

# STATE OF OREGON

## CONSOLIDATED PLAN 2011-2015

NOVEMBER 15 2010

Revised



OREGON DEPARTMENT OF HUMAN SERVICES  
OREGON BUSINESS DEVELOPMENT DEPARTMENT  
OREGON HOUSING AND COMMUNITY SERVICES

## ACKNOWLEDGEMENTS

**Honorable Theodore Kulongowski  
Governor, State of Oregon**

**Oregon Housing and Community Development**  
Victor Merced, Director

**Oregon Business Development Department**  
Tim McCabe, Director

**Oregon Department of Human Services**  
Dr. Bruce Goldberg, Director

### Contacts

OBDD - Mary Baker, Program Coordinator, (503) 986-0132  
DHS Annick Bensen-Scott, (971) 673-0142  
OHCS - Loren Shultz, Consolidated Plan Coordinator, (503) 986-008

# CONTENTS

<b>1. General Information</b>	<b>5</b>
A. Geography	
B. Population	
C. Economy	
D. General Housing Markets	
E. Lead Agency	
F. Significant Aspects of Process	
G. Jurisdiction	
H. Income classifications	
<b>2. Housing and Homeless Needs Assessment</b>	<b>15</b>
A. General	
B. Categories of Persons Affected	
C. Homeless Needs	
D. Other Special Needs	
E. Lead-based Paint Hazards	
<b>3. Housing Market Analysis</b>	<b>33</b>
A. General	
B. Supply	
C. Condition	
E. Cost	
F. Homeless Housing	
G. Special Needs Housing and Services	
<b>4. Strategic Plan</b>	<b>42</b>
A. Introduction, General info	
B. Affordable Housing	
C. Homelessness	
D. Other Special Needs	
E. Non-housing Community needs	
F. Barriers to Affordable Housing	
G. Lead-based Paint	
H. Anti-poverty Strategy	
I. Institutional Structure	
J. Coordination	
K. Low Income Housing Tax Credits	
L. Public Housing	
M. Monitoring	
N. Fair Housing Action Plan	
<b>5. Attachments</b>	
Separate table of contents	

# 2011 – 2015 OREGON CONSOLIDATED PLAN

## EXECUTIVE SUMMARY 91.300(c)

### **Purpose**

Oregon's Consolidated Plan (ConPlan) is a five-year policy guide for using these programs funded by the U.S. Department of Housing and Urban Development (HUD)

- Community Development Block Grant (CDBG),
- Home Investment Partnerships Program (HOME),
- Emergency Solutions Grant (ESG) as amended by the Homeless Emergency and Rapid Transition to Housing (HEARTH) act of 2009, and
- Housing Opportunities for Persons with HIV/AIDS (HOPWA).

### **Principals**

The Oregon Consolidated Plan is a collaborative process between the Oregon Department of Human Services (now Oregon Health Authority), operating the HOPWA program and Oregon Business Development Department (OBDD) which administers the CDBG program and Oregon Housing and Community Services (OHCS) which administers the HOME and ESG programs. OHCS coordinates preparation of the various documents associated with the Consolidated Plan.

### **Places**

CDBG, HOME, ESG, and HOPWA funds are available from HUD in two broad geographical categories. "Entitlement" grantees are statistical areas in Oregon which receive a dedicated allocation of funding. Multnomah County, Salem-Keizer, and Eugene Springfield are examples. The second broad category is Oregon's less urban and rural areas, considered the "balance of state". This Consolidated Plan covers the four HUD programs in the balance of state. Table A presents a program-by-program chart of coverage.

### **Partners**

Partners are essential in the planning and execution of the four HUD funded programs and represent the very essence of Oregon itself, people. Oregon's list of partners includes, city and county governments, economic development districts and port authorities, private and non-profit housing providers, faith based organizations, other state agencies, Tribes, public housing authorities, and others. Also included are entities which provide services such as weatherization, homelessness prevention and care, counseling, job training, homeownership assistance, HIV/AIDS care, and

more. Groups representing the interests of the elderly, mentally and physically handicapped, victims of domestic violence, veterans, ex-offenders, chronically mentally ill, and others, as well as the general public.

### **Parts of the ConPlan**

The consolidated plan document consists of the following.

- Executive summary
- Housing and community development needs assessment
- Analysis of housing markets
- Strategies, priority needs and objectives
- Annual action plan.

### **Processes of the ConPlan**

The ConPlan process involves these additional elements and documents.

- Citizen Participation Plan and related actions
- Analysis of Impediments to Fair Housing Choice
- 5 year Fair Housing Action Plan
- Annual action plan and CDBG MOD for each of the years in the ConPlan
- Annual report (CAPER) for each of the five years covered
- Program amendments, as needed.

### **HUD Overall Goals**

1. provide decent housing
2. provide a suitable living environment
3. expand economic opportunities primarily for low, very low, and extremely low income persons

### **Oregon Objectives and Outcomes**

- CDBG  
The primary objective of Oregon's CDBG effort is to develop viable communities by providing decent housing and suitable living environment and expanding economic opportunities, principally for low and moderate income persons. Activities in support of this objective will be
  - a) public works (wastewater, water, off-site infrastructure and downtown revitalization),
  - b) public/community facilities (fire stations, libraries, senior centers, health clinics, shelters/workshops for the disabled, domestic violence shelters, emergency/homeless shelters, transitional housing, head starts, food banks, and family resource centers)
  - c) economic development assistance
  - d) micro-enterprise assistance, and

- e) housing rehabilitation.
- f) Emergency projects

- **HOPWA**

The objective of Oregon's HOPWA program is decent housing. The outcome will be affordable housing for HIV/AIDS individuals and families.

- **ESG**

Objectives: Emergency and Transitional Shelter – Suitable Living Environment  
 Essential Services – Suitable Living Environment Homeless  
 Prevention and Move in Assistance – Decent Housing

Outcomes: Emergency and Transitional Shelter – Availability/Accessibility Essential  
 Services – Availability/Accessibility Homeless Prevention and Move in  
 Assistance – Affordability

NOTE: Oregon has considered the current status of knowledge and certainty regarding the HEARTH program and at this time chooses to develop the Consolidated Plan and 2011 Action Plan on the basis of ESG alone. When final HEARTH information becomes available, Oregon will re-evaluate both documents and if warranted, request a program amendment to reflect any needed changes

- **HOME**

Objectives            **decent housing**

**expanded economic opportunities**

Outcomes            **affordable housing through rehab or new construction**

**preservation of housing with project based rental assistance**

**expanded economic opportunities via training delivered**

**through resident services required with HOME funding**

## **Past Performance**

At this writing, Oregon is in the midst of the fifth year of the previous Consolidated Plan. Annual *averages* from the previous years are shown below.

HOME TBA	1,248	Households
HOME multi-family housing	346	units
HOME CHDO operating support	10	CHDOs
ADDI (in combination with State funds)	902	Households
CDBG housing rehab	246	Homes
CDBG public works	10	projects
CDBG public facilities	6	facilities
CDBG micro-enterprise	211	businesses
CDBG regional housing centers	5,380	Households assisted
HOPWA	74	Households
ESG	25,502	Individuals

Greater detail of CDBG performance can be found in Attachment 7, CDBG Proposed Beneficiary Summary

### **Citizen Participation**

Oregon's citizen participation process for the 2011-2015 Consolidated Plan involved the following efforts.

- Oregon held a series of five partner input "round tables" across the state. Oregon utilizes e-mail to directly contact 400 - 500 partners and other interested parties. The list includes all local governments, ports, development groups, Tribes, service providers for special populations, advocates for special populations, state agencies, housing authorities, CDCs, and private and non-profit housing developers.
- Through the Analysis of Impediments process, Oregon held a different set of input sessions across the state, targeting the general public and fair housing advocates. One of the sessions was Oregon's first ConPlan associated electronic meeting. A public hearing was also held for the AI. Meetings were publicized using the direct e-mail approach described in the first bullet, as well as public notices, plus a Spanish language announcement.
- The final draft MOD and Consolidated Plan 30 day comment period and public hearing were publicized as outlined in the first bullet, plus newspaper advertising.

Major citizen and partner comments focused on program specific issues as summarized below.

- Maintain funding for the micro-enterprise program
- Make one-on-one counseling an eligible expense under micro-enterprise
- Make relief nurseries an eligible public facility
- Use a process other than the census to determine income levels

Oregon is making efforts to broaden public participation in the ConPlan process. As mentioned earlier, the first-ever electronic input meeting was held, unfortunately with disappointing results. OHCS has increased its direct e-mail list by approximately one-third. Oregon is in the process of reviewing Limited English Proficiency compliance, and will incorporate the results as appropriate when available.

Please refer to Attachment I for additional information on the Citizen Participation process and the public comment process on the Consolidated Plan, Analysis of Impediments, Citizen Participation Plan and the 2011 Action Plan.

The unknowns of the recession and the uncertainties of the present day economic climate make planning and prognostication a very uneasy exercise. Oregon looks to the next five years as a period of turmoil and transition.

# OREGON

## 2011-2015 CONSOLIDATED PLAN

### Preface

The Oregon Consolidated Plan is formatted to follow the requirements of 24 CFR (Code of Federal Regulations) Part 91. For purposes of reference, applicable Code sections will be identified. Because the plan is formatted to reflect the CFR, some information may be repeated.

Attachments and tables provide supportive detail for the entire Consolidated Plan. Supportive documentation comes from a variety of sources including recent studies and reports, which provide a more current picture of Oregon's needs and trends than the 2000 Census data. In many cases required information must be extrapolated from inconsistent and often incompatible sources. Oregon has made a concerted effort to clearly define when information includes entitlement areas not covered by Consolidated Plan programs. Even though this plan is being composed in 2010, much of the best detailed data for rural areas still comes from the 2000 Census.

Where appropriate, tables are inserted at the point of narrative although some exceptions may occur.

