads efforts to share data across state agencies, with local governments, and with partner organizations, to enable better outcomes for vulnerable Oregonians.	General Fund Other Funds	\$408,260 \$1,570,138



# OREGON HOUSING AND COMMUNITY SERVICES

Office or Section	Fund Type	2019-21 Limitation
<b>The Chief Financial Office</b> provides services to the agency that include budgeting, accounting, grants management, and procurement. The primary objectives of the Chief Financial Office are effective stewardship of agency funds, compliance with rules and regulations, and financial stability, including identification of opportunities to generate additional mission-driven funding.	Other Funds Federal Funds	\$1,019,804 \$176,772
<b>Accounting Section</b> This section is responsible for financial reports for the agency's enterprise funds, grant and program reports, accounts payable and receivable, and cash management.	General Fund Other Funds Federal Funds	\$66,269 \$1,813,262 \$518,544
<b>Procurement &amp; Grant Compliance Section</b> This section is responsible for grant monitoring and compliance, contract management, and purchasing.	Other Funds Federal Funds	\$2,367,071 \$489,053
<b>Department and IS Pools</b> The pools are agency-wide costs that are allocated to program areas. Costs include assessments and usage charges from other agencies, rent, and other operating costs that benefit all programs.	General Fund Other Funds Federal Funds	\$120,777 \$5,807,100 \$567,730
<b>Total Central Services</b>		<b>\$28,732,252</b>

## Bond Activities and Debt Service

Bond Activities and Debt Service	Fund Type	2019-21 Limitation
<b>Debt Management &amp; Capital Markets Section</b> This section oversees all aspects of OHCS' bond issuance and related administrative activities, including managing loan repayments from borrowers and debt service payments to bond holders.	Other Funds	\$2,240,211



# OREGON HOUSING AND COMMUNITY SERVICES

Bond Activities and Debt Service	Fund Type	2019-21 Limitation
<p><b>Elderly and Disabled General Obligation Bonds</b> Bond proceeds from this program are used for construction or rehabilitation of housing units for elderly and special needs populations. OHCS has not issued bonds in this program for several years, but continues to receive loan repayments and make debt service payments to bond holders.</p>	<p>Other Funds</p> <p>Debt Service</p>	<p>\$516,846</p> <p>\$36,289,653</p>
<p><b>Multifamily Housing Revenue Bonds</b> Bond proceeds in this program are used for construction or rehabilitation of affordable multifamily rental housing units. OHCS has not issued bonds in this program for several years, but continues to receive loan repayments and make debt service payments to bond holders.</p>	<p>Other Funds</p> <p>Debt Service</p>	<p>\$1,642,146</p> <p>\$60,748,164</p>
<p><b>Single Family Mortgage Revenue Bonds</b> Proceeds from the sale of these tax-exempt revenue bonds help eligible borrowers who meet certain income restrictions by offering them mortgage interest rates that are below the market rate. Loans made to individuals are included in the Residential Loan Program above.</p>	<p>Other Funds</p> <p>Debt Service</p>	<p>\$19,846,682</p> <p>\$400,000,000</p>
<p><b>Lottery-Backed Bonds</b> Lottery-backed bonds have been used to provide funding for the Community Development Incentive Fund (2001-03 biennium); permanent supportive housing for Oregon's homeless through capital development, rent subsidies, and supportive services (2007-09); preserving multifamily rental housing (2009-11 through 2021-23); and Mental Health housing (2015-17).</p> <p>Costs for issuing bonds in the 2021-23 biennium and on-going debt service are included here. Proceeds from bonds are included in the Multifamily Housing Programs above.</p>	<p>Lottery Debt Service</p> <p>Other Funds</p>	<p>\$31,039,264</p> <p>\$210,319</p>



# OREGON HOUSING AND COMMUNITY SERVICES

Bond Activities and Debt Service	Fund Type	2019-21 Limitation
<p><b>Article XI-Q Bonds</b> General Fund obligation bonds issued under this article of Oregon’s constitution provide funds for the Local Innovation and Fast Track Housing (LIFT) and Permanent Supportive Housing (PSH) programs. The 2021-23 ARB includes an additional investment of \$210 million to be used in the areas that are most needed during the biennium.</p> <p>The ARB assumes the funds will be split \$150 million for LIFT, \$50 million for PSH, and \$10 million for Land Acquisition, but this could change depending on which program has the greatest need. Oregon’s Housing Stability Council will guide OHCS in determining the highest and best use of bond resources.</p> <p>Costs for issuing bonds in the 2021-23 biennium and on-going debt service are included here. Proceeds from bonds are included in the Affordable Rental Housing and Homeownership Programs above.</p>	<p>General Fund</p> <p>General Fund Debt Service</p> <p>Other Funds</p>	<p>\$46,644</p> <p>\$56,882,509</p> <p>\$1,930,000</p>
<b>Total Bond Activities and Debt Service</b>		<b>\$611,392,438</b>

