

STATE of OREGON

# 2005 CAPER

Consolidated Annual Performance Report

For

HOME  
COMMUNITY DEVELOPMENT BLOCK GRANT  
EMERGENCY SHELTER GRANT PROGRAM  
HOUSING OPPORTUNITIES FOR PEOPLE WITH AIDS  
ADDI

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State of Oregon Housing & Community Services

**2005 CAPER**

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## Introduction to the 2005 Oregon CAPER:

The U.S. Department of Housing and Urban Development (HUD) provides Oregon funding for housing, community, and economic development through the Home Investment Partnership (HOME), Community Development Block Grant (CDBG), Housing Opportunities for Persons with AIDS (HOPWA) and Emergency Shelter Grant programs (ESG).

**Five Year Consolidated Plan** *Looks ahead Five Years*

Oregon's current Consolidated Plan spans 2001 through the end of 2005. The ConPlan contains analysis of data from a variety of sources within the context of existing conditions and projected housing, community, and economic development needs through the five years covered under the plan

**Annual Action Plan** *Looks ahead 1 Year*

The Action Plan contains updates or modifications to the ConPlan and describes use of federal, state, and other funds in the upcoming year. 2005 will be Oregon's final year of 5.

**CAPER** *Looks back 1 Year*

The Consolidated Annual Performance Report reports on the activities of the previous year's Action Plan, in this case, 2005.

All three documents are based on *calendar years*, not the Oregon or Federal fiscal year.

The 2005 CAPER reports the work done under the following programs and entities:

- the U.S. Department of Housing and Urban Development, which provides the following resources:
  - HOME (Home Investment Partnership Program) including
    - ADDI (American Dream Down Payment Initiative) known in Oregon as PAL
  - CDBG (Community Development Block Grant)
  - ESGP (Emergency Shelter Grant Program) and
  - HOPWA (Housing of Persons with Aids)
- State of Oregon partners Housing & Community Services (OHCS), Economic and Community Development Department (OECD) and Department of Human Services (DHS) which use HOME including ADDI, CDBG, ESGP and HOPWA to work with:
  - a variety of public, non-profit, and for-profit groups, and
  - the people of Oregon who benefit from the programs and services described .

Work covered under this CAPER occurred in rural Oregon, areas called non-entitlement. Urban, "entitlement areas" are: Clackamas, Washington, and Multnomah Counties and the cities of Salem/Keizer, Portland, Corvallis, Eugene/Springfield, each of which has their own separate programs, CAPERS, and Plans.

| Oregon's Program Administration Team      |                                     |   |                                 |  |
|---|-------------------------------------|---|---------------------------------|--|
| OECD                                      | OHCS                                |   |                                 | DHS  |
| Community Development Block Grant Program | CDBG Housing Rehabilitation Program | HOME Investment Partnerships Program including ADDI | Emergency Shelter Grant Program | Housing Opportunities for People With AIDS |

# SECTION I

## Part A

### I.A.1. Assessment of Progress Towards 5 Year Goals

| 2005 CAPER<br>Performance Relating to 2001-2005 Consolidated Plan Strategies   |  | 1 |
|--|--|---|
| <p><b><i>STRATEGY 1: Promote an adequate supply of quality, affordable, appropriate rental housing for very low-, low- and moderate-income individuals and families, including persons with special housing needs.</i></b></p>   |  |   |
| Performance Measurement  | 2005 Results   |   |
| Assist an estimated 1,500 total households with Tenant Based Rental Assistance annually. This effort is targeted for an estimated 350 households in the 0-30% of MFI range and 350 households in the 30-50% of MFI range.  | The Tenant Based Rental Assistance program assisted 1,208 households in 2005. 81.8% were 0-30% MFI, 18.2% were 31-50% MFI, with less than 1% being 51-80% MFI.   |   |
| Assist in the development of approximately five annual rental housing (50 total units) projects targeted toward households at 80% or below of Median Family Income (MFI) through the investment of CDBG funds for off-site infrastructure improvements.  | CDBG assisted 3 off-site infrastructure projects estimated to serve 25 rental housing units.   |   |
| Annually, HOME program will invest in approximately 13 rental housing developments (350 total units) targeted to meet the needs of people in the 50%-60% of MFI range. The mix will include affordable family, elderly, and special needs housing both permanent and transitional.   | AWARDED: 13 projects with 422 total units, 98 HOME assisted units, all but 1 unit targeted to under 60% MFI.   |   |
|  | COMPLETED: 11 projects with 254 total units, 119 HOME assisted units, with 250 units for people at 60% and under.  |   |
| 100% of OHCS administered grant and tax credit programs will be targeted to the construction or rehabilitation of quality rental housing for very low, low and moderate-income households. It is anticipated that all family rental projects invested in will be located in close proximity of quality jobs, transportation, and resident services such as quality affordable childcare. | OHCS met its goal of administering 100% of its resources to rental units for very-low, low and moderate income households, 21 projects were completed in 2005 representing 593 total units/beds. In addition, the 2005 Legislature increased available Oregon Affordable Housing Tax Credits by \$5 million which will generate \$125 million in below rate interest loans.  |   |
| At least 50% of OHCS funded rental projects will be completed within 24 months following reservation of funds  | 21 housing projects were completed in 2005. Of those, 7, or 35% were completed in 24 months or less. 20% of HOME projects were completed within two years. Because OHCS operates housing programs almost exclusively on market factors, the number of projects awarded or closing in any given year will vary with market conditions. 2005 market factors included unpredictable insurance, lumber, and other cost spikes as well as other factors. Unexpected cost spikes can require restructuring financing which often leads to delays in schedule. OHCS resources are usually committed very early in the development process, prior to completion of design and commitment of other resources. It is therefore not unusual for the more financially complex project to take more than two years to be developed. |   |

| 2005 CAPER<br>Performance Relating to 2001-2005 Consolidated Plan Strategies  |   |
|---|---|
| <b>STRATEGY 2: Maintain and preserve in good condition the supply of affordable homeowner units.</b>  |   |
| Performance Measurement   | 2005 Results  |
| All low-income first-time homebuyer programs will require eligible borrowers obtain quality homeownership counseling prior to the home purchase   | Completed   |
| Promote home ownership by creating a program for first time homebuyers.   | In it's first partial year of operation, Oregon's ADDI program invested in 14 loans benefiting 38 low income persons. Three were large family households and five were female headed households.  |
| Use CDBG to assist approximately 6-8 communities to carry out housing rehabilitation projects targeted to families at 80% or below of MFI. Use OHCS funding to augment the CDBG funds and develop regional housing centers to serve people in rural Oregon communities. | The CDBG program awarded 8 grants to regional housing rehabilitation programs targeting 484 LMI persons (185 units). 10 regional housing centers were funded targeting service to 10,520 LMI persons. Additional information available in Attachment E and the CDBG PER report. |

| 2005 CAPER<br>Performance Relating to 2001-2005 Consolidated Plan Strategies  |  |
|---|--|
| <b>STRATEGY 3: Promote independent housing options for Oregon's special needs populations.</b>  |  |
| Performance Measurement   | 2005 Results   |
| To the greatest extent possible, OHCS grant and tax credits will be used to construct or rehabilitate quality rental housing for persons with special needs. All newly constructed and rehabilitated rental units will be located within close proximity to jobs, transportation and resident services such as medical and support services. Services will be brought on-site to residents. | 16 of the 21 OHCS projects completed in 2005 had a total of 408 units/beds for special needs: farm workers, elderly, physically disabled, psychiatrically disabled, developmentally disabled, and chemically dependent. 18 of the 26 projects awarded had a total of 421 units for special needs populations. OHCS hired a resident services coordinator to assist project sponsors and owners in recognizing and providing supportive services to meet the specific needs of the population served in their developments. |

**2005 CAPER**  
**Performance Relating to 2001-2005 Consolidated Plan Strategies**

**STRATEGY 4: Support and facilitate an active and effective regional Continuum of Care planning and delivery system focusing on a comprehensive approach to housing and service delivery to people who are homeless and near homeless.**

| Performance Measurement  | 2005 Results  |
|--|---|
| <p>The State of Oregon will use Emergency Shelter Grant Program (ESGP) funds for continued operation of existing shelters. ESGP funds will be linked with supportive housing dollars to add scattered site transitional housing units with services and permanent housing units for homeless individuals and families throughout 11 of the 15 rural regions in Oregon.</p> <p>Use CDBG funds to assist a maximum of 10 projects per year, (for example: homeless facilities, Head-start, senior centers, transitional facilities, facilities for abused children or severely disabled adults) 80% or less of Median Family Income.</p> | <p>In 2005 the State expended \$233,673 of ESGP allocation along with almost \$3 million in State Emergency Housing Account (EHA) and State Homeless Assistance Program (SHAP) funds to expand the supply and effectiveness of emergency shelters and transitional housing and prevent homelessness.</p> <p>The program made 7 awards to help carry-out this strategy. Projects targeted child care, domestic violence, community and family clinics, addition, and food bank needs. Please refer to the PERS report in the attachments for more information.</p> |

**2005 CAPER**  
**Performance Relating to 2001-2005 Consolidated Plan Strategies**

**STRATEGY 5: Identify and address the barriers to affordable rental housing, support services, and shelters.**

| Performance Measurement   | 2005 Results  |
|---|---|
| <p>Support fair housing education and outreach activities that increase compliance with all aspects of existing law through continued sponsorship of regional fair housing workshops and the annual Fair Housing Conference as outlined in the Fair Housing Action Plan.</p> <p>Increase the collaboration on fair housing issues between the housing industry organization, OHCS, OECDD, and fair housing advocacy groups as outlined in the Fair Housing Action Plan.</p> | <p>In 2005 Oregon completed an entirely new 2006-2010:</p> <ul style="list-style-type: none"> <li>• Analysis of Impediments to Fair Housing Choice in Oregon</li> <li>• Fair Housing Action Plan</li> <li>• Consolidated Plan (Including identification and discussion of barriers and goals through the year 2010.)</li> </ul> <p>In addition, OHCS and OECDD continued the contract with the Fair Housing Council of Oregon to provide a multiple activities to assist persons and communities with fair housing choices and issues.</p> <p>The Fair Housing Collaborative was reconstituted and worked successfully to complete the new Analysis and a 5 year action plan for fair housing. Other results are reported in Table 6.</p> |

**2005 CAPER**  
**Performance Relating to 2001-2005 Consolidated Plan Strategies**

**STRATEGY 6: Identify and address a strategy for reducing lead-based paint hazards in rural areas of the state.**

| Performance Measurement   | 2005 Results  |
|---|---|
| <p>The State of Oregon will work with the Health Division of the Oregon Department of Human Services to develop a statewide network of licensed lead risk assessors and trained lead-based paint workers.</p> | <p>Oregon continued the work of training and licensing lead-based paint workers, funding rehabilitation through both CDBG and HOME.</p> |

| 2005 CAPER<br>Performance Relating to 2001-2005 Consolidated Plan Strategies  |  |
|---|--|
| <b>STRATEGY 7: Identify and address a coordinated strategy of housing and non-housing community development programs targeted to combat the effects of poverty on vulnerable Oregon households.</b> |  |
| Performance Measurement   | 2005 Results   |
| Appoint poverty program representative.<br>Design and implement a poverty web page.<br>Design a poverty dynamics model for predicting the effect of State policy on poverty.                        | In 2005, OHCS facilitated the coordination of contact databases between seven state social service and workforce agencies providing services to persons living below poverty level and others into a single web-based tool, now called the Oregon Community Resource Directory. Oregon's Economic Wellbeing website is no longer being supported and OHCS plans to move the best offerings of this effort into its own agency website to preserve public access to several useful web-based anti-poverty tools. OHCS also continued support of the OregonHelps.org website which provides an accessible eligibility estimator for anti-poverty programs. |

| 2005 CAPER<br>Performance Relating to 2001-2005 Consolidated Plan Strategies   |  |
|--|--|
| <b>STRATEGY 8: Support community infrastructure planning and project development to accommodate sustainable economic growth and non-housing community development.</b>   |  |
| Performance Measurement  | 2005 Results   |
| Reinforce development of well-planned projects in approximately 20 communities per year. Assist or make 10 CDBG awards per year to improve primarily water and sewer systems that bring systems into compliance and/or enhance community economic development. | OECDD assisted in the development of 56 infrastructure projects, of which 27 received CDBG funding. Please refer to the PERS report in the attachments for more information. |

| 2005 CAPER<br>Performance Relating to 2001-2005 Consolidated Plan Strategies   |  |
|--|--|
| <b>STRATEGY 9: Actively seek opportunities to use state investments to help people achieve a higher quality of life and to help communities achieve a higher level of livability and sustainability.</b> |  |
| Performance Measurement  | 2005 Results   |
| Continue "One Stop" meetings for multi-agency funding strategies.<br>Standardize funding program policies and forms.<br>Increase number of forms and documents on-line.                                  | OECDD assisted 18 communities by conducting 20 One-Stop meetings. Please refer to the PERS report in the attachments for more information. The Governor's Regional Economic Revitalization Teams, comprised of representatives from 8 state agencies, work cooperatively to resolve local and regional issues. |