Over 60 sources of *new* data were utilized in preparation of the Consolidated Plan as well as number of sources repeated from the previous ConPlan.

### **GENERAL INFORMATION 91.300**

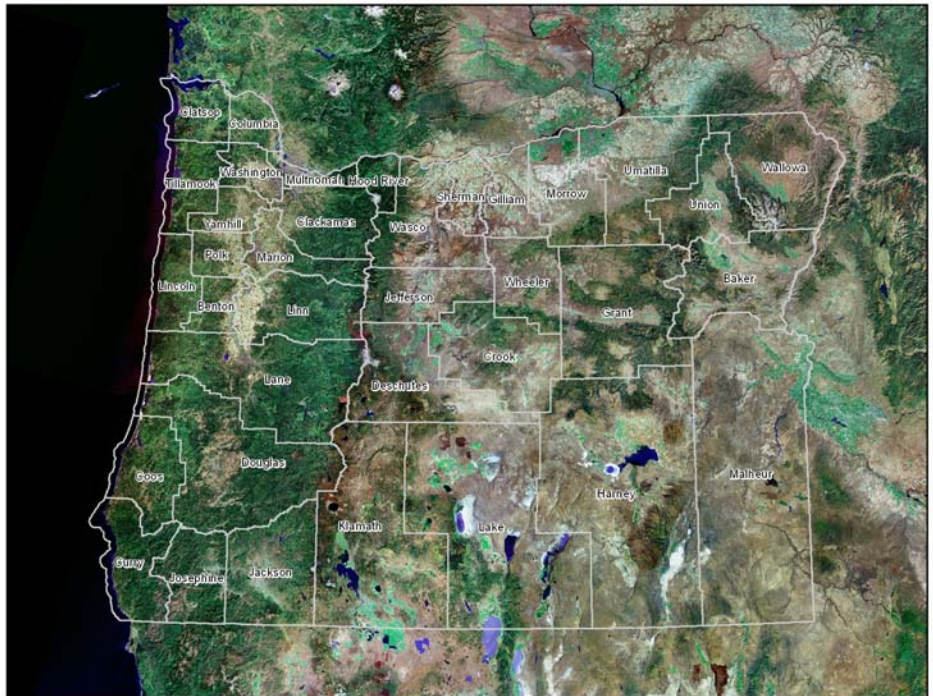
#### Geography

Oregon is blessed with diverse geography and natural features. Ranking as the 9<sup>th</sup> largest state in square miles, Oregon ranks 28<sup>th</sup> in population size and 39<sup>th</sup> in population per square mile. Oregon is bordered on the west by the Pacific Ocean, on the north by the Columbia River and Washington State, on the east by Idaho and shares a border with California and Nevada on the south.

Various sources credit Oregon with as many as 3,928 mountain peaks and 52 mountain ranges. Among the more well known ranges are the Cascades, Coastal Range, Siskiyou, Blue, and Wallowa ranges and the most notable peak, Mt. Hood.

The Oregon Coast, the west half of the Columbia Gorge, and the Willamette Valley are inundated with abundant rainfall (up to 180 inches) from November through May, but are exceptionally dry for the rest of the year. The Cascades create a rainshadow effect which limits rainfall in much of the eastern 2/3 of Oregon to less than 10 inches annually.

Almost half of Oregon is forested and the State's natural features are myriad. Oregon has 1,000 foot ocean cliffs, Hell's Canyon (the nation's deepest), extinct and dormant volcanoes (including Mt. Hood), vast tidal basins and flood plains, rain forest, the Columbia Plateau, Crater Lake (America's deepest), and verdant valleys which support an amazing variety of fruit, vegetable, and nursery stock operations, as well as dairies and wineries.



Oregon boasts 13 national forests, Crater Lake National Park, Steens National Wilderness Area, Oregon Caves National Monument, Oregon Dunes National Recreation Area, over 200 state parks, plus hundreds more county and municipal parks, all celebrating nature's wonder in Oregon.

### Population

The Portland State University (PSU) Population Research Center estimated Oregon's 2009 population at 3,823,465, an increase of 402,066 or 11.6% since 2000. With about 1.5 births for every death, approximately 63% of Oregon's population growth came from net in-migration.

PSU's estimate for 2008-2009 shows population growth at less than 1%. Since 1960 only four years showed a smaller growth rate. Six of Oregon's counties showed a higher rate of increase. Multnomah, the most populous county had exactly the state growth of 0.9% and the remaining 29 counties were worse, including 8 very rural

counties which had no growth, or actually lost population. The PSU estimates show 70% of Oregon's population growth came from in-migration.

Growth occurred largely in metropolitan counties, making Oregon more urban and less rural. Compared to the nation where 17% of the population lives in non-metro areas, 23% of Oregon's population lives in non-metro areas (data from the Bureau of Economic Analysis, Regional Economic Information System).

Median age increased from slightly under to slightly over national average of 35.3. Average household size did the same. At 86.5%, Oregon's white population is about 10 percentage points higher than that of the nation and its black/African American population, at 1.6% is about 10 percentage points lower. In all other categories listed in the 2000 Census "Quick Facts" Oregon closely mirrors national percentages.

### Economy

In past years Oregon has made a concerted effort to diversify from an economy based on resources. Progress towards that goal included a strengthening of services, manufacturing, and technology among other industries.

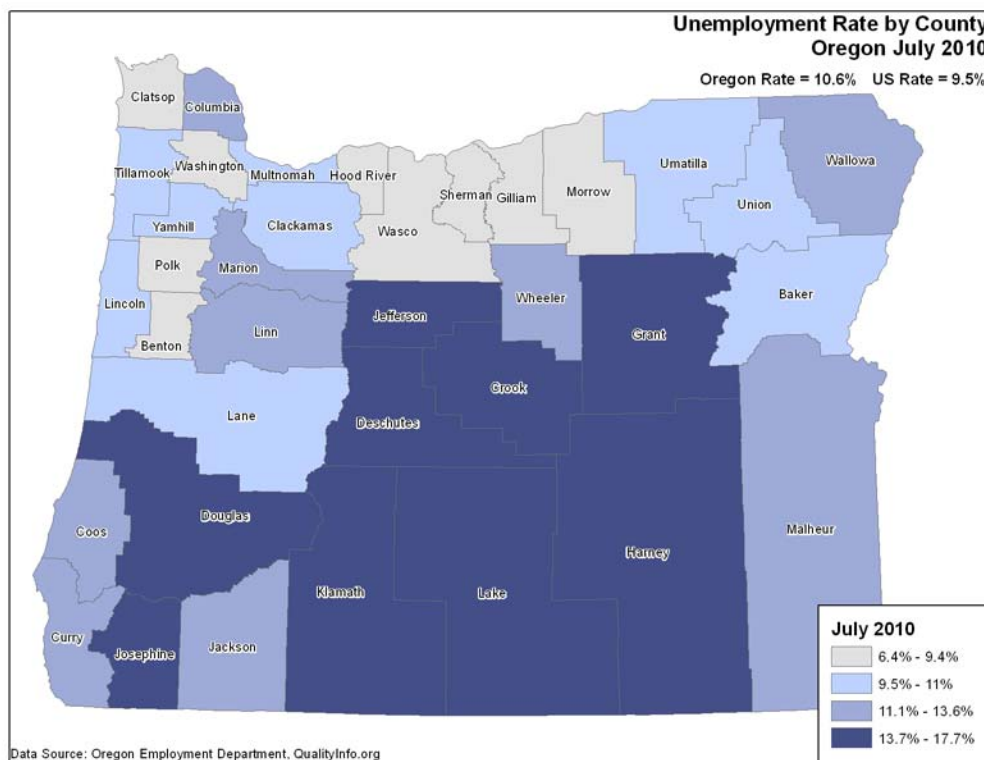
Oregon remains among national leaders in forestry products, fruit, berries, nuts, hops, nursery stock, and grass seed, plus salmon and other fish products. Oregon agriculture remains versatile with a wide variety of other crop and livestock outputs. The quality of Oregon wines gains widespread currency with each passing year.

Intel, Nike, Jansen, Hewlett-Packard, Tectronix and myriad other well known firms support the Oregon economy with facilities and employment. They are joined by a far-ranging group of companies large and small which help stabilize Oregon's economic base. After including all sectors, Oregon's gross domestic output for 2007 was over \$158 billion.

Impacts of the national recession that began in December of 2007 continue to be felt today. Housing market issues were a major factor in the recession. Speculation and subsequent devaluation of mortgage backed securities led to huge losses by financial institutions. Subprime mortgage lending led to an unprecedented level of foreclosures throughout the country. As the recession spread globally, international trade fell sharply. As commerce and production slowed, businesses relied on existing inventories and reduced their labor force. Despite federal stimulus efforts, the US unemployment rate of 5% in January of 2008 grew to 10.1% by October of 2009. In recent month there have been signs of recovery, yet economic growth has been limited, incomes have remained depressed, and high unemployment continues.

Oregon mirrors the U.S. economy in many respects. The national recession impacts Oregon's economy and the state's economy will not recover without a national recovery. While Oregon did not have as many subprime mortgages as other states, it has been impacted by the reduction in international trade. The overall better performance in the housing market in the past six to nine months, measured by the level of sales and new construction permits, has been largely influenced by the steep price declines and the first-time homebuyer credit. As the credit expires for the second time, following an extension through mid-2010, expectations, both in terms of level of sales and prices, remain weak in the near-term for most markets. An oversupply of homes remains a concern plus additional foreclosures are projected to continue to place downward pressure on prices in the face of weak buyer demand.

The unemployment rate in Oregon is still well above 10 percent and has been there for the last sixteen months. Oregon's unemployment rate is higher than the national average and one of the higher rates in the country. Although the job numbers showed some improvement in the first quarter of 2010, there is still considerable weakness in several labor sectors. To avoid layoffs, many workers have taken reductions in pay and/or hours. As incomes fall, individuals incur more debt and have more challenges in paying mortgages and other obligations.



Credit market difficulties have slowed the issuance of housing bonds. Over the past two years, markets tightened as adjustments were made for suspect subprime lending practices and mortgage backed security speculation. More recently, the prolonged national and global economic downturn has brought challenges to issuers, lenders, investors, and borrowers. Market uncertainty has increased the cost of long term issuance. Issuers with significant amounts of variable debt outstanding face more challenges in today's market and subsequently are subject to increased scrutiny by rating agencies.

State revenues across the nation, particularly sales, personal income, and real estate transaction tax collections, are falling below budgeted forecasts in many cases. While the housing market downturn was the initial catalyst for the revenue decline, broader economic deterioration means trouble for sustaining state revenue streams. Oregon and other states are adjusting by making operating and capital spending cuts, in some cases dramatically so, in addition to drawing down reserves.

State and local housing finance agencies (HFAs) could experience downward pressure on earnings in the medium- to long- term if barriers to market access persist and decrease the growth of lending programs, or if economic conditions lead to higher single family mortgage losses or lower housing project rents.

Though the nation's economy is slowly rebounding from the economic downturn, data suggest the recovery will be largely a "jobless" one. Oregon is very hopeful that the recovery is finally spreading to most sectors and employment has turned the corner, although it appears that Oregon's recovery will lag behind the national recovery. Oregon's April 2010 job report, though not as robust as the U.S., was encouraging due to the non-manufacturing sector adding jobs. Although the bulk of jobs gains in April were due to federal government Census hiring, the report was still positive for the rest of Oregon's employment sectors. Oregon also faces downside risks similar to the U.S.. Housing is still quite weak and commercial real estate is having a tough time. Some regional banks appear to be turning the corner while others still face tough times ahead. With Oregon exports growing in the Pacific Rim, questions about the health of the Chinese economy could slow this positive influence on our economy.

Although the housing sector is seeing some new life, the sector is still quite fragile and starts and sales are not very strong. Commercial real estate also remains weak and the health of regional banks is in question. The problems in other countries remind us that all is still not resolved in financial markets. As employment revives, though, housing sales and starts should begin to turn up on a sustained basis.

Credit markets are easing, but consumers and businesses still have difficulty getting loans. To the extent that credit markets take longer to come back to some state of normalcy, the current recovery could be slower than projected or thrown off track. Housing and commercial real estate may take longer for credit conditions to improve.

Oregon has been unable to sell bonds at a rate competitive with mortgages available from private lenders. Plus, Oregon has not been able to issue the type of bonds that generate funds for down payment assistance and as a result, has had to suspend its Residential Loan program. Even with the implementation of the Federal New Issuance Bond Program which lowers the cost of issuing bonds, it is uncertain when market conditions will again allow the continuation of these programs.

Market conditions have also impacted OHCS' ability to facilitate the issuance of Pass-through Revenue Bonds which are one mechanism used to finance multifamily rental housing. Banks which normally purchase these privately placed bonds were unwilling to participate for a time during this past biennium. While this source of financing has apparently returned, the continued availability of this option is questionable.

The funding available for the development of multifamily rental housing has also been impacted by the recession in the wider national economy by loss of investor interest in Low Income Housing Tax Credits (LIHTC). LIHTC are federal tax credits that Oregon awards to partners who develop affordable rental housing. These credits are difficult to market in an environment where many organizations have less tax liability to offset. Those businesses that can still use the credits may choose other types of tax credits that do not have as much perceived risk. Because of these factors, when housing developers are able to sell the credits, the price is reduced. This, in turn, requires additional resources to fill the gap to develop a project and more work is required to provide assurance and security to lenders. Similar challenges are faced by other state tax credits.

The American Recovery and Reinvestment Act authorized two sources of funding to assist with the loss of investment due to diminished, or in some cases no, interest in LIHTC. To date, OHCS has received approximately \$10.6 million in Tax Credit Assistance Program funds and \$13.2 million in Tax Credit Exchange Program funds to assist stalled projects. Revenue constraints will make it difficult for the federal government to continue funding such programs in the future.

The USDA reported that in 2006-2008, 13.1% of Oregon households were "food insecure" with 6.6% described as "very food insecure". This reporting period

included just part of the onset of the recession. Food stamp demand has increased 46% since 2008.

Oregon homelessness was up 12% in the 2010 "Point in Time" survey. Among the ranks of homeless, 52 % were families with children. One fourth of those surveyed reported homelessness as a result of unemployment.

Financial devastation has triggered the influx of millions of federal dollars. With this blessing comes the challenge of stewardship and the need to adapt to new paradigms of defining need, and to devise effective solutions.

### General Housing Markets

At its most basic level, the housing market in Oregon can be arbitrarily placed in one of these three general categories.

- **Urban:** Housing in or near to economic hubs which offer employment, services, and entertainment. The convenience of proximity drives up demand and costs.
- **Tourist:** Housing markets are affected by retired or seasonal/recreational residents. This drives up housing costs, lower availability. Local workers often earn local wages that cannot support the purchase or rental of local housing.
- **Traditional:** Ranch/logging/ agriculture economies make for largely self-contained communities. Market influences are mostly local.

Many individual communities and some counties fit neatly into one of these categories. Many more, depending on size of area defined, have a mix of more than one market influence.

At a more detailed level, more specific factors influence cost and availability of housing in different areas. The Oregon Coast has fierce Pacific storms that regularly and relentlessly test everything man-made and natural with high winds bearing salt and sand. The abundance of rainfall saturates soil, making subsidence a constant threat. Designers and builders also need to consider the potential for earthquakes and tsunamis. Developable land on the coast is also limited by vast tidal wetlands, floodplains, and the near-unbuildable steep foothills of the Coastal Range mountains.

Oregon's urban areas reflect more traditional market forces of supply and demand. However, earthquakes, soil liquefaction and subsidence are design factors that

influence cost. While economic opportunities abound, they are subject to volatility from national and global trends.

Traditional markets are the least susceptible to outside influence and proportionally are less subject to rapid rates of appreciation/depreciation or sudden swings in supply and demand.

Overall, the balance of state housing market will most likely remain in precarious transition for much of the next five years. Oregon will re-dedicate itself to more efficient and effective use of HUD and all other funding sources in the service of its citizens.

**Lead agency** 91.300 (b)

Oregon Housing and Community Services (OHCS) serves as lead agency for the collaborative application for the Community Development Block Grant (CDBG), Home Investment Partnerships Program (HOME), ), Emergency Solutions Grant (ESG) as amended by the Homeless Emergency and Rapid Transition to Housing Program (HEARTH) and Housing Opportunities for Persons with Aids (HOPWA) programs. OHCS administers the HOME and ESG programs

Oregon Business Development Department (OBDD) takes responsibility for planning and administering the CDBG program funds.

Oregon Department of Human Services (now Oregon Health Authority), plans and administers HOPWA funding.

Oregon extended an invitation to participate to every city, county, port, and economic development entity in the balance of state. Additionally, all sister agencies in Oregon state government as well as over 200 non-profits, private, public and faith based service providers, developers, and other interested persons and entities were notified and invited to participate.

### Significant Aspects of Process

Development of the Consolidated Plan was an ongoing process evolving from day-to-day operation of, and planning for, the community and housing development needs of the citizens of Oregon.

In April and May of 2010 five "roundtable" sessions were held in strategic locations around the state to solicit comments and participation from a variety of persons and entities. Invitees included other state agencies, cities, counties, port authorities,

economic development organizations, faith based groups, public housing authorities, regional housing rehabilitation groups, community development corporations, community action agencies, and others. In addition, invitees were encouraged to share the invitation with their clientele. Details are included in Attachment 9, Citizen Participation, as is a summary of comments and responses. Input from attendees was incorporated into a draft that was presented to internal management and staff for further refinement.

The resulting public draft of the Consolidated Plan was formally presented to the citizens of Oregon for their input during two 30- day comment periods and two public hearings. Due to a variety of factors, the CDBG Method of Distribution comment period and hearing proceeded the overall Consolidated Plan comment period and hearing. A summary report on comments and responses is included as Attachment 9. Based on formal public input, a final draft plan was prepared and submitted to HUD for approval.

Jurisdiction and Data

The Oregon Consolidated Plan generally covers the "non-entitlement" areas of the State. Actual geographic coverage varies with program, as shown below.

**Table A - Areas Covered by Oregon's Consolidated Plan**

<b>Jurisdiction</b>	<b>HOME</b>	<b>CDBG</b>	<b>ESG</b>	<b>HOPWA</b>
Portland/Gresham/Multnomah Co.	No	No	No	No
Multnomah Urban County	No	No	No	No
Clackamas Urban County	No	No	No	No
Washington Urban County/Beaverton/Hillsboro	No	No	No	No
Eugene/Springfield	No	No	Yes	Yes
Salem	No	No	Yes	Yes
Corvallis	No	No	Yes	Yes
Ashland	Yes	No	Yes	Yes
Medford	Yes	No	Yes	Yes
Bend	Yes	No	Yes	Yes
Yamhill County	Yes	Yes	Yes	No
Columbia County	Yes	Yes	Yes	No
Balance of state	Yes	Yes	Yes	Yes

Whenever possible, data used specifically for HUD funds comes from the applicable jurisdiction only. However, due to differences in data sources and availability, there are occasions when statewide data, including entitlement areas or other geographic variations is utilized. Oregon has made every attempt to identify data sources that are not exclusive for the jurisdiction.

## **HOUSING AND HOMELESS NEEDS ASSESSMENT** Sec. 91.305

### **General** 91.305(a)

- Housing needs are based on U.S. Census data provided by HUD as shown in Table B, supplemented by data from publications listed in Attachment 4, Reference materials. As explained earlier, unless noted otherwise, data is only for Oregon's non-entitlement jurisdictions.
- The citizen participation plan and process are described in Attachments 1 and 9.
- HOPWA program needs are based on data provided by the Ryan White Part B program data (serving approximately 1,100 persons) and also current HOPWA data. Data covers all of Oregon minus the counties of Multnomah, Columbia, Washington, Clackamas, and Yamhill. The reporting area does include Salem/Keizer and Eugene/Springfield.