**2005 CAPER**  
**Performance Relating to 2001-2005 Consolidated Plan Strategies**

***STRATEGY 10: Help enhance and strengthen local government capacity and that of other community groups to develop creative ways to identify, address, and manage community development projects and maximize the use of resources available to the community.***

| Performance Measurement  | 2005 Results  |
|--|---|
| <p>Invest state resources in leadership training, skill and capacity building for local organizations.</p> <p>Use the RERTs to work with local officials to provide coordinated solutions to local or regional problems.</p> | <p>OHCS continues to provide CHDO operating subsidies as a means of providing skill training and capacity building for appropriate recipient communities. \$340,000 was invested in ten Oregon CHDOs in 2005.</p> <p>CSTs are now "Regional Economic Revitalization Teams (RERTs). Teams are composed of staff from each of the RERT agencies. The teams meet at least once a month to coordinate major projects and discuss specific community projects. Team members are often successful in working together to resolve issues stemming from conflict of agency programs or regulations in a local project or situation.</p> <p>Eight CDBG 1% fund award were made to support local capacity and leadership building. For more information please refer to Attachment E.</p> |

## I. A. 2. Assessment of Progress Towards 2005 Goals

| 2005 CAPER<br>Assessment of Progress Towards 2005 Goals |   | 2  |
|---|---|--|
| Program   | Goals Extracted from 5 year Plan  | 2005 Accomplishments   |
| <b>HOME TBRA</b>  | Assist an estimated 700 total households with Tenant Based Rental Assistance annually.  | 1,208 households assisted in 2005.   |
| <b>HOME Acq/Rehab and new construction rental units</b> | 1. Annually, HOME program will invest in approximately 13 rental housing developments (350 total units)   | AWARDED: 13 projects with 413 total units, 109 HOME units.<br>COMPLETED: 11 projects with 119 HOME units and 251 total units   |
|   | 2. At least 50% of OHCS funded rental projects will be completed within 24 months following reservation of funds  | 7 of 21 OHCS projects, or 1/3 were completed within 24 months.   |
| <b>HOME ADDI</b>  | Establish a first time home buyers assistance program   | 14 loans benefiting 38 persons.  |
| <b>HOME CHDO OPERATING</b>                              | No specific 5-year goal was established. 2005 goals encompassed continuing support for capacity building and sustainability for Oregon CHDOs with new HOME assisted housing projects.   | 10 CHDO operating grants were awarded in 2005 totaling \$340,000   |
| <b>HOME CHDO 15%</b>                                    | No specific 5 year goal was established. 2005 goals encompassed continuing support for rental units through new construction and acquisition rehab.   | AWARDED: 3 HOME funded CHDO projects with 81 total units and representing 27% of HOME funds awarded.   |
|   |   | COMPLETED: 5 HOME funded CHDO projects with 43 HOME, 77 total units.   |
| <b>ESG</b>  | The State of Oregon will use Emergency Shelter Grant Program (ESGP) funds for continued operation of existing shelters. ESGP funds will be linked with supportive housing dollars to add scattered site transitional housing units with services and permanent housing units for homeless individuals and families throughout 11 of the 15 rural regions in Oregon. | OHCS partnered with 16 Community Action Agencies to provide shelter and homeless prevention activities to over 15,016 low income individuals and families with ESGP funds. |
| <b>CDBG Non-Housing</b>                                 | Assist or make 10 CDBG awards per year to improve primarily water and sewer systems to correct health hazards and/or enhance community economic development.  | Please refer to the PERS report in the attachments   |
| <b>CDBG Rehab</b>                                       | Assist approximately 6-8 communities to carry out housing rehabilitation projects   | 8 multi-community programs were funded targeting 484 LMI persons.  |
| <b>CDBG Housing Centers</b>                             | Use OHCS funding to augment the CDBG funds and develop regional housing centers to serve people in rural Oregon communities.  | 10 multi-community housing centers were funded and targeted to serve 10,520 LMI persons.   |
| <b>HOPWA</b>  | Please refer to attachments for a separate report regarding HOPWA funding performance.  | Please see Section IV  |

| 2005 CAPER<br>HOME AND CDBG COMPLETED, BY INCOME GROUP |                    |                    |                         | 3 |
|--|--------------------|--------------------|-------------------------|---|
| Program  | 0% - 30% MFI       | 31% - 50% MFI      | 51% - 80% MFI Units     |   |
| HOME new and A/R                                       | 9                  | 186                | 59                      |   |
| HOME ADDI  | 2                  | 2                  | 10                      |   |
| TBRA   | 984                | 220                | 3                       |   |
| CDBG REHAB   | data not collected | data not collected | 185 units at or below   |   |
| CDBG Housing centers                                   | data not collected | data not collected | 10,520 persons targeted |   |
| Units from Other Funding sources                       | 158                | 94                 | 90                      |   |

| 2005 CAPER<br>HOME TBA DEMOGRAPHICS BY ETHNICITY AND INCOME |       |                 |       |          |                    |          |          |          |         |        | 4     |
|---|-------|-----------------|-------|----------|--------------------|----------|----------|----------|---------|--------|-------|
| Race/Ethnicity  |       |                 |       |          | % of Median Income |          |          |          | HH Size |        | Total |
| White   | Black | Native American | Asian | Hispanic | 0-30%              | 30.1-50% | 50.1-60% | 60.1-80% | Single  | Family |       |
| 82  | 2     | 1               | 0     | 6        | 984                | 220      | 3        | 0        | 318     | 890    | 1208  |

| 2005 CAPER<br>FUNDS BY GEOGRAPHY AND POPULATION SERVED |  | 5 |
|--|--|---|
|--|--|---|

Information previously contained in Table 5 is now found in Attachments E and G.

## Section I Part B

### Fair Housing General Narrative

#### Impediments to Fair Housing

Oregon Housing and Community Services (OHCS) and Oregon Economic and Community Development Department (OECD) reports on the final year of using the Analysis of Impediments (AI) to Fair Housing Choice prepared by BBC Research and Consulting for the State of Oregon in 1997. A new AI and Action Plan was developed in 2005. The 1997 AI identified the following public and private fair housing impediments in Oregon.

1. **Affordable Housing.** Although low-income persons are not a protected class under the Fair Housing Act, a large percentage of those queried said housing costs restrict fair housing choice in the state. Lack of affordable housing has a disparate impact on Oregon fair housing protected classes whose members generally tend to have lower incomes. To combat this situation, many suggested that both the public and private sector strive to build more affordable housing.

2. **Zoning Regulations.** Statewide land use planning Goal #10 requires communities to plan for the housing of all citizens of the community. Still, many participants reported that state and local government land use restrictions that limit the construction of housing, particularly low-income housing, impede fair housing choice. Design and number of persons per bedroom requirements were also mentioned as barriers. These conditions can accentuate “Not-in-my-back-yard” (NIMBY) attitudes among citizens and further increase resistance to minority and low-income persons living in residential neighborhoods.
3. **Bias in lending.** Evidence suggests that members of certain protected classes (such as, racial and ethnic minorities) experience disparate treatment when applying for housing financing in some of the state’s Metropolitan Statistical Areas.
4. **Housing education.** Effort is needed to educate rental property owners and tenants about fair housing laws, rights, and responsibilities. Public outreach through workshops and seminars are needed to combat a general lack of public awareness of fair housing practices.
5. **Complaint Process.** The process to file a fair housing complaint is viewed as complicated. There is a general fear of retaliation that may prevent complainants from filing a fair housing complaint.
6. **Evaluation of Programs and Activities.** There are several organizations with responsibilities related to fair housing, including providing education, outreach, and enforcement in the State. They include OHCS, OECDD, FHCO, Oregon Bureau of Labor and Industries and Southern Oregon Fair Housing Project. These organizations are supplemented by housing authorities, non-profit organizations, Community Action Agencies and service providers that work in their local communities to promote fair housing awareness. Despite the multiplicity of organizations involved there is a perception that Oregon lacks adequate funding for fair housing testing, enforcement, and education. There is also an acknowledgement that the absence of a formal statewide advocacy network hampers fair housing in Oregon.

#### **Actions taken to overcome impediments**

The 2001 – 2005 Fair Housing Action Plan and the 2005 Annual Action Plan were the basis for the activities in 2005 to affirmatively further fair housing. These 2005 activities are summarized in the following table.

|   |          |
|---|----------|
| <b>2005 CAPER</b>   | <b>6</b> |
| <b>Actions Taken to Overcome Fair Housing Impediments</b> |          |

| Impediment                            | Activity Planned  | Results  |
|---------------------------------------|---|--|
| Evaluation of Programs and Activities | Reestablishment of a Fair Housing Advisory Group including major public and private organizations responsible for fair housing in the State.  | The advisory group, referred to as the “Fair Housing Collaborative,” met in December 2005 and has established a monthly meeting schedule. This group continues to improve communication and collaboration between entities across the state responsible for fair housing.  |
| Evaluation of Programs and Activities | Updating the State Analysis of Impediments to Fair Housing Choice and Fair Housing Action Plan as prescribed in HUD fair housing guidelines.  | A request for proposals was issued in December 2004 for a consultant who would be charged with completing the Analysis of Impediments and Fair Housing Action Plan. A new Analysis of Impediments and new five-year action plan were completed by the end of August 2005.  |
| Evaluation of Programs and Activities | Determine how to strengthen enforcement in terms of legislation, responsible parties, and financing   | The Oregon Bureau of Labor and Industries researched and recommended a new state enforcement regulation to the Oregon Legislature including provisions for becoming substantially equivalent.  |
| Complaint Process                     |   |  |
| Bias in Lending                       | Increase the diversity of the borrowers served with its Residential Loan Program to address the disparities in Oregon's homeownership rates among racial and ethnically diverse households. OHCS's goal for the 2003-2005 biennium is to increase the ethnic or racial diversity of its single-family borrowers to at least 20% per year. | For Calendar Year 2005 15% of the borrowers were either ethnically or racially diverse. OHCS attributes the progress in part to its sponsoring annual home buying fairs that specifically target African Americans, Asian Americans, Latinos, and Native Americans. OHCS also has offered program information in Spanish and through Spanish speaking real estate professionals. |

|   |
|---|
| <b>Actions taken by the Fair Housing Council of Oregon under contract with OHCS and OECDD</b> |
|---|

| Impediment  | Activity Planned   | Results  |
|---|--|--|
| Housing Education<br>Bias in Lending<br>Complaint Process<br>Lack of Affordable Housing | Conduct various education and outreach activities to further fair housing, such as distribute brochures and posters, arrange public service announcements and radio interviews in local media, contact local information and referral lines for each county and describe available services, maintain and update the Fair Housing Council of Oregon website <a href="http://www.fhco.org">www.fhco.org</a> , and create and implement immigrant outreach activities. | Nearly 500 public buildings, service agencies, Information & Referral lines, etc. received fair housing materials from July 2004-2005 and new material continues to be distributed. Radio interviews were conducted on both English and Spanish language stations. A fair housing month forum about regulatory barriers to affordable and accessible housing was conducted in May was televised on a Portland area cable access station. Videos were distributed to local stations across the State and aired in those communities. The Fair Housing Council of Oregon website was maintained and updated throughout the year. Informational videos on topics such as fair housing for families with children, predatory lending, finding accessible homes to purchase are currently being dubbed into Spanish, Russian, and Arabic and will be uploaded to the site for use by non-English speakers. The museum quality display “Anywhere But Here” about the history of housing discrimination in Oregon, created by FHCO with funds from OECDD and OHCS, traveled to more than 20 rural communities and/or public venues as a way to educate individuals about fair housing rights and enforcement options. |