OHCS records show a total of 153 housing projects with 3,667 affordable units were awarded funding from 2005 through 2009.

The National Housing Trust reports that from 2011 through 2014, fifty six projects have 1,467 units of project based Section 8 which will expire. The same site reports that 213 projects with 4,552 of project based assistance from UDSA Rural Development in Oregon will also expire.

91.305 (b) (1)

**Low Income Populations****Table B – 2000 Census Data by Tenure, Household Demographic, Income, and Housing Problem**

Household by Type, Income, & Housing Problem	OR State Program (HOME), Oregon					from CHAS Data	2000 Data					Total HH
	Renters					Owners						
	Elderly 1 & 2 member HH	Small Related (2 to 4)	Large Related (5 or more)	All Other Households	Total Renters	Elderly 1 & 2 member HH	Small Related (2 to 4)	Large Related (5 or more)	All Other Households	Total Owners		
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)		
<b>1. Household Income &lt;=50% MFI</b>	16,666	24,601	6,191	20,352	67,810	34,917	15,230	4,029	10,307	64,483	132,293	
<b>2. Household Income &lt;=30% MFI</b>	7,764	12,437	2,605	11,780	34,586	12,428	6,679	1,484	5,829	26,420	61,006	
3. % with any housing problems	62.8	83.3	89.1	72.7	75.5	71.9	75.3	86.5	73.2	73.9	74.8	
3a # HH with any housing problems	4,876	10,360	2,321	8,564	26,112	8,936	5,029	1,284	4,267	19,524	45,632	
4. % Cost Burden >30%	61.7	81.3	79.2	70.8	73.2	71.1	73.4	79.8	71	72.2	72.7	
4a #HH burdened at 30%	4,790	10,111	2,063	8,340	25,317	8,836	4,902	1,184	4,139	19,075	44,351	
5. % Cost Burden >50%	47.6	69.6	66.7	60.2	61.2	47.2	61.6	65.4	58	54.2	58.2	
5a # HH Burdened at 50%	3,696	8,656	1,738	7,092	21,167	5,866	4,114	971	3,381	14,320	35,505	
<b>6. Household Income &gt;30% to &lt;=50% MFI</b>	8,902	12,164	3,586	8,572	33,224	22,489	8,551	2,545	4,478	38,063	71,287	
7. % with any housing problems	62.6	78.8	85.5	74.6	74.1	44.3	69.4	84.5	62.5	54.7	63.8	
7a # with problems	5,573	9,585	3,066	6,395	24,619	9,963	5,934	2,151	2,799	20,820	45,481	
8. % Cost Burden >30%	61.2	74.9	61.5	73.3	69.4	43.6	66.8	68.7	60.3	52.5	60.4	
8a # cost burdened at 30%	5,448	9,111	2,205	6,283	23,057	9,805	5,712	1,748	2,700	19,983	43,057	
9. % Cost Burden >50%	29.2	24.2	15.1	27.1	25.3	19.6	42.3	39.9	35.3	27.9	26.7	
9a # HH cost burdened at 50%	2,599	2,944	541	2,323	8,406	4,408	3,617	1,015	1,581	10,620	19,034	
<b>10. Household Income &gt;50 to &lt;=80% MFI</b>	6,697	17,693	5,873	11,568	41,831	32,472	21,828	7,153	8,209	69,662	111,493	
11. % with any housing problems	45.9	38.7	61	40.1	43.4	24.3	56.2	69.7	53.6	42.4	42.8	
11a # HH with any housing problems	3,074	6,847	3,583	4,639	18,155	7,891	12,267	4,986	4,400	29,537	47,719	
12.% Cost Burden >30%	44.1	30.7	21.9	37.4	33.4	23.8	53	49.8	51.4	38.9	36.9	
12a # HH cost burdened at 30%	2,953	5,432	1,286	4,326	13,972	7,728	11,569	3,562	4,219	27,099	41,141	
13. % Cost Burden >50%	15.1	1.6	0.8	4.1	4.3	9.6	18.6	11	19.6	13.7	10.2	
13a #HH cost burdened at 50%	1,011	283	47	474	1,799	3,117	4,060	787	1,609	9,544	11,372	
<b>14. Household Income &gt;80% MFI</b>	8,328	33,794	7,728	21,510	71,360	71,169	159,179	28,572	30,572	289,492	360,852	
15. % with any housing problems	20.2	8.2	35.3	6.8	12.1	10.3	15.4	28.2	22.2	16.1	15.3	
15a #HH with any housing problems	1,682	2,771	2,728	1,463	8,635	7,330	24,514	8,057	6,787	46,608	55,210	
16.% Cost Burden >30%	17.5	2.8	1.7	4	4.7	9.8	14	14.2	21	13.7	12	
16a #HH cost burdened at 30%	1,457	946	131	860	3,354	6,975	22,285	4,057	6,420	39,660	43,302	
17. % Cost Burden >50%	9	0.2	0.1	0.1	1.2	1.9	1.9	1.5	3.3	2	1.9	
17a #HH cost burdened at 50%	750	68	8	22	856	1,352	3,024	429	1,009	5,790	6,856	
<b>18. Total Households</b>	31,691	76,088	19,792	53,430	181,001	138,558	196,237	39,754	49,088	423,637	604,638	
19. % with any housing problems	48	38.9	59.1	39.4	42.8	24.6	24.3	41.5	37.2	27.5	32.1	
19a #HH with any housing problems	15,212	29,598	11,697	21,051	77,468	34,085	47,686	16,498	18,261	116,500	194,089	
20. % Cost Burden >30	46.2	33.6	28.7	37.1	36.3	24.1	22.7	26.5	35.6	25	28.4	
20a #HH cost burdened at 30%	14,641	25,566	5,680	19,823	65,703	33,392	44,546	10,535	17,475	105,909	171,717	
21. % Cost Burden >50	25.4	15.7	11.8	18.6	17.8	10.6	7.6	8.1	15.5	9.5	12	
21a #HH cost burdened at 50%	8,050	11,946	2,335	9,938	32,218	14,687	14,914	3,220	7,609	40,246	72,557	
Total HH less than 80% MFI	34,020	63,329	16,850	48,436	162,603	66,550	57,206	17,687	29,094	170,521	333,294	

- SOURCE: HUD State of the City Community Data System, Oregon State HOME Program, 0 Census data. DEFINITIONS: Any Housing Problem: cost burden greater than 30% of income and/or overcrowding and/or without complete kitchen or plumbing facilities. Other housing problems: 1.01 or more persons per room and/or without complete kitchen or plumbing facilities. Elderly households: 1 or 2 person household, either person 62 years old or older. Renter: Does not include renters on boats, RVs or vans. Cost Burden: The fraction of a household's total gross income spent on housing costs. For renters includes rent plus utilities. For owners, mortgage payment, taxes, insurance and utilities.

NOTE: The original HUD SOCDS table was augmented to include rows identified with an "a" after the number. This was done because the original table did not offer an estimated number of households, only a percentage. As a result, columns E, J, and L may have slightly different totals than the actual sum of the component columns.

**Oregon's housing needs for the next five years are difficult to accurately predict because of a variety of interrelated economic factors.**

Investors drastically scaled back tax credit purchases, especially for projects in rural areas and rehabilitation projects. Oregon is in the middle of a wave of projects ending the fifteen year period of affordability. Many are in need of rehab in order to continue to receive rent subsidies and remain affordable. Owners wrestle with the decision to possibly convert to market rate. Owners which started projects as investments for the future now are contemplating, or in retirement making the challenges of ownership more daunting. Joblessness is reflected in defaults for both single family and multi-family mortgage holders. Some households in subsidized housing have been forced into alternative housing because even with rental assistance, the unit is no longer affordable.

Determining the core needs of Oregon's balance of state for 2011-2015 is predicated almost exclusively on 2000 census data. While entitlement and metropolitan areas enjoy official demographic updates, economies of scale preclude similar data collection/projection for rural areas. The difficulties described above make a simple "need minus assistance provided" estimate impossible.

Not surprisingly, of the 77,468 renter households in Table B identified as having housing problems, 89.1% or approximately 69,000 are low or moderate income. Of those, 37.9% or 26,112 are listed as having incomes at or below 30% of median family income (MFI), 35.7% have incomes ranging from 31% to 50% of median, and 26.4% are between 50% and 80%.

For owner households, 65.9% of 116,500, approximately 77,000 with housing problems are low or moderate income. The comparable internal spread is 34.4% (26,420) at 30% MFI, 27.1% at 31-50% MFI, and 38.5% (29,537) at 51% to 80% MFI.

Total household needs in Oregon (balance of state) are estimated at 193,968. Of that total, an estimated 103,107 households have incomes below 80% of median. The challenge for Oregon is equitable allocation of resources to address these massive needs.

## **Categories of Persons Affected 91.305 (b)(1)**

HUD requires this section to address the number persons in need of housing assistance in these categories: extremely low income, very low income, low income, families, large families, elderly, single persons, renters, owners, persons with HIV/AIDS and their families, cost burdened households, severe cost burden households, overcrowded housing, and substandard housing, victims of domestic violence, sexual assault, dating violence and stalking, persons with disabilities. This information is represented in the following tables and narratives.

### **HIV/AIDS**

According to the *2008 Oregon Balance of State HIV/AIDS Housing & Services Systems Integration Plan* there were 1,291 persons with HIV/AIDS in Oregon's balance of state (BOS, those counties outside the Portland Metro area). Oregon OHA (formerly DHS) estimates that persons afflicted but unaware may bring the total to 1,910. Persons living with HIV/AIDS in the balance of state typically have greater health care needs and fewer service providers and transportation options for getting to health care. Persons living with HIV/AIDS in the metro areas are more likely to experience housing needs than those in the balance of state. However, the *Oregon Balance of State HIV/AIDS Housing & Services Systems Integration Plan* (Oregon DHS, 2008) estimates that 500 persons with HIV/AIDS in the balance of state are in need of housing assistance. Approximately 120 are currently in public housing or receiving Section 8 vouchers. Another 100 benefit annually from Housing Opportunity for Persons with HIV/AIDS (HOPWA) and other programs administered through the Oregon Housing Opportunities in Partnership (OHOP). Of the remaining estimated 120 unserved persons in need, 85 are on the most current OHOP waiting list.

### **Disabled Populations**

Based on HUD's 2005 SOCDs CHAS Data, 38,943 low income households in Oregon with disabled members are in inadequate housing. Of those, 48% are renter occupied and 52% owner occupied.

**Table C - Housing Problems Output for Mobility & Self Care Limitation**

Name of Jurisdiction: OR State Program(HOME), Oregon		Source of Data: CHAS Data Book		Data Current as of: 2000					
Household by Type, Income, & Housing Problem	Renters				Owners				
	Extra Elderly 1&2 Membr Households	Elderly 1&2 Member HH	All Other Households	Total Renters	Extra Elderly 1&2 Membr Households	Elderly 1&2 Member HH	All Other HH	Total Owners	Total HH Households
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
1. Household Income <=50% MFI	4,639	4,109	12,320	21,068	7,498	6,178	8,247	21,923	42,991
2. Household Income <=30% MFI	2,009	2,121	7,309	11,439	2,459	2,187	4,091	8,737	20,176
% with any housing problems	68.1	66.8	76.4	73.2	72.4	76.6	79.4	76.7	74.7
# with housing problems	1368	1417	5584	8373	1780	1675	3248	6701	15071
3. Household Income >30 to <=50% MFI	2,630	1,988	5,011	9,629	5,039	3,991	4,156	13,186	22,815
% with any housing problems	67.7	52	77.8	69.7	38.9	50	63.1	49.9	58.3
# with housing problems	1781	1034	3899	6711	1960	1996	2622	6580	13301
4. Household Income >50 to <=80% MFI	1,776	1,356	5,485	8,617	6,264	5,448	7,489	19,201	27,818
% with any housing problems	55.2	35.5	44.5	45.3	15.9	32.4	52.2	34.7	38
# with housing problems	980	481	2,441	3,904	996	1,765	3,909	6,663	10,571
5. Household Income >80% MFI	1,976	1,497	7,854	11,327	9,106	10,752	29,863	49,721	61,048
% with any housing problems	44.2	7.2	15.5	19.4	7.3	14.5	20	16.4	17
# with housing problems	873	108	1,217	2,197	665	1,559	5,973	8,154	10,378
<b>6. Total Households</b>	<b>8,391</b>	<b>6,962</b>	<b>25,659</b>	<b>41,012</b>	<b>22,868</b>	<b>22,378</b>	<b>45,599</b>	<b>90,845</b>	<b>131,857</b>
% with any housing problems	59.6	43.7	51.2	51.7	23.6	31.2	34.5	31	37.4
Total # with housing problems	5,001	3,042	13,137	21,203	5,397	6,982	15,732	28,162	49,315
<b>Total # LOW with housing problems</b>	<b>4,129</b>	<b>2,932</b>	<b>11,923</b>	<b>18,988</b>	<b>4,736</b>	<b>5,436</b>	<b>9,780</b>	<b>19,944</b>	<b>38,943</b>

SOCDS CHAS Data: Housing Problems Output for Mobility & Self Care Limitation. Rows with number of households added.

Definitions: Extra Elderly: 1 or 2 Member households, either person 75 years or older Elderly: 1 or 2 Member Households, either person 62 to 74 years Mobility or Self Care Limitations: This includes all households where one or more persons has 1) a long-lasting condition that substantially limits one or more basic physical activity, such as walking, climbing stairs, reaching, lifting, or carrying and/or 2) a physical, mental, or emotional condition lasting more than 6 months that creates difficulty with dressing, bathing, or getting around inside the home. Any Housing Problem: cost burden greater than 30% of income and/or overcrowding and/or without complete kitchen or plumbing facilities. Source: Tables A7A, A7B, A7C Rent 0-30% - These are units with a current gross rent (rent and utilities) that are affordable to households with incomes at or below 30% of HUD Area Median Family Income. Affordable is defined as gross rent less than or equal to 30% of a household's gross income. Rent 30-50% - These are units with a current gross rent that are affordable to households with incomes greater than 30% and less than or equal to 50% of HUD Area Median Family Income. Rent 50-80% - These are units with a current gross rent that are affordable to households with incomes greater than 50% and less than or equal to 80% of HUD Area Median Family Income.

Rent > 80% - These are units with a current gross rent that are affordable to households with incomes above 80% of HUD Area Median Family Income. Value 0-50% - These are homes with values affordable to households with incomes at or below 50% of HUD Area Median Family Income. Affordable is defined as annual owner costs less than or equal to 30% of annual gross income. Annual owner costs are estimated assuming the cost of purchasing a home at the time of the Census based on the reported value of the home. Assuming a 7.9% interest rate and national averages for annual utility costs, taxes, and hazard and mortgage insurance, multiplying income times 2.9 represents the value of a home a person could afford to purchase. For example, a household with an annual gross income of \$30,000 is estimated to be able to afford an \$87,000 home without having total costs exceed 30% of their annual household income. Value 50-80% - These are units with a current value that are affordable to households with incomes greater than 50% and less than or equal to 80% of HUD Area Median Family Income. Value > 80% - These are units with a current value that are affordable to households with incomes

**Based on HUD 2000 SOCDS CHAS data, 73% of very low-income households in Oregon are cost burdened (30% of income for housing) and 58% are severely cost burdened (50% of income for housing). 60.4% of low income households are cost burdened and 26.7% are severely cost burdened. 36.9% of low income households are cost burdened and 10.2% are severely cost burdened. Overall, 28.4% of Oregon's non-entitlement population is cost burdened and 12% are severely cost burdened. Further detail can be found in Table B.**

**Based on an internal methodology using Table B data and 2000 Census Table HCT22, an estimated 12,514 households in Oregon suffer from overcrowding (more than 1.01 persons per room). 3,745 households are large family, living in poverty.**

**Based on HUD 2000 SOCDS data, 32.1% of households in the non-entitlement areas of Oregon face housing problems. 42.8% of all renter and 27.5% of all owner**

households have housing problems (overcrowded, cost burdened, or lacking plumbing). 75.5% of very low income renters and 74.8% of very low income owners have housing problems. 74.1% of low income renters and 63.8% of low income owners have housing problems. 43.4% of low income renters and 42.8% of moderate income owners have housing problems. Further detail can be found in Table B.

2000 Census table PCT17 shows the following number of persons in group quarters: in corrections - 10,354; in nursing homes - 6,995; in hospital and hospice for chronically ill - 108; in psychiatric wards or hospitals - 174; in juvenile institutions - 123; in other - 109.

Oregon defines standard and substandard condition in terms of meeting minimum Housing Quality Standards. Units suitable for rehab are those which can be brought to standard condition for 75% or less of the current replacement value of the dwelling.

### **Race, Ethnicity, and Housing Problems** 91.305 (b)(2)

Oregon reviewed the 2008 Updated CHAS data for concentrations of housing conditions by race and ethnicity as shown in the following table. The numbers are for the entire state.

The Table D cells with bold type are those wherein the percentage of housing problems exceeds that of the general population by over 10%. While this information can be used for general indications, it is not helpful in determining concentrations of populations.

A more detailed analysis was undertaken using Table 1 from the 2008 CHAS update. The following concerns were discovered.

- ACS methodology leaves out the reporting of data from the majority of rural counties in Oregon. Of the 6,723 data entries, 55% had no population estimate.
- In an additional 16%, the margin of error in the data equaled or exceeded the actual estimate.
- Geographic coding of the data did not allow entitlement areas to be subtracted from counties as a whole.

These concerns lead Oregon to conclude that while preliminary analysis of data meets the technical definition of concentration at a statewide level, existing data does not support the identification of clear local geographic concentrations which precludes effective planning for measures to address the concerns.

## Table D Race and ethnic concentrations

### Household by Type, Income, & Housing Problem

<u>All Households (owners &amp; renters)</u>	Total	White	Black	Asian	Pacific Islander	Native American	Hispanic	Disabled
Household Income <=30% MFI	61,006	52,962	212	418	64	1,477	3,766	20,176
% with any housing problems	74.8	74.3	82.1	56.2	81.3	76	82.7	74.7
Household Income >30 to <=50% MFI	71,287	63,012	138	367	102	1,184	4,822	22,815
% with any housing problems	63.8	62.1	81.2	55.9	68.6	72.7	80.5	58.3
Household Income >50 to <=80% MFI	111,493	98,971	239	576	88	1,628	7,279	27,818
% with any housing problems	42.8	41.2	69.5	53.1	56.8	41.5	60.5	38
Household Income >80% MFI	360,852	336,985	703	1,914	308	4,140	11,088	61,048
% with any housing problems	15.3	14.5	17.2	23.4	10.4	15.1	34.2	17

### Homeless Needs 91.305 (c)

In 2008 in Oregon 1 of every 183 people experienced homelessness compared to a nationally where 1 of every 458 were homeless. The number of people counted through Oregon's Point In Time Homeless Count increased 53% from 2008 to 2010; counting 19,207 individuals experiencing homelessness.

The following homeless information for the Consolidated Plan comes from a January 2010 Point In Time Homeless Count sponsored by OREGON. In total there were 19,207 people experiencing homelessness counted. Of those, 9,622 (50.1%) were from non-entitlement areas which has approximately 36% of Oregon's population.