## Fair housing actions continued

|   |  |   |
|---|--|---|
| Housing Education<br>Bias in Lending<br>Complaint Process | Publish quarterly newsletter, <i>Promise of Opportunity</i> and increase subscribers in all fields of housing, including HUD funded recipients   | Educated housing industry about fair housing issues. Announced activities and events. Publicized complaint process and technical assistance opportunities. Reviewed recent case settlements and litigation. The newsletters were distributed to more than 10,000 individuals and organizations throughout the state.  |
| Housing Education<br>Bias in Lending<br>Complaint Process | Maintain a complaint and technical assistance hotline. Information and referrals. Complaint driven tests. Assistance to housing providers removing barriers. Prepare materials and language interpretation services for non-English speaking individuals calling the Fair Housing Complaint Hotline and similar technical assistance to housing providers and social service agencies. | Provided a fair housing complaint referral system. Disseminated public information. Provided technical assistance to housing providers, service agencies and housing consumers. Approximately 3000 calls were received with around 4% of those from non-English speakers. Videos and informational web pages posted on the FHCO.org web site augmented technical assistance provided in person by FHCO staff.   |
| Evaluation of Programs and Activities                     | Provide report of impediments to fair housing and potential actions to remedy them as identified by FHCO clients. Report included recommendations by FHCO for consideration by OHCS and OECDD in the preparation of the 2006-2010 Oregon Consolidated Plan.  | Input was solicited from FHCO clients from non-entitlement areas of the state and a report of their recommendations was created. This report contributed to the Analysis of Impediments and Fair Housing Action Plan development process.   |
| Housing Education   | Publicize and conduct the fair housing poster contest. Recognize winners and distribute posters as a marketing mechanism for fair housing.   | Educated school children and their families about fair housing. Created a positive community atmosphere regarding fair housing requirements. The contest was directly marketed to more than 2,000 schools, community organizations, and housing communities in Oregon. More than 1000 posters have been distributed from the April 2005 contest and preparations have been made for the 2006 contest.   |
| Housing Education<br>Bias in Lending<br>Complaint Process | Plan, publicize and implement events. Events vary annually ie: educational conferences, PSAs and luncheons are examples.   | Conducted 2005 Oregon Fair Housing Conference and made presentations around the state. Educated housing industry, including lenders, landlords and residents about fair housing issues. Raised visibility of fair housing. Mayors of three cities read "A Pig is Moving In" a children's book about housing discrimination, in their local libraries to groups of elementary school children and followed the reading with an age-appropriate discussion of fair housing. |
| Housing Education<br>Bias in Lending                      | Network and educate through meetings related to fair housing. Provide input on policies that relate to fair housing.   | Educational meetings were conducted across the state for public and private groups including landlords, tenants, and public employees. Input was contributed at state and local policy meetings.  |

## Section I. Part C.

### Progress in Providing Affordable Housing

**I.C.1. Extremely low income owner and renter** Housing for extremely low income households (under 30% of median family income) remained a top priority for Oregon in 2005. OHCS and OECDD combined interagency efforts with over 24 other state and federal funding programs, over a dozen private funders, and scores of political subdivisions and community based organizations in pursuit of this priority. Through the Consolidated Funding Cycle process, Oregon:

AWARDED: 26 projects with a total of 797 units/beds were awarded funds of which 12 were projects with 187 units targeted to households with incomes below 30% of median income. 7 of these projects received OHCS HOME funding and will provide 106 units/beds to households below 30%.

COMPLETED: 21 projects with a total of 587 units/beds were completed of which 8 were projects with 96 units targeted to households with incomes below 30% of median income. 4 of these projects received OHCS HOME funding and will provide 7 units/beds to households below 30% of median income.

**I.C.2. Very income owner and renter** Housing for very income households (31% - 50% of median family income) remained a high priority for Oregon in 2005. OHCS and OECDD combined interagency efforts with over 24 other state and federal funding programs, over a dozen private funders, and scores of political subdivisions and community based organizations in pursuit of this priority.

AWARDED: 26 projects with a total of 797 units/beds were awarded funds of which 15 were projects with 345 units targeted to households with incomes between 31% and 50% of median income. 12 of these projects received OHCS HOME funding and will provide 288 units/beds to households between 31% and 50% of median income.

COMPLETED: 21 projects with a total of 587 units/beds were completed of which 16 were projects with 280 units targeted to households with incomes between 31% and 50% of median income. 11 of these projects received OHCS HOME funding and will provide 181 units/beds to households between 31% and 50% of median income.

**I.C.3. Low income owner and renter** Housing for low income households (51% - 80% of median family income) remained a priority for Oregon in 2005. OHCS and OECDD combined interagency efforts with over 24 other state and federal funding programs, over a dozen private funders, and scores of political subdivisions and community based organizations in pursuit of this priority.

AWARDED: 26 projects with a total of 797 units/beds were awarded funds of which 9 were projects with 265 units targeted to households with incomes between 51% and 80% of median income. 6 of these projects received OHCS HOME funding and will provide 108 units/beds to households between 51% and 80% of median income.

COMPLETED: 21 projects with a total of 587 units/beds were completed of which 10 were projects with 211 units targeted to households with incomes between 31% and 50% of median income. 4 of these projects received OHCS HOME funding and will provide 32 units/beds to households between 51% and 80% of median income.

CDBG housing rehab contracts were awarded to 8 multi-community programs targeting 185 owner occupied units by an estimated 484 persons at or below 80% MFI. CDBG housing center grants were awarded to 16 multi-community programs targeting service to 10,520 persons.

Please refer to Table 9 for other funding sources and accomplishments by Oregon which are not described above.

#### **I.C.4. Number of Section 215 households assisted, owner and renter:**

All of the individuals and households represented in this CAPER meet Section 215 requirements.

**I.C.5. Comparison of goals versus accomplishments**

Please refer to I.A., numbers 1 and 2 earlier in this report. Please also refer to the various tables for reports on non-federal program contributions.

**I.C.6. Efforts to address “worst case needs”. And I.C.7. Actions taken to meet the need of the disabled.**

In the 2001-2005 Consolidated Plan, “worst case needs” were listed as

- Persons with Disabilities
- Persons Released from Correctional Institutes
- Persons With Alcohol and Drug Addictions
- Persons with HIV/AIDS – HOPWA
- Migrant/Seasonal Farm Workers in Oregon

| CAPER<br>Efforts to Address Worst Case Needs<br>Units Finished and Awarded in 2005 |          |   |                         |                         |                         | 7                       |
|--|----------|---|-------------------------|-------------------------|-------------------------|-------------------------|
|  |          | Disabled Units  | Recently released       | A&D Addicted            | HIV/AIDS                | Farm worker             |
| HOME TBRA  | Goal     | Not specified   | Not specified           | Not Specified           | Not specified           | Not specified           |
|  | Finished | No statistics available   | No statistics available | No statistics available | No statistics available | No statistics available |
| HOME Acq/Rehab, new construction   | Goal     | Not specified   | Not specified           | Not Specified           | Not specified           | Not specified           |
|  | Finished | 312   | 4                       | 11                      | 0                       | 42                      |
|  | Awarded  | 179   | 0                       | 79                      | 0                       | 116                     |
| ESGP   | Goal     | ESGP goals are not specified in this manner.  |                         |                         |                         |                         |
|  | Finished | ESGP funds were used with other OHCS funding to benefit 35,312 homeless and at risk individuals and families.   |                         |                         |                         |                         |
| CDBG Rehab   | Goal     | Not specified   | Not specified           | Not Specified           | Not specified           | Not specified           |
|  | Finished | 199 units were completed by 11 grantees with an estimated 525 persons benefiting. Rehab recipients are screened only by national objectives and not screened by the criteria in this table. |                         |                         |                         |                         |
| CDBG Housing centers   | Goal     | Not specified   | Not specified           | Not Specified           | Not specified           | Not specified           |
|  | Finished | 11,520 households were targeted by centers in 2005. Clients are screened only by meeting national objectives and not screened by the criteria in this table.                                |                         |                         |                         |                         |
| HOPWA  | Goal     | Not specified   | Not specified           | Not Specified           | 60 HH                   | Not specified           |
|  | Finished | Formula Funds were not expended in calendar 2005  |                         |                         |                         |                         |

\* Note: Some units are qualified for more than one special population and an inadvertent overcount might occur if table 7 is taken in isolation.

**Section I. Part D.**

Including:

**I.D.1. Actions taken to meet needs of the homeless.**

Please refer to sections covering ESGP. Please also refer to the attachments for reports on non-federal program contributions.

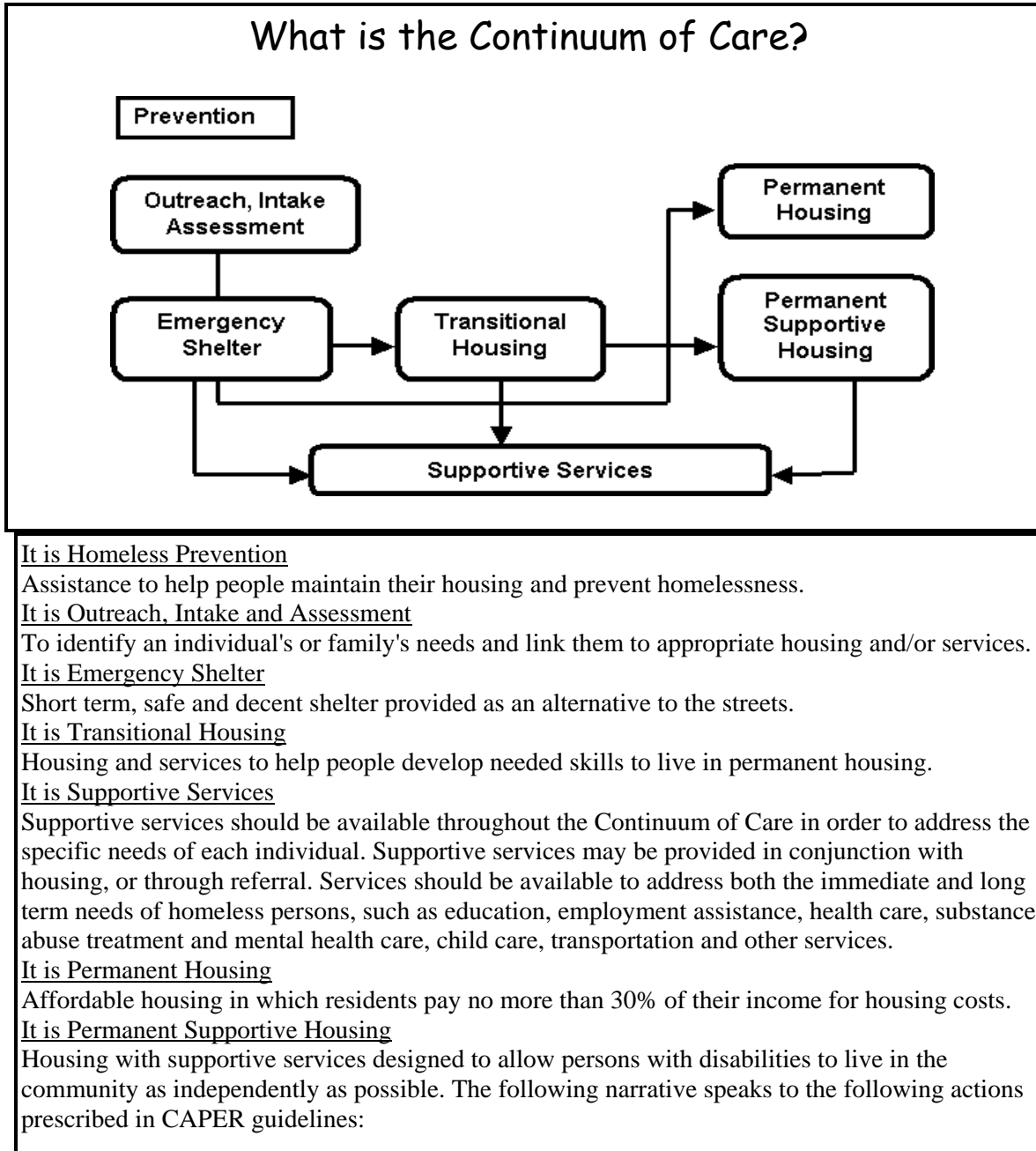
**I.D.2. Actions taken to meet needs of non-homeless requiring support housing**

Please refer to sections covering ESGP. Please also refer to the attachments for reports on non-federal program contributions.

**I.D.3. Actions take to meet needs of HIV/AIDS persons and their families.**

Please refer to sections covering HOPWA and ESGP. Please also refer to the attachments for reports on non-federal program contributions.

**I.D.4. Actions taken to develop and implement Continuum of Care strategy re: prevent homelessness, emergency shelter needs, and transitional housing needs of homeless and/or significant sub-populations.** Please refer to sections covering ESGP. Please also refer to the attachments for reports on non-federal program contributions.



The Rural Oregon Continuum of Care (ROCC) successfully submitted annual applications for Continuum of Care funding, the most recent being \$1,461,917 for 2006.

OHCS, the applicant for the ROCC, works closely with partner agencies to use funds for specific projects around the state. Projects provide transitional housing with additional services to homeless individuals and families. Two provided supportive services to households moving out of homelessness. One project teams with Office of Mental Health and Addiction Services (OMHAS) to provide permanent housing for chronically homeless persons with a mental illness. Another project also teams with OMHAS to provide permanent housing to homeless persons with severe mental illnesses.

The Homeless Management Information Services (HMIS) project expands the network of participating agencies in the current HMIS system. OHCS is developing a statewide application to support domestic violence and sexual assault service providers throughout Oregon. HMIS is part of a system named OPUS, which is a web-based centralized data application designed to directly link low-income Oregonians and their social service intake workers across the state to the crucial services available to them in their area.

This unique single-entry system combines customized and "off-the-shelf" software to allow clients a point-of-entry analysis of the services they qualify for, giving them access to multiple services from their one-time application. Without OPUS, clients are required to complete multiple forms for each type of service, many times providing the same information over and over again. This has been a major barrier when dealing with rural homeless populations. Their need to access shelter at the first and possibly only service agency they can reach is critical. This barrier is being reduced by the technology needed to link with partners who can help in the community.

OPUS is also designed to meet the data collection and business needs of OHCS Community Resources Division (CRD) and its partners. The goal of OPUS is to create a data collection system that meets the reporting requirements for all OHCS funded activities, including CoC, provide improved access for our partners, and reduce the administrative burden on agencies. The system is designed to accommodate change, be customer friendly through a web browser interface, and support ad hoc reporting and policy analysis. There is an OPUS website at [www.opus.hcs.state.or.us](http://www.opus.hcs.state.or.us) that provides information about the project, its current status, project schedule, and other related information.

Being predominantly rural with a limited number of service and housing providers, the ROCC has made great strides towards the development of a CoC system that will include adequate resources for all Fundamental CoC Components: outreach and assessment, prevention, emergency shelter, supportive services, transitional housing, and permanent, affordable housing. During the last 12 months, the ROCC has worked hard to maintain the coordinated and comprehensive system of housing and support services that has been implemented over the past years to prevent and reduce homelessness. The ROCC has created partnerships that maximize opportunities, through the creative and efficient use of resources, that include strengthening linkages with mainstream housing and service systems and integration with other state sponsored planning processes. ROCC members have conducted several trainings on Community Planning Processes to strengthen planning. Most of the counties in the ROCC have created a local Consortium to provide comprehensive community planning that incorporates all community members. This planning process has been instrumental in forming new partnerships.

Oregon Housing and Community Services (OHCS), the applicant for The ROCC, has expanded its connection with the Department of Corrections to help finance transitional housing for those leaving institutions and is also partnering with the Transportation Department to facilitate the improvement of transportation in rural communities. Another ROCC member, the Department of Human Services has undergone a major reorganization to replace a fragmented system with a more integrated process. OHCS worked closely with the Office of Mental Health and Addiction Services to establish and/or strengthen local partnerships between homeless service providers and mainstream mental health providers. Finally, the Oregon Coalition on Housing and Homelessness Conference and the Community Action Directors of Oregon (CADO) Poverty Conference. presented workshops on the developing HMIS/OPUS system, integrated case plans, outreach, integrating mainstream resources into case plans, and creating Support Teams.

For more information on the other ROCC projects, please contact Lynn Adams at 503.986.6736, [lynn.d.adams@hcs.state.or.us](mailto:lynn.d.adams@hcs.state.or.us), or Jodie Jones at 503.986.2096, [jodie.jones@hcs.state.or.us](mailto:jodie.jones@hcs.state.or.us).

## Section I. Part E.

### Other Actions

The State of Oregon funds and operates a variety of programs to act in concert with the funding provided by HUD.

#### **I.E.1. Actions to meet underserved needs**

The State recognized in its Consolidated Plan the need to identify those groups who are underserved and pursue strategies that would serve their needs. Strategies 1 and 3 are specifically aimed at providing adequate supplies of quality, affordable, and appropriate rental housing, and promoting independent housing options for Oregon's special needs populations.

Oregon Housing & Community Services is working diligently with other State partners to address the needs of Oregon's mentally ill population. As the State moves to decentralize facilities, community based housing becomes increasingly critical. Plans are moving ahead at *Villebois*, a development underway at a former state hospital site. The site is not in Oregon's HOME planning jurisdiction, and funding details are not yet decided. However, the development will serve all of Oregon and will undoubtedly provide direct benefit to special needs populations that may not show up under normal CAPER reporting methods.

In general, the State develops or encourages the development of a range of affordable rental housing projects appropriate for very low-, low-, and moderate-income individuals and families. In addition, the State has targeted a significant amount of resources for the development of farm worker housing throughout the rural areas of Oregon. Farm worker Tax Credits were awarded for ten projects with an estimated 428 units/beds in 2005.

For further detail, please refer to the various tables as well as information on other, non-federal programs in the attachments.

For the 03-05 Biennium, 30% of the resources offered through the CFC were set-aside for OHCS strategic plan goals. OHCS has completed its strategic plan for the 2003-2005 biennium. As part of the planning process OHCS realized the importance of providing affordable housing for populations that have been under served. Three goals of the strategic plan are:

- develop or rehabilitate 200 units of community based farmworker housing
- Produce housing for 130 persons with chronic mental illness, of which 35 persons are chronically homeless and reside in rural areas.
- Provide housing for 30 persons with developmental disabilities emphasizing the young adults who are living with aging parents.

To encourage applications that address these strategic plan goals and the continued goal for preservation projects, OHCS has set aside approximately 30% of the grant and tax credit resources for these purposes.

#### **I.E.2. Actions to foster and maintain affordable housing**

OHCS offers a consolidated application process for several of its housing funding programs, including HOME, and accepts applications during two funding cycles each year; one in the spring and one in the fall. For both funding cycles, the distribution of HOME funds was based on a formula which provided a base amount for each of the five regions plus an additional allocation based on the percentage of each region's unmet housing need. This distribution was used as a guide and funds were redistributed as needed to best meet the total affordable housing demand.

Housing centers and housing rehabilitation are in attachments.

In all, over 30 various state and federal programs are used in various combination by Oregon to foster and maintain affordable housing. For further detail, please refer to Tables 1 through 5 as well as information on other federal and non-federal programs in the attachments.

### **I.E.3. Actions taken to eliminate barriers to affordable housing**

In 2004 Oregon reestablished of a Fair Housing Advisory Group including major public and private organizations responsible for fair housing in the State. The advisory group, referred to as the "Fair Housing Collaborative," met in December 2004 and has established a regular meeting schedule. This group continues to improve communication and collaboration between entities across the state responsible for fair housing. A request for proposals was issued in December 2004 for a consultant who would be charged with completing the Analysis of Impediments and Fair Housing Action Plan. The new Analysis for Impediments and the new five-year action plan were completed by the end of August 2005.

### **I.E.4. Actions taken to overcome gaps in institutional structures and enhance coordination**

Though created in 1998, the Oregon Community Solutions Team continued in 2005 to be a nationally recognized model for breaking down the "silos" in institutional government structure. The name has changed however, and teams are now referred to as Economic Recovery Teams, or ERTs. The ERTs are an interconnected network of multi-agency teams that serve as both a service delivery system and a feedback loop for continuously improving and streamlining state services to local communities.

Locally based, multi-agency teams and Regional Coordinators form the basis of the ERT service delivery system. They "put a face on the faceless bureaucracy" and provide local communities with direct access to an array of expert knowledge and specialized skills, a multitude of services and a host of funding programs.

When a local jurisdiction is faced with a complicated problem or an opportunity it needs to act on immediately, it should contact either the Regional Coordinator or any one of the locally stationed state agency staff persons serving on an ERT. The coordinator and the team can sit down with local officials and stakeholders and work out a solution. Involving the team early can shorten the time it takes to move from idea to reality. The team can streamline permitting, coordinate follow-up actions, and help locate or leverage funding.

While most problems are resolved at the local or regional team level, some issues can be traced to policy or program disconnects. When this happens, agency liaisons working in the ERT Office in Salem are called into service. Because of their close connection with their director and their familiarity with agency processes and operations, agency liaisons work "behind the scenes" to troubleshoot and resolve policy, program and process disconnects.

### **I.E.5. Actions taken to improve public housing and resident initiatives**

No specific measures were taken to address this issue this year.

### **I.E.6. Actions taken to evaluate and reduce lead based paint hazards**

#### Background

On July 19, 1995, Governor Kitzhaber signed into law Oregon House Bill 2971, which provided the authorizing legislation for the development of a state Lead-Based Paint Program. The Oregon Health Division promulgated final rules for the accreditation of lead-based paint training programs in December 1997 (OAR 333-068). The Oregon Health Division recognizes only provisionally accredited or accredited training courses, or those for which the Division has established accreditation through reciprocity. At this time, the only provider offering lead-based paint training courses either provisionally accredited or accredited by the Division is the Western Regional Lead Training Center at Oregon State University. In November, 1998, the Oregon Health Division issued amended rules regarding the certification of professionals to conduct lead-based paint activities.

The Oregon Construction Contractors Board is a state agency that registers and monitors the construction trades industry in the state. In addition to obtaining certification through the Oregon Health Division, every individual and every business offering lead-based paint services must also be licensed through the CCB.

Oregon Housing and Community Services coordinates its home weatherization screening program with Oregon Health Division. OHCS also participates in the development of statewide policies and plans for lead hazard abatement training and contractor certification.

Oregon Health Division has implemented a Lead-Based Paint Hazard Abatement program based on previous legislation. Complete information about the program and services may be obtained at the OHD web page: <http://www.ohd.hr.state.or.us/esc/lead/welcome.htm>.

Oregon Housing and Community Services, as a part of the low-income weatherization program, screens housing built prior to 1978 for lead-based paint hazards (when the house is occupied by a child under age six). This procedure is followed in all regions of the state where qualified and trained staff are located.

CDBG Rehab and LBP Please also refer to Section III.

All applicants must demonstrate how the rehabilitation work will be conducted in accordance with the Lead Based Paint Poisoning Prevention Act and HUD implementing regulations at 24 CFR 570.487(c). Effective September 15, 2000 revisions to the Lead Based Paint regulations 24 CFR Part 35 were implemented.

All purchasers and tenants of CDBG assisted housing constructed prior to 1978 received notice about the hazards of lead-based paint. Applicants for housing rehabilitation loans or grants also received notification. Grant recipients must keep documentation of the notifications in their local project file. All state CDBG programs were required to develop procedures to eliminate the hazards of lead poisoning due to the presence of lead-based point in housing assisted with CDBG funds.

Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implement regulations at part 35, subparts A, B,J, K, and R of this title.

#### Weatherization and LBP

Non-HOME/CDBG funded weatherization also plays a major support role in lead based paint eradication. OHCS has 18 agencies under contract providing weatherization services. All agency weatherization workers and contract staff must undergo Lead Safe Work Place Training. While weatherization does not fund correction of LBP hazards, , workers encountering hazards follow Lead Safe Work Practices. Occupants of all weatherized units built prior to 1978 receive and sign for the EPA brochure "Protect Your Family From Lead in Your Home." Because weatherization does not abate LBP hazards, specific data is not kept.

#### **I.E.7. Actions taken to ensure compliance with planning and programmatic requirements**

Please refer to sections on monitoring.