Data analysis required subtracting the various HOME entitlement areas from the Oregon total (excludes Benton, Clackamas, Lane, Marion, Multnomah, Polk, and Washington Counties). Of the 9,622 individuals counted in the non-entitlement part

of the state, 27% were served in shelters and transitional housing and the remaining 73% were turned away for services or counted through a street count. 1,840 persons (19%) counted were defined as chronically homeless (based on the state definition which includes individuals in families).

Methods used in the Point In Time Homeless Count survey can vary and participation is voluntary, so numerical results are not always mathematically reliable. However, general conclusions can be drawn.

### 2010 Point In Time Homeless Count statistics for HOME non-entitled Oregon:

#### Population Statistics:

- 30% were single adults
- 61% were in families with children
- 4% were unaccompanied youth
- 35% were children under 18 years of age
- 19% were chronically homeless
- 73% of all persons counted were not served by shelter or transitional housing

#### Household Statistics:

- 31% were served by transitional or shelter housing
- 69% were turned away for services or counted through a street count
- 25% were chronically homeless
- 34% were families with children

2010 Point In Time Homeless Count Statistics for the Rural Oregon Continuum of Care (which excludes Clackamas, Crook, Deschutes, Jackson, Jefferson, Lane, Marion, Multnomah, Polk, and Washington Counties):

Table E (below) shows, fifty-nine percent of the households counted in the Rural Oregon Continuum of Care were in households without children while thirty-four percent were households with at least one child. Overall sixty-six percent of households counted were unsheltered; however seventy-two percent of households with at least one child were unsheltered versus sixty percent of those without children. Of the 359 households with children that were sheltered the majority (83%) were in transitional housing versus just fifty-three percent of the 877 unsheltered households without children. This information indicates that while a higher percentage of households without children are able to be sheltered, they are also more likely to be housed in emergency shelter vs households with children who, if housed, are more likely to be placed in transitional housing.

**Table E**

Persons in Households with at least one Adult and one Child	Sheltered		Unsheltered	Total
	Emergency	Transitional		
Number of Households	58	301	923	1,282
Number of Persons (Adults and Children)	181	984	2,872	4,037
Persons in Households without Children	Sheltered		Unsheltered	Total
	Emergency	Transitional		
Number of Households	412	465	1,299	2,176
Number of Persons (Adults)	426	495	1,428	2,349
Persons in Households with only children	Sheltered		Unsheltered	Total
	Emergency	Transitional		
Number of Households	6	20	191	217
Number of Persons (Age 17 or under)	6	20	191	217
Total Households and Persons	Sheltered		Unsheltered	Total
	Emergency	Transitional		
Total Households	476	786	2,413	3,675
Total Persons	613	1,499	4,491	6,603

### Rural and Chronically Homeless

According to a June 2008 OHCS report, the rate of rural homeless in Oregon exceeds that of urban areas: 3.65 versus 3.42 per thousand population. The comparison for chronic homelessness is 1.91 rural versus 1.42 per thousand for urban areas.

At the time, practioners felt the count under-represented the situation, and ensuing financial and housing collapse, with Oregon being one of the hardest hit states, has only served to exacerbate the situation. Unfortunately, rural areas have the added burdens of comparatively higher rates of poverty and unemployment and a lower supply of affordable housing and services for the homeless.

In 2008, Oregon Public Broadcasting reported the following on homeless students.

"The number of homeless students in Oregon has gone up again in the last school year. A new report from the Department of Education shows there were almost 16,000 Oregon students in unstable living situations.

That included kids and teens that have to live with friends, stay in a motel or trailer, or sleep in tents or cars.

Dana Bolt is the state coordinator for the homeless education program. She says certain parts of Oregon are harder hit than others.

Dana Bolt: "The places that I am most concerned about are the smaller districts, the rural areas. Over half of the school districts in Oregon are rural and in small communities, and those are the communities that really struggle to help kids because they don't have access to a lot of money."

Bolt says the good news is that the increase in the number of homeless students seems to be slowing down. Compared to last year's report, the number rose by about two percent. In previous years, the rate of increase had been much higher."

For additional information please refer to Attachment 11, Oregon's Rural Continuum of Care, and Attachment B of the 2011 Action Plan, Oregon's Ending Chronic Homelessness Strategy.

Also, please refer to Table 1A "Homeless and Special Needs Populations" in the attachments.

### Priority Homeless Needs

Data from Oregon's Point In Time Homeless Count was used to allocate homelessness funding to Community Action Agencies statewide. Examples of the funds that use the homeless count findings in their allocation breakdown are: ESG, SHAP, EHA, and HSP. Each community is responsible for planning for their individual needs based on State and local data.

Funding the development of housing, in particular permanent supportive housing is also a primary focus of Oregon Housing & Community Services housing division. Housing for homeless and chronically homeless individuals receives top need score in the departments competitive Consolidated Funding Cycle for housing development dollars (these need points are responsible for 18.5% of the total possible application points).

"A Home for Hope" details Oregon's 10 year plan to end homelessness. The focus is on using a holistic approach which involves a shift in policy producing positive results for chronically homeless, singles, families and all others.

Emphasis will be on

- Intervention to avoid homelessness when possible
- Efforts to provide permanent, not temporary solutions including supportive services.
- Better inter-agency coordination and cooperation in meeting the needs of Oregon's homeless populations.

Strategies and action steps include the following.

1. Prevent initial homelessness by keeping people in their current housing.
2. Expand supply of affordable housing and prevention services
3. Assist the homeless to regain and maintain self-sufficiency.
4. Examine service delivery for possible improvement and streamlining.
5. Refine advocacy and public education efforts.
6. Develop better data gathering and analysis measures.

Additional detail can be found at

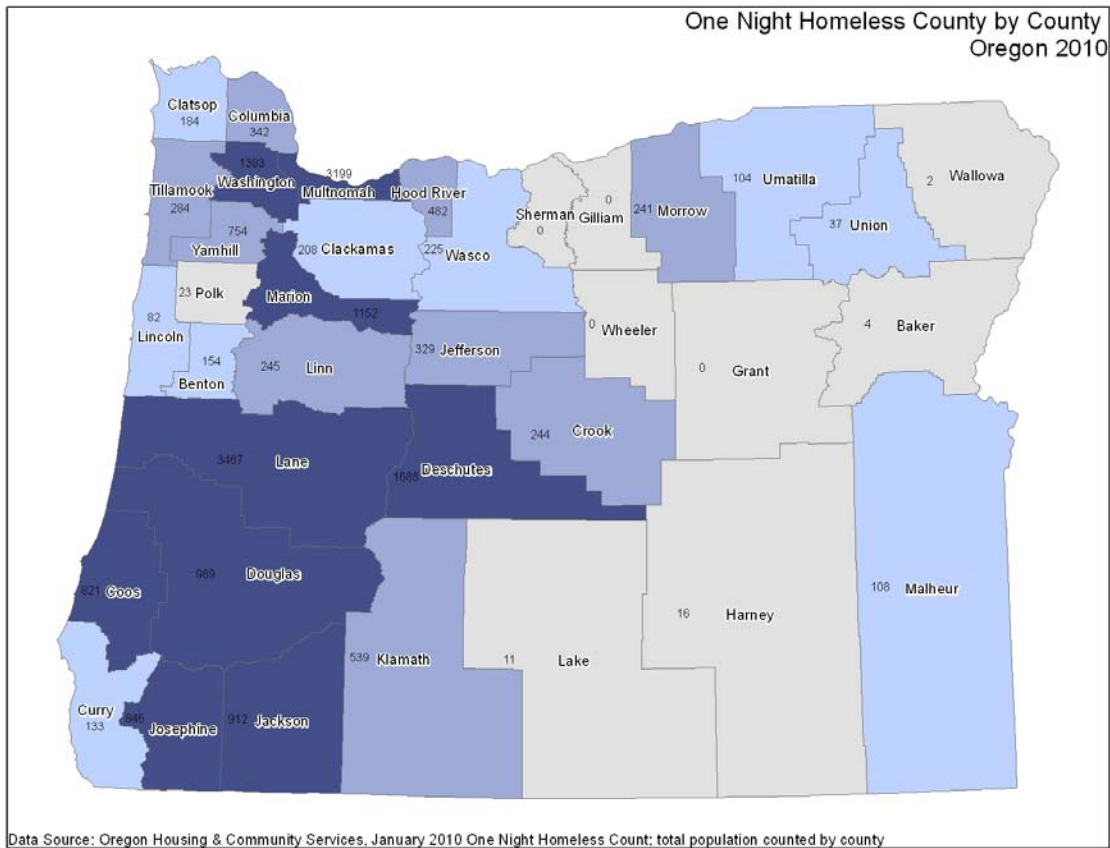
[http://www.ehac.oregon.gov/OHCS/EHAC/docs/EHAC\\_Action\\_Plan\\_Final.pdf](http://www.ehac.oregon.gov/OHCS/EHAC/docs/EHAC_Action_Plan_Final.pdf)

### Priority Facility and Service Needs

Oregon will focus on the following priorities.

- Homelessness prevention, including special efforts to assist homeowners facing foreclosure.
- Permanent housing and services for chronically homeless.





### Homelessness by income status

The Point In Time Homeless Count does not capture information about the income of those individuals experiencing homelessness, however housing burden statistics can be used to estimate the population at potential risk of homelessness. In 2008 American Community Survey data shows that 24% of Oregon households, or 126,383 households have a severe rent burden (spending more than 50% of their gross income on housing). In addition, of the very low income renter households (earning under 50% of median income), 78% have a rent burden (over 30% of gross income spent on housing) which is a total of 168,613 households.

### Homelessness by racial or ethnic group

A review of the One Night Count data for Oregon's HOME non-entitlement areas shows the following.