#### **I.E.8. Actions taken to reduce number of persons living below poverty level.**

In calendar 2005 OHCS facilitated the coordination of contact databases between seven state social services and workforce agencies providing services to persons living below the poverty level and others into a single web-based anti-poverty tool, now called the Oregon Community Resource Directory. OHCS facilitated/catalyzed participation in the Federal Homeless Academy initiative and continues to provide leadership and policy development support. The Economic Wellbeing website is no longer being supported and OHCS plans to move the best of this effort into its own agency website to preserve public access to several useful web-based anti-poverty tools. OHCS also continued support of the OregonHelps.org website which provides an accessible eligibility estimator for anti-poverty programs.

OHCS continues to be a lead agency for the Rural Oregon Continuum of Care (discussed elsewhere) and played an key role in Oregon's effort to improve it's 2001 ranking as the "most hungry" to the current ranking of 17<sup>th</sup>.

Also, please see economic develop activities undertaken with CDBG funds.

## Section I. Part F.

### Leveraging Resources

#### I.F.1. Description of progress obtaining funds identified in Consolidated Plan

No particular dollar goals or exact funding sources were identified in the Oregon 2001-2005 Consolidated Plan. Due to differing methods of presentation and data availability, the following intends to be representative of progress obtaining funds.

| 2005 CAPER<br>HOME Match and Leverage Progress<br>Based on Awarded CFC Projects Only |              |               |              |              | 8            |
|--|--------------|---------------|--------------|--------------|--------------|
| Funding  | 2001         | 2002          | 2003         | 2004         | 2005         |
| HOME Funds   | \$ 7,436,370 | \$ 8,883,972  | \$6,458,255  | \$6,134,245  | \$7,987,195  |
| HOME Match   | \$ 1,913,326 | \$ 1,562,271  | \$ 2,001,119 | \$1,866,905  | \$1,721,320  |
| CFC Leverage   | \$86,523,335 | \$105,654,955 | \$86,600,376 | \$91,248,163 | \$62,067,387 |

Please refer to Section V for ESGP leverage and Section IV for HOPWA leverage reports.

#### I.F.2. Description of how HUD funds leveraged other funds

- CDBG (see special section from Oregon Economic and Development Department)
- HOME Please refer to Table 7 and 8.

| 2005 CAPER<br>HUD FUNDS Leverage of other Funds<br>Based on Awarded Projects |   |   |              | 9              |
|--|---|---|--------------|----------------|
| Program  | Source  | Use   | 2005 \$      | 2005 Units     |
| LIEAP, DOE-WAP, ECHO, BPA, PVE   | Varied  | Weatherization  | \$1,138,408  | 748 (CFC only) |
| 9% Tax Credits   | Non-federal purchase of federal tax credits                 | Fund Rental housing   | \$3,610,112  | 451            |
| 4% LIHTC   | Non-federal purchase of federal tax credits                 | Fund Rental housing   | \$267,609    | 97             |
| Oregon Housing Development Grants  | Oregon General Fund, non-federal program income             | Rental housing support  | \$1,637,642  | 264            |
| Oregon Affordable Housing Tax Credits  | Tax credit to lenders providing reduced interest rates      | Loan recipient passes through 100% of loan savings as reduction of tenant rents | \$9,851,214  | 706            |
| Alcohol and Drug Free Housing (anticipated)                                  | Department of Human Services general fund                   | Housing alternatives for recovery. Support self sufficiency                     | \$468,000    | 62             |
| Risk Sharing   | State bonds   | Rental projects serving 60% MFI including mixed use and income                  | \$9,515,000  | 185            |
| Elderly and disabled loans   | G.O. bond financing for permanent 30 to 40 year loans       | Targets rental projects serving 50-60% MFI                                      | \$50,000     | 8              |
| Conduit financing  | MAP lending using bonds to support HUD funded projects.     | Targets rental housing for 60-80% MFI   | \$18,948,921 | 430            |
| Farm worker tax credits  | Oregon tax credits  | On-farm and community based farmer worker housing                               | \$206,016    | 428 persons    |
| Low Income Rental Housing Tax Credits  | Voluntary interest from security deposits and eviction fees | Rental housing support  | \$319,933    | 621            |
| Emergency Housing Account  | Oregon General Fund   | Emergency housing for homeless and related services                             | \$1,747,296  | 24.320         |
| State Homeless Assistance Program  | Oregon General Fund (biennium)                              | Emergency housing for homeless and related services                             | \$898,904    | See above      |
| Housing Stabilization Program  | Oregon General Fund (biennium)                              | Emergency housing for homeless and related services                             | \$292,514    | See above      |

|                                   |  |   |               |       |
|-----------------------------------|--|---|---------------|-------|
| Oregon Rural Rehab                | 1 time revolving loan                  | Rehab of farmworker housing                               | 0             | 0     |
| Loan/Lease Program                | Corpus or cash reserves                | Lender guarantees for low/very low                        | 0             | 0     |
| State Mortgage Revenue bonds      | Revenue bonds                          | First time homebuyers                                     | \$160,924,500 | 1,195 |
| Home Purchase Assistance Program  | Revenue bonds                          | Down payment and closing costs for 1st time               | \$2,150,322   | 248   |
| Mobile Home Park Purchase Program | One time fee from parks                | Purchase of parks by owner/resident associations          | 0             | 0     |
| Predevelopment loan program       | \$8 million Fannie Mae line of credit  | Below market loans for site acquisition and pre-dev costs | \$2,207,800   | 248   |
| Seed Money Advance Loan           | One time revolving \$250,000 allotment | Below market loans for site acquisition and pre-dev costs | 0             | 0     |

c. ESG Please refer to Section V.

d. HOPWA Please refer to Section IV.

### **I.F.3. Description of how HUD funds were matched, where necessary**

- a. CDBG (see special section from Oregon Economic and Development Department)
- b. HOME Please refer to Tables and the Match Report
- c. ESG Please refer to Section V.
- d. HOPWA Please refer to Section IV.

## **Section I. Part G.**

### **Citizen Participation and Public Notice**

Public notice for the review of this document was given in accordance with the OHCS Citizen Participation Plan and state and federal law.

“Proofs of publication” often take several weeks or even months to arrive from the publisher and will be made available as soon as received. Concurrent notice was given to literally hundreds of media outlets and housing and development partners by OECD and OHCS. A full list is available upon request.

Please contact OECD or OHCS to be placed on future lists.

## **Section I. Part H.**

### **Self Evaluation**

#### **I.H.1. Identifiable impacts on identified needs**

The primary long term objective of Oregon’s CDBG Program, as stated in the FY2001-2005 Consolidated Plan, is to develop viable communities by providing decent housing and a suitable living environment and expanding economic opportunities, principally for low-income and moderate-income persons.

2005 was a significant year in the implementation of affordable housing and community development programs to benefit Oregon low- and moderate-income households. The Oregon Housing and Community Services is the lead agency in the evaluation and implementation of HUD’s four consolidated formula programs. The objectives and the investment of resources are established in both the Strategic/Action Plans for the State. OHCS has continued to evaluate/refine its efforts in respect to program implementation. Internally, work groups were established within OHCS to address issues that impacting capacity and service delivery.

The State continued to implement the Consolidated Funding Cycle Program which makes HOME, Housing Development Grant Program (Trust Fund), HELP Program, the Low Income Housing Tax Credit Program (LIHTC), Low Income Weatherization, Alcohol and Drug Free Grant Program, and the Oregon Affordable Housing Tax Credit Program (OAHTC) funding available to for profit and non profit housing developers through a single application for provision of affordable housing with assists with the implementation of comprehensive community strategies. In addition, OHCS continues to implement widely successful programs using HUD funds, including the CDBG, the Emergency Shelter Grant, HOME Tenant Based Rental Assistance, and HOME Community Housing Development (CHDO) programs.

OHCS has also afforded opportunities for the sharing of experiences and expertise regarding affordable housing issues. The Continuum of Care Plan maximizes the broad spectrum of services available to special needs populations, especially the homeless. In terms of production improvements, the State has sought to increase the capacity and responsiveness of housing assistance providers, including local nonprofit organizations.

Thus, the State's efforts in 2005 continued to address its priorities and objectives related to affordable housing and community development issues and the administration of related HUD-funded programs. As a result, the State of Oregon concludes that significant progress has been made to address the priorities and objectives outlined in its Consolidated Plan.

In general, our evaluation is that the State is making significant progress in meeting this objective. This conclusion is based on the number and type of grants awarded and the numbers of persons benefiting from these projects as outlined in the various tables in this CAPER.

- a. CDBG (see special section from Oregon Economic and Development Department)
- b. HOME While accomplishments varied from identified goals, overall performance was satisfactory..
- c. ESG Please refer to Section V.
- d. HOPWA Please refer to Section IV.

#### **I.H.2. Barriers to progress**

The biggest barrier to progress in 2005 was budgetary. The Oregon fiscal crisis cut wide and deep throughout all levels of public service. OHCS was fortunate in that only a minor portion of its annual budget comes from the general fund. However, in an effort to accumulate one-time cash, part of the OHCS Trust Fund was diverted, hampering interest income, leveraging, and match capabilities. Due to extraordinary effort and management, goal achievement was not compromised.

#### **I.H.3. Status of grant programs, including schedule.**

Oregon is currently 10<sup>th</sup> overall (12<sup>th</sup> last year) of 51 state-wide PJs ranked by HOME Performance Snapshots at the end of calendar 2005.

#### **I.H.4. Disbursements timely and in concert with expenditures.**

Oregon is currently 8<sup>th</sup> overall (9<sup>th</sup> last year) of 51 state-wide PJs ranked by HOME Performance Snapshots at the end of calendar 2005 in percentage of funds disbursed

#### **I.H.5. Status of progress towards major goals**

In terms of the 2001-2005 Consolidated Plan, the year 2005 annual pro-rata goals were, overall, satisfactorily met.

#### **I.H.6. Possible program adjustments**

OHCS was awarded "formula" status for HOPWA funding in 2005 and working in conjunction with Department of Human Services will start calendar 2006 with a fully approved and operational plan. Although no changes are foreseen, a first-year program can be subject to adjustment.

**I.H.6. New performance reporting paradigm** Please refer to attachments.

## **SECTION II CDBG**

Please refer to Attachments for report prepared by Oregon Economic And Community Development Department.

This information can also be found at <http://www.econ.state.or.us/>

## SECTION III. HOME Narrative

### III.A . Analysis of fund distribution vis-à-vis Consolidated Plan needs

The 2005 HOME action plan indicated that Oregon Housing and Community Services (OHCS) would offer the following activities: CHDO operating grants; tenant-based rental assistance; rental housing development through the acquisition, rehabilitation or construction of rental housing. HOME funds were committed to each of these activities during the program year. The HOME action plan was amended to include the American Dream Downpayment Initiative, with program details still being finalized.

| 2005 CAPER Fund Distribution<br>Based on Awarded Projects |                               |                     | 10 |
|---|-------------------------------|---------------------|----|
| HOME ACTIVITY   | PROPOSED DISTRIBUTION         | ACTUAL DISTRIBUTION |    |
| Rehabilitation  | up to 15%                     | 6%                  |    |
| Tenant Based Assistance                                   | up to 20%                     | 26.5%               |    |
| New Construction  | up to 50%                     | 64.5%               |    |
| CHDO Operating Grants                                     | up to 5%                      | 3%                  |    |
| ADDI  | not proposed in original plan | \$146,100           |    |

Information on specific HOME projects receiving reservations including demographics of leveraged funds by income group can be found in attachments E through H.

| 2005 CAPER<br>Race and Income Data on Closed HOME Projects |            |       |       |                |                            |       |       |          |      |      |      |          | 11   |                           |
|--|------------|-------|-------|----------------|----------------------------|-------|-------|----------|------|------|------|----------|------|---------------------------|
| PROJECT NAME   | HOME UNITS | WHITE | BLACK | NATIVE AMERICA | N. AMER. / ALASKAN & WHITE | ASIAN | OTHER | HISPANIC | <30% | <50% | <80% | HOMELESS |      | Non-Homeless Special Need |
|  |            |       |       |                |                            |       |       |          |      |      |      | IND      | FA M |                           |
| Carolina 100   | 8          | 8     |       |                |                            |       |       | N        |      | 4    | 4    |          |      | 2                         |
| Emily Drive  | 11         | 11    |       |                |                            |       |       | N        |      | 11   |      |          |      | 2                         |
| Hendricks Place  | 6          | 5     |       |                |                            | 1     |       | N        | 4    | 2    |      |          |      | 6                         |
| Horizon House  | 14         | 13    |       |                | 1                          |       |       | 13       | 14   |      |      |          |      | 14                        |
| James Street   | 5          | 5     |       |                |                            |       |       | N        | 5    |      |      |          |      | 5                         |
| Lilac Meadow II  | 5          | 5     |       |                |                            |       |       | N        | 2    | 2    | 1    |          |      | 3                         |
| The Links  | 8          | 8     |       |                |                            |       |       | N        | 4    | 4    |      |          |      | 2                         |
| Munsel Park  | 13         | 12    | 1     |                |                            |       |       | N        |      | 13   |      |          |      | 13                        |
| Sagewind Manor   | 12         | 12    |       |                |                            |       |       | N        |      | 9    | 3    |          |      | 2                         |
| Sunnyside Apts   | 6          | 5     |       | 1              |                            |       |       | 1        | 6    |      |      |          |      | 6                         |
| TBRA, program not project                                  | 1208       | 82    | 2     | 1              |                            |       |       | 6        | 984  | 220  | 3    | 318      | 890  | not reported              |

## **Tenant Based Rental Assistance**

Up to \$3,000,000 of the annual HOME Grant is allocated to tenant-based rental assistance activities. The Oregon Housing and Community Services department contracts with various public service agencies to administer the Tenant-Based Rental Assistance program at the local level.

The program offers rental assistance in six-month or one-year terms that may be renewed to very low-income tenants for the payment of housing costs and a refundable security deposit. A rental assistance agreement is executed between the public service agency, tenant, and the landlord. Payments are made directly from the public service agency to the landlord on behalf of the tenant.

To qualify, a household consisting of an individual or group of individuals, must be very low-income, *i.e.*, cannot have a total gross household income from all sources that exceeds 50% of the area median income for that household size. Rental payment standards are based on the HUD Fair Market Rents (FMR) or the area-wide exception rent approved by HUD. The minimum tenant contribution for housing costs is \$10.

An eligible tenant can receive rental assistance for a unit of their own choosing, provided the unit meets basic program requirements. The rental unit must meet the Housing Quality Standards, which includes a lead-based paint assessment. This assessment promotes preventative measures to avert childhood lead-based paint poisoning. The rental assistance can follow the household in the event the household moves to another unit.

The HOME Grant requires a 25% match of non-federal funds. Public service agencies are responsible for the documentation and the reporting of match expenditures to OHCS. These expenditures may include direct housing cost or supportive services for self-sufficiency activities provided to HOME TBA participants during the term of assistance. Subgrantees will ensure that each household to whom it provides rental assistance through the Program receives social services directed to the goal of enabling the household to become self-sufficient by the time the assistance terminates. Resources other than Program funds shall fund these social services.

The HOME Tenant Based Rental Assistance (TBA) program requires all households to participate in a self-sufficiency program. The participant, assisted by a case manager, develops a self-sufficiency plan that details goals, activities, and timelines that will meet the needs of the specific household. Not only has this resulted in positive outcomes for the participating households, but the non-federal funding of direct expenditures to assist households toward self-sufficiency is utilized as a source of match. Rental assistance will be terminated if the public service agency determines that the tenant is in non-compliance with the self-sufficiency Plan.

In 2005, OHCS improved the efficiency of the TBA program by taking the following actions:

OHCS is in the final stages of transitioning our existing database into an overall-tracking tool for all of OHCS' service programs. They are currently improving and incorporating enhancement concepts for the HomeTBA component and it is scheduled to rollout in the very near future. This database was created by OHCS staff and illustrates a holistic picture of the services that are provided to TBA families and will result in a quick and precise overview of all participating households at a touch. Various agencies and partners of OHCS that provide TBA services throughout Oregon were included to participate in the development and currently the test pilot of this main database. The process has afforded a more streamlined data entry and retrieval method for the agencies and partners that are providing TBA and in the future will also allow fiscal functions as well. This will ultimately result in OHCS and partners to be able to serve a greater number clients without adding extra costs to the agency or to OHCS in order to accomplish these needed goals. One component, for example, provides a means of measuring the effectiveness of federal and state funded programs that directly relate to providing case management services. The results of this is an indicator of the effectiveness of programs and the effect of services provided to our clients, which is a requirement of the Tenant Based Assistance Program. It allows agencies to enter data into the new database as it concurrently measures outcomes of self-sufficiency.

The database also gathers demographic information and other HUD-required reporting along with the non-federal funding documentation of direct expenditures to assist households toward self-sufficiency which is utilized as a source of program Match dollars.

In 2005, OHCS began negotiations with an agency that will tentatively provide services to three Oregon counties that have not provided HTBA services in recent years. This will complete the HTBA service areas to include all counties encompassed in the "balance of state" HTBA grant.

In 2005, OHCS has assisted agencies and partners by providing education and assistance directed toward recognition and utilization of all possible sources of Match funding which is needed for TBA funding allocation. Agencies and partners not having sufficient Match sources available to allocate their full allocation of TBA funding has long been a predominate factor. Consequently, OHCS has been dedicated to increase their awareness and knowledge in order to increase their ability to expend full TBA funding allowed to them by increasing education and information availability.

There were 1,208 tenant households that received rental assistance awards during 2005.

**Identify and include any program income:** There was no program income.

**III.B. Match Report, HUD 4107-A**  
Please see Attachment D

**III.C. MBE/WBE Report, HUD 4107 Part III**  
Please also see Attachment D

Concerted efforts continue to be made to inform local governments, non-profits, for-profits, housing authorities and other about the affirmative marketing requirements of the HOME program. OHCS is committed to assuring fair housing and affirmative marketing in all its developments, but particularly in those including the HOME Program. The Equal Housing Opportunity logo is included in OHCS publications such as the Consolidated Funding Cycle Application Handbook, and on the OHCS letterhead. OHCS materials such as the Consolidated Funding Cycle Application, the HOME Program compliance Manual and the HOME Project Management Handbook address the policies of fair housing and affirmative marketing.

OHCS requires each owner of five or more rental housing units to develop and execute an Affirmative Fair Housing Marketing certification policy, an Affirmative Marketing policy for marketing of Rental Units and a Section 3 policy involving attempted use of low-income persons in development and construction of the project. All marketing must be done without regard to race, color, national origin, sex, religion, familial status or disability.

Each HOME recipient must certify that it will not discriminate in the sale, rental, leasing or financing of housing. The affirmative marketing certification requires owners to do the following:

- include the equal housing opportunity logo or statement when advertising vacant units,
- post the HUD fair housing poster in common area(s) of housing assisted with HOME funds, and;
- solicit applications for vacant units from persons in the housing market who are least likely to apply for the HOME-assisted housing without the benefit of special outreach efforts.

HOME Grant Agreements or loans are not approved by OHCS until these policies have been submitted and approved by the Department.

In accordance with 24 CFR 92.351 (b), concerning minority and women-owned business enterprises, OHCS directs HOME funding recipients to include, to the maximum extent feasible, the use of such enterprises in providing supplies, professional and construction services in conjunction with HOME-assisted projects.

In order to maintain statistical data on the solicitation and participation of minority and women-owned business enterprises on HOME-assisted projects, OHCS requires project sponsors to identify jobs which have been bid by such enterprises and/or small or disadvantaged business enterprises.

The Oregon Office of Minority, Women and Emerging Small Business maintains a list of eligible MBE WBE businesses on the internet. If internet access is not available to a recipient, OHCS provides the names of MBE WBE businesses located in the project area. It also publicizes the internet availability of the list in the sponsor's reservation letter, and directs the HOME recipient to contact business from the list when soliciting bids. Project sponsors who publicize for bid solicitation are encouraged to publicize advertisements for bids and requests for proposals in newspapers serving minority and women-owned business enterprises (MBE WBE).

OHCS requests that recipients direct jobs, training, and contracting opportunities to businesses owned by, or employing low and very low income residents. HOME recipients are encouraged to provide bidding opportunities to Section 3 firms. Recipients are also encouraged to request the general and sub-contractors working on a HOME-assisted project to hire low income persons within the project area if there are job openings due to the project's construction. HOME recipients are required by the Department to report on their activities in attempting to employ Section 3 firms or individual workers.

The number of MBE WBE firms used on HOME projects rose in 2005, as did the number of contracts using Section 3 workers. The following table illustrates the most recent five year totals:

| 2005 CAPER<br>WBE/MBE Participation |      |      |      |      |      |      | 12   |
|-------------------------------------|------|------|------|------|------|------|------|
| Year                                | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 |
| MBE WBE                             | 20   | 17   | 34   | 28   | 20   | 11   | 15   |
| Section 3                           | 14   | 18   | 6    | 19   | 16   | 24   | 33   |

**Assessment**

One of the barriers to more complete use of MBE WBE certified construction workers in our projects is the shortage of certified firms in many of the regions where our projects are being built. The HOME funds controlled and distributed by the Department are set aside for the rural areas of the state. Because the majority of certified MBE WBE construction firms are in urban Oregon, our rural sponsors and owners have some difficulty finding tradesmen listed who are close enough to the job sites to be realistically considered for employment.

Comments follow from Agencies and Contractors are in the Attachments with the Section 3 Report.

OHCS monitors project sponsors, both in the office and in the field, to determine their compliance efforts in promoting the use of minority and women-owned business enterprises. OHCS continues to work closely with HOME recipients to ensure these actions are carried out. OHCS staff consults by phone or in person with each HOME recipient as needed after grant award and explains the obligations of the HOME program. During these conversations, the recipient is advised of the fair housing and affirmative marketing requirements. Copies of fair housing and affirmative marketing policy formats are provided to the developer after funding is reserved, and copies of the fair housing poster and an EEO poster are included with the HOME project sign reminder letter to the developer.

**III.D. Monitoring Affordable rental housing**

The project sponsor is ultimately responsible for the ongoing compliance of HOME program regulations and standards during the period of affordability. Hiring a management agent or on-site manager does not relieve the sponsor of this responsibility. Housing Programs Management section monitors the projects to ensure the sponsor continues to meet the requirements outlined in the HOME Grant or Loan Agreement.

### HPM Physical Inspections

The HPM Section conducts an on-site visit a minimum of once a year for projects consisting of more than 25 total units, and once every two years for projects with 1-25 units. Approximately 90 HOME projects were visited during the calendar year 2004. During the on-site visit, the Compliance Officer assigned to the project completed an inspection of the buildings, the grounds, and 20% of the units to ensure that the project is being maintained in accordance with HUD property standards. If the project consisted of more than one building, monitoring staff were instructed to make attempts to schedule at least one unit inspection in each building (this is a HUD recommendation rather than requirement).

Most projects visited in 2005 were in good condition. The majority of inspection findings reported by OHCS staff related to tenant-caused problems in the units, i.e., tenant items too close to heat sources, and tenant damage and housekeeping issues, and minor exterior deferred maintenance. These issues are common in property management, owners/tenants are quick to correct deficiencies, and overall, OHCS HOME projects are maintained and managed as well as, or better than, average open market projects.

### **Owner Physical Inspections**

OHCS requires that owners certify annually, via the OHCS required form "Owners Annual Certification of Compliance" that HOME assisted and HOME-Like units are in compliance with program regulations. Owners are also required to maintain records demonstrating compliance. OHCS requires that each HOME assisted and HOME-Like unit be inspected annually by the owner or the owner's representative, and that the individual completing the inspection(s) be knowledgeable of the required property standards as set forth in program regulations and OHCS guidance Handbooks and memorandums. The owner must make available all inspection records to OHCS staff upon request.

### Lead-Based Paint:

Projects originally constructed prior to 1978 (Pre-1978 projects) may be subject to requirements for assessment, evaluation, and/or mitigation of lead-based paint, per federal regulations as codified in 24 CFR Part 35. Compliance Officers will verify, through examination of project documents, if ongoing monitoring for lead-based paint is required for Pre-1978 projects, and implement and/or advise project owners of monitoring requirements.

### Tenant Eligibility/File Audits:

HPM, at a minimum, will audit 20% of tenant files at each scheduled site visit, for tenants occupying HOME-assisted and HOME-Like units. File audit standards used by HPM are codified at 24 CFR Part 5. Guidance provided for the implementation of the standards in Part 5 are outlined in HUD Handbook 4350.3. Owners are required by OHCS to establish initial and ongoing tenant eligibility using the guidance found in Handbook 4350.3, in combination with HUD's published annual income limits. In addition, the OHCS "HOME Compliance Manual" 2003 edition, lists recommended and required forms for use in the income eligibility process. HPM file audits for 2005 revealed few instances of ineligible households occupying HOME units. The majority of file findings reported by OHCS staff were related to the need for additional documentation in the files to clarify income calculations, Late signature dates, Missing HOME Tenant Income Certifications, Failure to follow up on possible Child Support income and late annual certifications.