**Table F - Homeless by Race / Ethnicity**

2010	Asian	Black/African American	Hispanic or Latino	American Indian or Alaska Native	Native Hawaiian / Pacific Islander
<b>Homeless Individuals</b>	<b>0.4%</b>	<b>1.4%</b>	<b>11.6%</b>	<b>3.6%</b>	<b>0.9%</b>
Chronically Homeless, single	0.2%	2.6%	2.6%	7.6%	1.2%
Chronically Homeless, total	0.2%	2.3%	4.1%	6.7%	1.5%
<b>Oregon (entire state 2008)</b>	<b>3.4%</b>	<b>1.7%</b>	<b>11.0%</b>	<b>0.9%</b>	<b>0.2%</b>

Because data is voluntarily offered, the Point in Time Homeless Count results may not be completely accurate due to trouble counting and/ or non-responses. Nonetheless, this information is held to reflect the general reality of homelessness in Oregon's HOME and ESG jurisdiction.

**Other Special Needs 91.305 (d)(1)**

In 2008, Oregon conducted a "Special Needs and Affordable Housing Needs Assessment". The chart below shows the results for various populations, and includes the entitlement areas of Eugene/Springfield and Salem/Keizer.

**Table G**

Population	Est. Persons
Domestic Violence Victims	1,752
Elderly	79,126
Farmworkers	81,348
Released Offenders	2,811
HIV/AIDS	1,405
Physically Disabled	5,351
Frail Elderly	11,089
Alcohol and Drug Related	40,334
Developmentally disabled	10,616
Chronically Mentally Ill	36,823

A full description of the Assessment methodology is in Attachment 8. In some cases the Assessment used the same data sources as the previous ConPlan, but a different approach. For example, the HIV/AIDS total does not account for income differences. While completely valid for the intended purposes of the Assessment, for the sake of consistency the numbers above will not be used in lieu of those from the last ConPlan as identified below.

Elderly (SOCDS definition is household with one or more person age 62 or older.)

- Oregon's percent of elderly households is increasing at a rate in excess of the national rate. Currently Oregon is 10<sup>th</sup> in the nation with percentage of elderly but expected to rank 4<sup>th</sup> by 2010.
- 52.6% of elderly renters in Oregon are below the poverty line. 25.2% of elderly owners in Oregon are below the poverty line
- 46.2% of Oregon elderly rental households are cost burdened.
- 25.4% of elderly renters are severely cost burdened
- 24.1% of elderly homeowners are cost burdened
- 10.6% of elderly homeowners are severely cost burdened

### Frail Elderly

Based on the following definition, there is a dearth of informational resources for determining precise measurements for frail elderly needs. "Frail elderly person means an individual 62 years of age or older who is unable to perform at least three activities of daily living (ADLs) as defined by the regulations for HUD's Section 202 Program."

- 8.5% of elderly households receive Medicaid funded in-home care
- 5,399 elderly Oregonians are in adult foster care
- 11.9% of Oregonians are over 75, and 2.8% over 85 years of age

### Disabled

The definition and therefore prevalence of disability varies with the source. The Oregon Disabilities Commission 2002 Report shows 23% (821,135 persons) of the population statewide with disabilities. The unemployment rate for the disabled was 21% versus the statewide average of about 5%. The Oregon Council on Developmental Disabilities 5-year plan (amended in 2004) shows a total of 61,585 persons in Oregon with *developmental* disabilities. The Oregon Progress Board's March 2003 report claims poverty among the disabled growing at 30% as opposed to 12% for the general population and the rate of employed persons with all disabilities dropping 15% from 2000 through 2002. 2000 Census Quick Facts reports that over age five, 593,301 Oregonians were disabled.

## Drug or Alcohol Addiction and Mentally Ill

Oregon Department of Human Services (now Oregon Health Authority), reports that in the State Consolidated Plan area (plus Salem/Keizer and Springfield/Eugene) only 17% of those needing substance abuse treatment are receiving it. The untreated population is estimated at 258,071 persons.

The following information comes from DHS 2004 reports on housing and homelessness and individuals with psychiatric and substance abuse considerations. Please note that the information contains both the Eugene/Springfield and Salem/Keizer entitlement areas. In fiscal 2002-2003, 34,821 adults received public mental health services. Of those, 75% (26,125) were in need of rent subsidy and 37.4% (9,785) were in need of a special housing such as residential treatment, adult foster care, and other programs providing both affordable housing and support services. Due to a statistical overlap, some recipients are counted in both categories. Regardless, data collected in a Fall 2000 Mental Health Survey showed specialized and support housing in the Oregon jurisdiction available for a total of 2,090 individuals.

## Farmworker

Seasonal and migrant workers constitute a major portion of the Oregon labor force serving the needs of agriculture. An estimated 50% - 70% of these farmworkers are not legally authorized and an estimated 10% are homeless. (Farmworkers represented 1.8% of those seeking shelter in the "one-night" count.) According to a 2002 study<sup>4</sup> migrant plus seasonal workers and their families total almost 175,000 persons, 5.1% of Oregon's 2000 census population and 7.8% of Oregon's non-urban population.

An estimated 60% of farmworkers live in communities and on-farm housing, leaving about 75,000 in temporary housing or "unaccounted for". According to a March 2005 OHCS inventory<sup>21</sup>, 1,471 family/farmworker units in Oregon have received funding compared to a League of Women Voters<sup>3</sup> report claiming 530 units in 2000, although there may be differences in definitions and reporting standards. In 2004 Oregon OHSA listed 254 camps for agricultural labor in the Consolidated Plan jurisdiction.

## Released Offenders

Oregon's Community Corrections Division (Department of Corrections) reports an August 2010 incarcerated population of 14,054. A similar report for prisoners in local jurisdictions shows an additional 655 persons. Oregon releases

approximately 4,300 prisoners per year. Just under one third will likely commit another felony within three years.

State-wide, there are 602 beds available for prisoners leaving the State prison system. Of those beds, 89% are in counties which are entitlement areas, or have entitlement areas within them. 56% of the felons released in the first half of 2005 came from those counties. Three unmet housing needs identified for persons released from correctional institutions are:

- the lack of affordable living arrangements,
- the lack of opportunities to live in stable neighborhoods,
- and the lack of opportunities to develop relationships with persons that are not involved in criminal activity<sup>13</sup>.

#### **HIV/AIDS** 91.305 (d)(2)

The Oregon Balance of State HIV/AIDS Housing Plan from 2008 reported 4,777 individuals with HIV/AIDS, with 1,219 in the balance of state. Oregon ranks 34<sup>th</sup> in the nation with the number of known cases. Although HIV/AIDS is present in almost all Oregon counties, 90% of the afflicted individuals live within 25 miles of the I-5 corridor. 40% of the individuals surveyed in the 2008 report indicated a need for some type of housing assistance. This translates into approximately 500 persons. About 200 currently are assisted by Section 8 and another 100 have rental assistance through one of the OHOP programs. The remaining 200 cases comprise the currently defined need. There are four units of affordable housing in the Oregon BOS dedicated to HIV/AIDS patients.

#### **UPDATED NEEDS AND AVAILABLE UNITS**

In 2008, Oregon Housing and Community Services conducted a Special Needs and Affordable Housing Needs Assessment. The full assessment methodology and results are included as Attachment 8. The following table summarizes needs and units available.

**Table G2**

Population	# persons	# units	Unmet need
Domestic Violence <sup>1</sup>	1,752	252	1,500
Elderly	79,126	8,963	70,433
Frail Elderly	11,089	1,972 <sup>2</sup>	9,117
Farmworkers	81,348	1802	79,546
Released Offenders	2,811	74	2,737
HIV/AIDS	1,405	4	1,401
Persons with the presence of a disability	15,967	1,628	14,339
Alcohol and drug rehab	40,334	203	40,131
Chronically mentally ill	36,823	586	36,237
Homeless	7,305 <sup>3</sup>	620	6,685

- NOTES:
1. As a general rule, domestic violence includes sexual assault, date rape, and stalking.
  2. Units for frail elderly are assisted living facility units
  3. Homeless count is from 2009 Point in Time survey
  4. Unmet need count has the following limitations.
    - a. Entitlement areas of Eugene/Springfield, Salem/Keizer, and Corvallis are included.
    - b. Data sources for persons affected does not always reflect economic need.

For a complete description of methodology, please refer to Attachment 8.
  5. Number of persons includes all regardless of income or other factors.

## Lead-based Paint Hazards 91.305 (e)

**Table H - Potential Poverty Level Homes with Lead-Based Paint**

Table H provides an estimate of potential poverty level homes with lead-based paint. The methodology uses a combination of 2000 census data to cross reference the number of homes built prior to 1978, when lead-based paint was banned, with the estimated number of poverty level homes primarily in the balance of state.

Year Unit Built	Owner HH	Renter HH	Total	Est. % with LBP	Est. Poverty HH with LBP
1980-2000	9,333	17,650	26,983	0%	0
1970-1979	8,355	16,868	25,223	62%	15,638
1960-1969	3,907	9,316	13,223	52%	8,198
1950-1959	3,321	6,788	10,109	80%	8,087
1940-1949	2,632	5,147	7,779	80%	6,223
1939 and earlier	4,108	7,433	11,541	90%	10,387
<b>Total</b>	<b>31,656</b>	<b>63,202</b>	<b>94,858</b>		<b>48,534</b>

---

Sources:

1. HCT23. Tenure by Poverty Status in 1999 By Year Structure Built (43) – Universe occupied housing units
2. Data set: Census 2000 Summary File 3 (SF3) Sample Data
3. Based on a sample except in P3, P4, H3, and H4.
4. Minor overcount because county-wide data includes Salem/Keizer, Corvallis, Bend, and Springfield/Eugene.
5. Percentages from Comprehensive and Workable Plan for the Abatement of Lead-Based Paint in Privately Owned Structures.

## HOUSING MARKET ANALYSIS

### General Characteristics 91.310 (a)

#### Demand for Affordable Housing

*Existing Unmet Need* – Throughout the past ten years, most Oregon communities have faced difficulties in providing enough affordable housing. While federal subsidies provide affordable housing for many low-income households, many eligible households cannot obtain this housing. Other affordable housing has been built, but often developments are financially constrained in the number of low and very low-income units that can be included on the projects. As a result, wait times for affordable housing have exceeded two years in many communities. Most communities rank affordable housing as one of the top issues they face. This unmet need has further worsened from Oregon's continued population growth and from the economic recession. Even those currently buying or renting homes are not secure as many are cost-burdened, spending upwards of 30% of their incomes on housing. These households often sacrifice other essential needs or become disrupted when health, job, transportation, or other issues arise.