### Management Activities/Rental and Lease Requirements:

HPM requires prior approval for all changes in Management. HPM reviews and approves initially all new Management Agreements and attachments (i.e., leases, house rules, tenant selection criteria, etc.) to ensure HOME Program compliance. After approval, all subsequent modifications to documents and procedures by ownership/management are examined by HPM to ensure compliance.

## **SECTION IV. HOPWA Narrative**

### Overview of Accomplishments:

The Oregon Housing Opportunities in Partnership (OHOP) is designed to assist people living with HIV/AIDS in creating a continuum of stable, sustainable housing. The Oregon Department of Human Services, HIV Client Services Program, directly administers OHOP in addition to the Ryan White Title II program. OHOP is funded under grants from the Department of Housing and Urban Development (HUD), Housing Opportunities for Persons with AIDS (HOPWA).

OR-H04-0031: December 1, 2002 – June 29, 2005 (Grantee: DHS)

OR-H04-0013: June 30, 2005 – June 29, 2008 (Grantee: DHS)

OR-H02-0004: August 1, 2003 – July 31, 2006 (Grantee: OHCS)

OR-H05-F999: January 1, 2005 (Grantee: OHCS)

In the past year the OHOP program accomplished the following:

- Utilizing other non-formula HOPWA funds, the OHOP program provided scattered site tenant-based rental assistance to eligible individuals and family units who resided in settings ranging from frontier to urban areas throughout the geographically and culturally diverse OHOP service area. This area includes all 31 Oregon counties outside of the Portland Metropolitan Area. Four regional housing coordinators provided tenant-based rental assistance and worked directly with program clients and their Ryan White Title II HIV case managers in each county. This close partnership allows the OHOP program to leverage the supportive services of the Ryan White Title II case managers to maximize HOPWA dollars available for rental assistance.
- Department of Human Services (DHS), HIV Client Services reviewed the OHOP program performance in the first two years and identified areas where improvement could be made. As a result, on July 1, 2005, the program was officially transferred from OHCS to DHS to directly administer in conjunction with the Ryan White Title II program. This change has resulted in stronger partnerships and collaborations with local HIV case managers, new partnerships with community-based organizations, improved processes and enhanced administrative oversight.
- As a result of the program transfer from OHCS effective July 1, 2005, the DHS, HIV Client Services Program hired four replacement housing coordinator staff to work in partnership with the HIV case managers and assist clients in accessing and securing suitable rental housing. Additionally, the program hired a new program coordinator to provide ongoing guidance to OHOP staff, build new partnerships with housing agencies, landlords and correctional facilities and expand program capacity. All staff received extensive training and continues to receive on-site assistance when needed.

- The OHOP program revised and expanded the program policies and procedures manual in June 2005. Policy revisions were reviewed and edited by AIDS Housing of Washington, HUD, OHCS and the Fair Housing Council of Oregon. The final document was distributed to all HIV case managers in October 2005 and are available on-line for clients, housing agencies and other key partners. The policies and procedures have improved program processes and provide consistent guidance to OHOP staff, landlords and clients.
- The DHS HIV Client Services Program and OHCS collaborated to strengthen OHOP client access to additional leveraged resources, including direct access to Low-Income Energy Assistance Program funds and coordination of Emergency Shelter Grant Program, Home TBA and Weatherization resources directed toward OHOP-eligible clients.

**Barriers- Any barriers or difficulties that were encountered in implementing the program, including residents' concerns, and actions that were taken to address those issues**

- The OHOP program faces drastic funding reductions over the next three years. As a newly announced formula area in Oregon, the program became ineligible to renew the two competitive grants currently supporting approximately 100 clients with scattered site TBRA. The first competitive is due to end June 29, 2005 and the second on June 29, 2008. The formula funding received by HUD is approximately 50% less annually than the current funding available. This reduction will have a significant impact on the housing assistance available to persons living with HIV/AIDS in the State of Oregon as Housing Choice Voucher program waiting lists continue to grow. In the coming year the program will seek assistance from HUD regarding additional funding opportunities.
- The Housing Choice Voucher and public housing programs at nearly all Oregon local housing authorities continue to maintain increasingly long waiting lists, as current need for affordable housing far exceeds availability. Some local housing authorities no longer maintain waiting lists for their Housing Choice Voucher program all together. As waiting list time increases for these essential programs, fewer clients transition quickly from OHOP program assistance to programs administered by local housing authorities.
- The need for OHOP program TBRA also exceeds currently available resources, and the OHOP program has maintained a waiting list of 30-60 clients in all of the last year. The waiting list ranks clients based on assessed need for program assistance, and even clients who are currently homeless often face many months on the waiting list before program slots become available.
- Clients, especially those in coastal and resort communities experience significant difficulty find housing available at current fair market rents. As a result of severe budget cuts, many local housing authorities have elected to establish even lower local payment standards. Support for space rental for clients living in manufactured homes is nearly impossible, as few, if any manufactured home parks provide space rental at rates low enough to meet FMRs. Rental housing prices continue to rise throughout Oregon, further exacerbating clients' ability to find and secure decent housing at or below FMRs and local payment standards

**Recommendations- Any recommendations that you may have for program improvements, including procedural, regulatory, or other changes, and how such improvements would assist eligible persons**

- Current HUD guidance disallows HOPWA-funded TBRA for clients living in recreational vehicles, which are frequently one of very few affordable housing options in coastal and resort communities in Oregon. The amendment of previous HUD guidance to allow TBRA for clients living in recreational vehicles that otherwise meet habitability standards would increase the ability of clients to secure stable affordable housing.
- The OHOP program recently requested changes to the Oregon Consolidated Plan to diversify program activities available under the formula grant. The addition of supportive services (specifically assistance in paying move-in deposits) and STRMU activities will allow the OHOP program to offer a broader continuum of services to eligible clients.
- Ongoing development and implementation of OHOP program policies and procedures will strengthen and further standardize program services for clients, while maintaining the ability of housing coordinators to respond to individual client needs.
- Development and implementation of an OHOP program quality management plan, including ongoing monitoring and review of housing coordinator activities, formal program evaluation activities, and development and implementation of an integrated electronic client database, will identify additional areas for improvement and further planning priorities.

| 2005 CAPER   |  | 13        |
|--|--|-----------|
| Summary of HOPWA Program Expenditures                      |  |           |
| HOPWA Funding Available                                    |  |           |
| 1. Unexpended HOPWA funds at end of previous report period |  | NA        |
| 2. Amount of HOPWA grant received during period            |  | \$321,000 |
| 3. Program income  |  | \$0       |
| 4. Total of HOPWA funds available during period            |  | \$321,000 |
| HOPWA Expenditures   |  |           |
| 5. Expenditures for Housing Information Services           |  | \$0       |
| 6. Expenditures for Resource Identification                |  | \$0       |
| 7. Expenditures for housing assistance                     |  | \$0       |
| 8. Expenditures for supportive services                    |  | \$0       |
| 9. Grantee administrative costs                            |  | \$0       |
| 10. Project sponsor administrative costs                   |  | \$0       |
| 11. Total HOPWA funds expended                             |  | \$0       |
| 12. Balance of HOPWA funds at end of report                |  | \$321,000 |

\* Formula HOPWA funds were available to the State on January 1, 2005. Formula funds were not expended in 2005.

## **SECTION V. ESG Narrative**

### **Actions taken to prevent homelessness**

For Program Year 2005, OHCS leveraged its \$233,673 of ESG allocation with the State's EHA, HSP, and SHAP funds totaling \$2,039,810 million to address funding gaps for homeless prevention programs. OHCS has formed a partnership with 16 Community Action Agencies in the state that provided the following homeless prevention activities to over 17,169 low-income individuals and families: short term subsidies for unpaid rent and utility bills, security deposits or first months rent to permit the homeless to move into their own apartment, mediation programs for landlord - tenant disputes, legal services to prevent eviction, payments to prevent foreclosures and innovative programs designed to prevent the incidence of homelessness. The State allowed local determination of funding for this activity not to exceed 30% of the local agency's allocation.

### **Actions to address emergency shelters and transitional housing needs**

OHCS continued to fund emergency shelter and transitional housing activities through the use of ESG and SHAP funds. \$421,813 of ESG funds and \$898,904 of the State's SHAP funds were used to pay for provision of essential services to the homeless, and maintenance and operational costs for emergency shelters and transitional housing. Payments for maintenance and operational costs included: rent, repairs, security, fuels and equipment, insurance, furniture, utilities and maintenance of the facility. In geographic areas that lacked enough or any shelters these funds were used for voucher payments to motels/hotels to shelter the homeless.

The provision of essential services to the homeless included: assistance in obtaining permanent housing, medical and psychological counseling and supervision, employment counseling, nutritional needs, substance abuse counseling and treatment and assistance in obtaining other resources for similar activities, other services such as child care, transportation, job placement and training, and staff salaries to provide these services. \$237,930 of ESG funds were used on the provision of essential services. The State allowed local determination of funding for this activity not to exceed 30% of the local agency's allocation.

### **Actions to assist transitional housing**

ESG funds were used with supportive housing dollars to add scattered site transitional housing units with case management services for homeless families and individuals throughout 11 of the 15 rural regions in Oregon. A portion of the State's EHA dollars was used to provide additional case management services to homeless families and individuals transitioning towards stabilized housing. OHCS has worked with subgrantees to link EHA dollars with HOME TBA dollars.

### **Federal Resources**

Please refer to the various tables for detail of the ESGP funding.

### **Assessment of Five-Year Goals and Objectives:**

One of the strategies for using federal resources to address homeless and homeless prevention goals, objectives, and priorities established in the State's Consolidated Plan 2001-2005 (#4) was to "support and facilitate an active and effective regional Continuum of Care planning and delivery system focusing on a comprehensive approach to housing and service delivery to people who are homeless and near homeless".

In developing the strategy the State addressed the following issues:

- Expand the supply and effectiveness of emergency shelter and transitional housing to alleviate the problem of homelessness;
- Increase participation in the One Night Shelter Count process;
- Encourage increased cooperation and collaboration at the regional level between shelter providers and agencies offering supportive services;
- Expand the effectiveness of services and housing options designed to prevent homelessness; and
- Seek way to address the systematic causes of homelessness.

**Objective No. 1:**

The State of Oregon will use Emergency Shelter Grant Program (ESGP) funds for continued operation of existing shelters. ESGP funds will be linked with supportive housing dollars to add scattered site transitional housing units with services and permanent housing units for homeless individuals and families throughout 11 of the 15 rural regions in Oregon.

Addressed Issues:

1. For Program Year 2005, the State expended \$421,813 of ESGP allocation along with \$1,355,875 of the State Emergency Housing Account (EHA) and State Homeless Assistance Program (SHAP) funds to expand the supply and effectiveness of emergency shelters and transitional housing.
2. The One Night Shelter Count Advisory Committee has made a strong recommendation to expand the level of participation in the homeless one night shelter count to include faith-based charities to participate in order to get an accurate numbers. In addition to expanding the scope of the providers who participate in the survey, the Committee for the January 2005 Count revised the format to begin collecting data and track the number of chronically homeless individuals in shelter on any given night. On January 31, 2005, of the 10,528 individuals that were homeless that night, 1,575 (14.96%) met the federal definition of Chronic Homeless. In addition, we continue to see an increase in the number of participants in the Statewide One Night Shelter Count.
3. The State continues to adopt the policy of cooperation and collaboration at the regional level between shelter providers and agencies providing supportive services by working closely together and coordinating their efforts to address the homeless problems in their community. There are over 200 non-profit service providers and governmental agencies throughout Oregon that works closely together and coordinates their efforts to providing emergency housing and supportive services to the homeless. Services offered are sometimes very basic from emergency shelter to meal programs and others provide counseling, help in finding employment, medical care, and general life-skills training. Part of that medical support services included funding medical and mental health clinics for the homeless in rural areas of the state. CDBG funds were used to provide funding for the public facilities reported in Attachment I.
4. The State continues to use the ESGP allocation combined with EHA and HSP funds to expand the effective activities designed to provide financial assistance and supportive services in order to prevent families and individuals from becoming homeless. For Program Year 2005, \$233,673 of ESGP funds combined with \$1,582,839 of EHA and HSP funds was expended to increase the effectiveness of services and housing options designed to prevent homelessness. The eligible activities include short-term subsidies to defray rent and utility payment for households that have received eviction or utility termination notices; security deposits or first month's rent to permit a homeless family to move into its own apartment; payments to prevent foreclosure on a home; legal services for the representation of indigent tenants in eviction proceedings and mediation programs for landlord tenant disputes.

The State continues to address the causes of homelessness. There are many causes of homelessness but two remain as the primary causes: income and cost of living associated with housing, childcare, healthcare, and food.

5. The State continues to address the causes of homelessness. There are many causes of homelessness but two remain as the primary causes: income and cost of living associated with housing, childcare, healthcare, and food.

In September 2000, the Oregon Housing and Community Services sponsored a study by the University of Oregon, Department of Planning, Public Policy and Management in Community Planning Workshop. According to the study, the cost of living is rising faster than the income of the working poor and the

minimum wage is not sufficient for the cost of living suggesting that the state economy is not creating enough jobs with livable wages.

**Table 17-Summary on the Use of ESG funds**

The following table provides a list of ESGP expenditures by our subgrantees between January 1, 2005 and December 31, 2005 under each category of eligible activities.

In September 2000, the Oregon Housing and Community Services sponsored a study by the University of Oregon, Department of Planning, Public Policy and Management in Community Planning Workshop. According to the study, the cost of living is rising faster than the income of the working poor and the minimum wage is not sufficient for the cost of living suggesting that the state economy is not creating enough jobs with livable wages.

**Table 16-Summary on the Use of ESG funds**

The following table provides a list of ESGP expenditures by our subgrantees between January 1, 2005 and December 31, 2005 under each category of eligible activities.

| 2005 CAPER<br>Summary on the Use of ESGP Funds |          |           |                         |            |                    | 14                 |
|--|----------|-----------|-------------------------|------------|--------------------|--------------------|
| Subgrantee                                     | Admin    | Operation | Operational Staff Costs | Prevention | Essential Services | Total Expenditures |
| ACCESS   | \$1,890  | \$13,899  | \$0                     | \$41,849   | \$17,945           | \$75,582           |
| CAPECO   | \$969    | \$5,283   | \$3,324                 | \$19,174   | \$10,002           | \$38,751           |
| CAT  | \$1,047  | \$36,070  | \$0                     | \$1,423    | \$3,319            | \$41,857           |
| CCN  | \$590    | \$7,010   | \$0                     | \$15,989   | \$0                | \$23,588           |
| COCAAN   | \$1,589  | \$32,507  | \$2,533                 | \$8,334    | \$18,589           | \$63,551           |
| CSC  | \$2,250  | \$77,220  | \$0                     | \$6,744    | \$3,776            | \$89,989           |
| HARNEY   | \$102    | \$0       | \$0                     | \$3,955    | \$0                | \$4,056            |
| JOCO   | \$1,051  | \$4,517   | \$0                     | \$28,291   | \$8,162            | \$42,022           |
| KLCAS  | \$1,207  | \$43,862  | \$0                     | \$3,199    | \$0                | \$48,267           |
| LANHHS   | \$4,735  | \$70,209  | \$3,650                 | \$28,024   | \$82,767           | \$189,384          |
| MCOA   | \$466    | \$17,720  | \$456                   | \$0        | \$0                | \$18,641           |
| MIDCAC   | \$450    | \$1,199   | \$0                     | \$8,589    | \$7,764            | \$18,001           |
| MWVCAA   | \$3,705  | \$37,930  | \$0                     | \$53,608   | \$52,968           | \$148,211          |
| SWOCAC   | \$970    | \$25,750  | \$0                     | \$0        | \$12,065           | \$38,785           |
| UCAN   | \$1,222  | \$10,345  | \$2,250                 | \$14,498   | \$20,576           | \$48,890           |
| YCAP   | \$669    | \$23,884  | \$2,200                 | \$0        | \$0                | \$26,753           |
| State Only Administration                      | \$23,496 |           |                         |            |                    | \$23,496           |
| <b>TOTAL</b>                                   | \$46,403 | \$407,401 | \$14,412                | \$233,673  | \$237,930          | \$939,820          |

The table below demonstrated how the State complied with CFR 576.51 by leveraging its 2005 ESG funds with various State funds:

- \$898,904 of the SHAP funds provided operational costs for emergency and transitional shelters as well as case management and other essential social services.
- \$ 1,747,296 of the EHA funds were used to provide emergency shelter and services, transitional housing services, supportive services as well as emergency payments of rent, mortgage, utilities, rental deposits, and other needed services for those who were homeless and/or at risk of being homeless.
- \$ 292,514 of the HSP funds were used to provide emergency shelter and services, transitional housing services, supportive services as well as emergency payments for rent, mortgage, utilities, rental deposits, and other social services needed to assist families with children who were homeless or at risk of being homeless.

| 2005 CAPER<br>ESGP Leveraging |                  |                    |                  |                  | 15                 |
|-------------------------------|------------------|--------------------|------------------|------------------|--------------------|
| Subgrantee                    | ESG              | EHA                | SHAP             | HSP              | Total Allocation   |
| ACCESS                        | \$75,582         | \$156,384          | \$68,073         | \$26,180         | \$326,219          |
| CAPECO                        | \$38,751         | \$73,405           | \$35,435         | \$12,289         | \$159,879          |
| CAT                           | \$41,857         | \$79,650           | \$35,350         | \$13,334         | \$170,191          |
| CCN                           | \$23,588         | \$49,964           | \$21,555         | \$8,364          | \$103,472          |
| COCAAN                        | \$63,551         | \$111,806          | \$53,499         | \$18,717         | \$247,572          |
| CSC                           | \$89,989         | \$186,296          | \$79,228         | \$31,188         | \$386,701          |
| HARNEY                        | \$4,056          | \$6,845            | \$3,215          | \$1,146          | \$15,262           |
| JOCO                          | \$42,022         | \$75,929           | \$34,616         | \$12,711         | \$165,278          |
| KLCAS                         | \$48,267         | \$78,762           | \$40,915         | \$13,185         | \$181,129          |
| LANHHS                        | \$189,384        | \$324,572          | \$162,520        | \$54,336         | \$730,812          |
| MCOA                          | \$18,641         | \$38,455           | \$16,989         | \$6,438          | \$80,523           |
| MIDCAC                        | \$18,001         | \$39,301           | \$16,430         | \$6,579          | \$80,311           |
| MWVCAA                        | \$148,211        | \$302,876          | \$137,525        | \$50,704         | \$639,315          |
| SWOCAC                        | \$38,785         | \$78,876           | \$35,004         | \$13,205         | \$165,869          |
| UCAN                          | \$48,890         | \$88,384           | \$44,826         | \$14,796         | \$196,896          |
| YCAP                          | \$26,753         | \$55,791           | \$113,725        | \$9,340          | \$205,610          |
| <b>TOTAL</b>                  | <b>\$916,325</b> | <b>\$1,747,296</b> | <b>\$898,904</b> | <b>\$292,514</b> | <b>\$3,855,039</b> |

Note: The State's share of program administration dollars are not leveraged and are therefore, not reflected in this table.

**Self Evaluation:**

For Program Year 2005, OHCS used its ESG allocation in accordance with the Stewart B. McKinney Homeless Assistance Act, and to meet the homeless needs, goals, and objectives identified in the State of Oregon Consolidated Plan for 2001-2005.

The State entered into agreements with 16 subrecipients requiring that they use the ESG funds for the following activities: operational expenses, the provision of essential services, homeless prevention or rehabilitation of shelter facilities. In turn, the 16 subrecipients funded 45 homeless shelters and service providers to provide the emergency assistance needed for homeless and at-risk individuals and families in their community. A total of 15,016 people were served for shelter and other emergency support services under the ESG program for 2005.

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The Oregon Housing and Community Services (OHCS), in order to comply with the Emergency Shelter Grant (ESG) application requirements under 24 CFR 576.51, has adopted a process of awarding its ESG funds to eligible subrecipients. As part of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988, it allowed states to distribute ESG funds directly to private not-for-profits organizations if certification from the local government approving the proposed projects.

**Method of Distribution**

ESG funds are distributed in rural regions of the state. Factors for determining the distribution formula to subgrantees include populations based on the poverty level, unmet assisted housing need, migrant and seasonal farm workers data and the homeless population based on the one night shelter count biannual data in each geographic region of the state. These subgrantees, primarily community action agencies and regional governments, must demonstrate the capacity to provide community-based services and undertake anti-poverty initiatives in order to receive ESG funds. Each Community Action Agency uses a community-based needs assessment to develop advocacy and service priorities that provide services designed specifically for their own community. The activities and services vary by agency, depending on the needs of the community, local resources, and the opportunities for collaboration and partnership with business, private non-profit organizations and state and local government. In addition, each subgrantee must coordinate a local planning process that identifies local priorities based on the needs and gaps in homeless services before an award can be approved. This process is conducted annually for the Supportive Housing Continuum of Care Application and biannually for the State Omni Plan Process. We also consider factors such as capacity of the service providers and shelters to provide the services, the type of activities provided, number of homeless or at-risk individuals to be served, coordination with other providers, cost effectiveness, and administrative capacity.

**Summary Of Limited Use of Funds Under Each Eligible Activities**

ESG funds were administered according to applicable federal requirements and regulations. For program year 2005, the table below illustrates the State was in compliance with the statutory requirement Title 42 of the US Code 42 U.S.C. 11374 (a) (2-5) by staying within the maximum requirement for each eligible ESG activities:

| <b>Eligible Activities</b> | <b>Maximum Requirement</b> | <b>Actual Percentages</b> | <b>Amount Expended</b> |
|----------------------------|----------------------------|---------------------------|------------------------|
| Administration             | 5 %                        | 4.93%                     | \$ 46,403              |
| Essential Services         | 30%                        | 25.31%                    | \$237,930              |
| Homeless Prevention        | 30%                        | 24.86%                    | \$233,673              |
| Operation (staff cost)     | 10% staff costs            | 3.41%                     | \$ 14,412              |

OHCS expends no more than 2.5 percent of the ESG appropriation for administrative costs. The other 2.5 percent is appropriated to the subgrantees as their administrative costs.

#### Matching Requirement

The ESG subgrantees were able to obtain matching resources from other funding sources to leverage against the ESG 2005 funds . (Please refer to Table 17)

#### Drawdown Status

Through submission of the Financial Status Report, OHCS is able to measure the subgrantee's drawdown rate on a quarterly basis to ensure that they are expending funds accordingly. If a subgrantee is found to have low drawdown rate at the critical time of the program, OHCS will notify the subgrantee of its status and request that a plan be submitted to reach the acceptable level of expenditures.

#### Monitoring

OHCS conducts an annual on-site monitoring of all subgrantees and selected service providers to ensure that they are in compliance with ESG program rules and regulations.

We require subgrantees and its service providers to submit an Annual Provider Report to show the accomplishments and the number and type of clients served by each ESG project. The annual report conforms with the ESG Beneficiary Report developed for IDIS.

## **SECTION VI. Public Participation**

Oregon continues to follow Federal and State law, as well as internal Citizen Participation Plans. Availability of the CAPER is published in at least three newspapers , posted on the OHCS web site, and notice is broadcast to literally scores of public, non-profit, and for profit entities involved in housing and community development. Further detail of the distribution can be found in Attachment C

## **SECTION VII IDIS Reports**

IDIS reports are included in Attachment D

## **SECTION VIII ATTACHMENTS**

- A) Plan for Compliance with CPD 03-09
- B) HOME Project Sampler
- C) Citizen Participation
  - Notice
  - Comments
  - Responses
- D) Match Report
  - Section 3 Report
  - MBE/WBE Report
- E) Oregon 2005 Non-Entitlement Allocations
- F) Oregon 2005 Non-Entitlement HOME Allocations
- G) Oregon 2005 Non-Entitlement Projects Completed
- H) Oregon 2005 Non-Entitlement HOME Projects Completed
- I) OECDD Performance reporting plan for CDBG funds

Also, please visit their web site at <http://www.econ.state.or.us/>