*Population Growth* – Oregon's estimated population on July 1, 2009 reached 3,823,465. This represents an increase of 0.85 percent over the 2008 population. The growth has slowed down since the highs of 2005 through 2007 when population growth exceeded 1.5 percent on average. This is the first time in two decades that Oregon's population growth was lower than the U.S. average. Overall, population change since 2000 was much slower than the rate of growth of well over 2.0 percent during the early 1990s. As a result of the recent economic downturn, Oregon's population is expected to continue at a slow pace of growth for at least a couple of years. Based on the current forecast, Oregon's population will reach 4.2 million in the year 2017 with an annual rate of growth of 1.17 percent between 2009 and 2017.

Population increases, together with an already short supply of affordable housing, will continue to place upward pressure on home and rental prices. Workforce

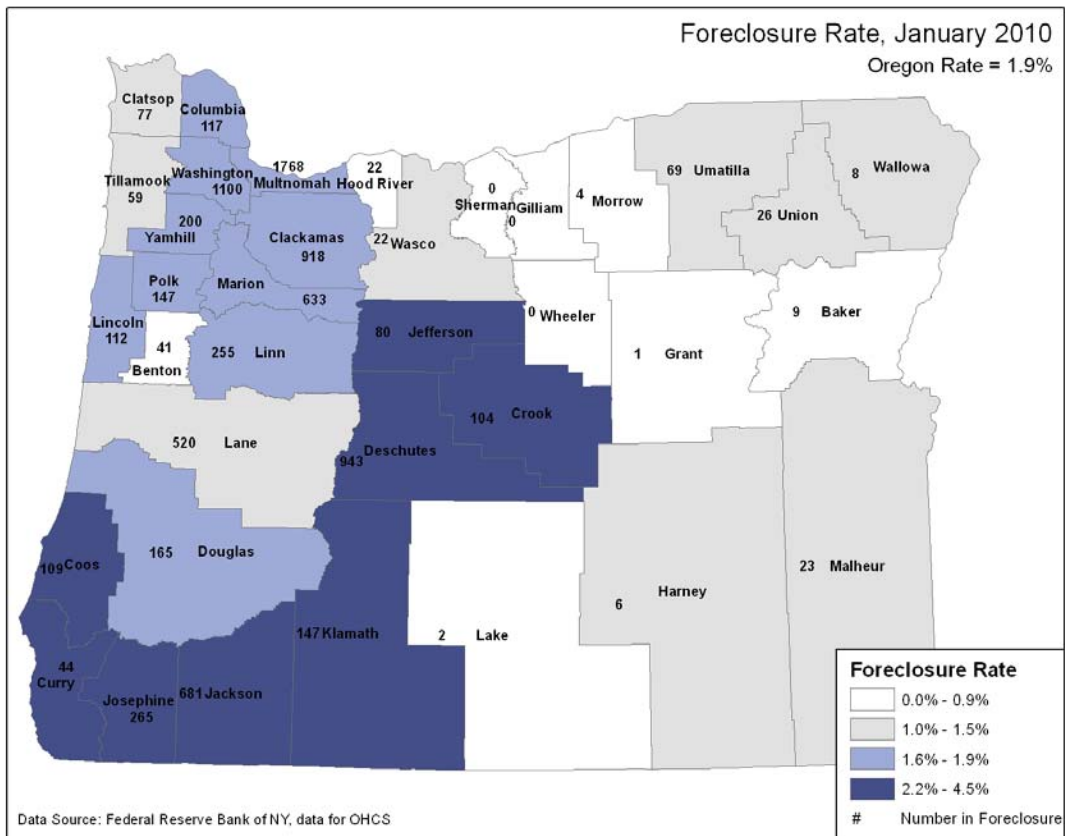
housing has become a critical issue in many Oregon communities, as hard-working Oregonians struggle to find housing they can afford in the communities where they work.

*Foreclosures* – Oregon’s data suggests that unemployment and foreclosure are inextricably tied. During the economic downturn and over the course of the last 30 years, each time unemployment increases in Oregon, the state’s foreclosure rate increases by a similar amount.

From 1979 to 2010, Oregon has had almost 123,000 foreclosures. Over half (55%) of all of these foreclosures have been since 2005, almost half (47%) since 2007, and over one-third (39%) since 2008.

Already making difficult choices in their budgets, families facing foreclosure have also faced a complex and sometimes impenetrable web of federal and other programs. While these programs hold out the hope that a bank will modify a loan and lower a payment, the programs have fallen short for too many families. As a result, the foreclosure rate in Oregon continues to climb.

*Additional Recession-related Demand* – The recession is bringing additional demand for affordable rental housing. Despite federal stimulus initiatives, federal homebuyer tax credits, low mortgage interest rates, and falling home prices, the housing market has not turned around. The prolonged recession and high unemployment have greatly inhibited Oregon housing construction. Housing starts at a level of 30,900 in 2005 fell to only 7,600 in 2009 – a decline of 75.4%. As homeownership becomes more difficult, additional pressures are carried by rental housing. Waiting periods are growing as the demand for affordable rental housing swells.



## Supply of Affordable Housing

*Existing Supply* – Housing permits for homes in general are considerably higher than a year ago but the level is still reminiscent of recession periods. Recent gains may be artificially high due to the influence of the federal homebuyer tax credit which has now expired. Housing prices continue to fall, albeit at much lower rates. Many foreclosed homes are on the market. This would generally be a positive influence on rental housing as renters would find it easier to move into homeownership. However, the recession has caused many to lose income or employment. In addition, credit standards have been tightened. The result has been that many existing homes are still for sale and many households continue to rent. Oregon has not seen gains in rental housing availability or affordability. Affordable rental housing continues to be in short supply. Moreover, many households cannot even afford to rent and the state is experiencing record levels of homelessness.

*Preservation of Affordable Rental Housing* – Aging affordable rental housing can be preserved with resources for acquisition and rehabilitation. The cost of preserving affordable housing is far less than building new affordable housing. Many affordable housing units have associated federal subsidies to keep rents affordable. Federal

contracts on many units will expire in the 2011-13 biennium. Without state support, many of these units will be lost to market rate housing or to alternative uses.

*State Resources* – The housing slump and economic slowdown has also taken its toll on state and local government. The slowdown has brought lower corporate and personal income tax revenue. In addition, local property tax revenue and community spending in general has weakened. State revenues have slowed, forcing budget reductions to critical programs. Consequently, communities struggle to fund current services and will be challenged to meet future community needs.

Market difficulties have impacted equity investors, reducing the demand for housing tax credits. This impacts the value of these credits and subsequently requires additional resources to provide assurance and security to lenders. As a result, more state resources are required on projects and fewer projects can ultimately be funded with available resources.

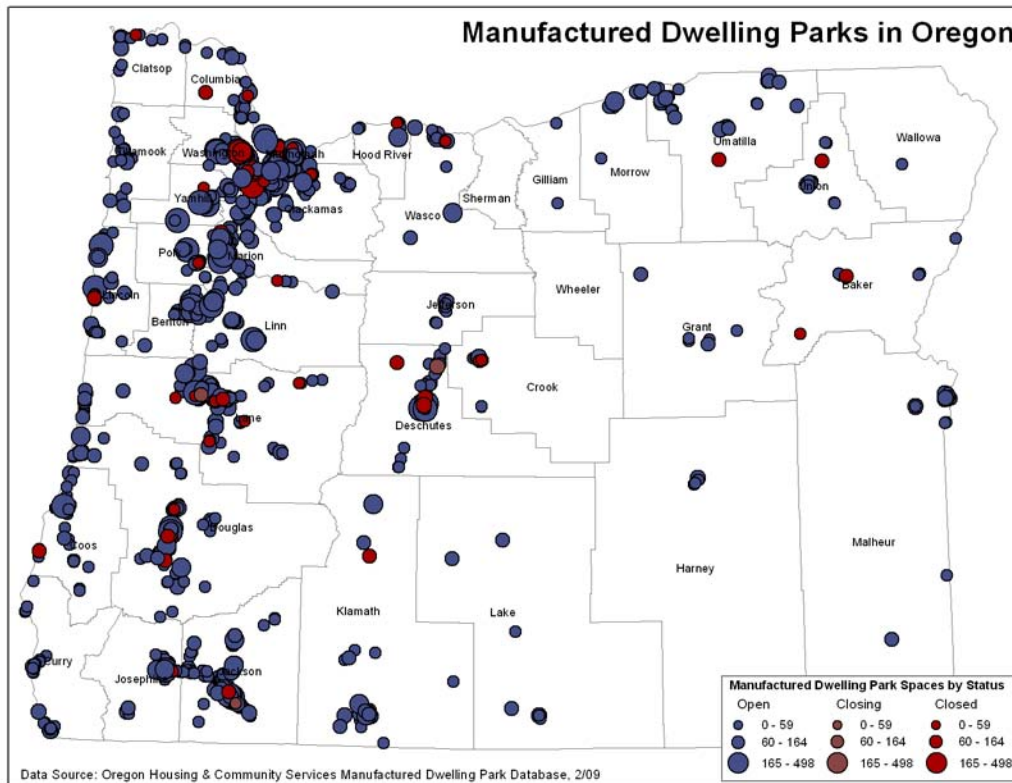
### Impacts to Oregonians

*Cost of Housing* – A few years ago, Oregon housing prices were increasing much faster than average incomes. With the recession, housing prices have fallen throughout the state. In a few Oregon counties (Deschutes, Jackson) housing prices have fallen dramatically. Signs are starting to emerge that the housing market has hit bottom, at least in terms of housing starts, but prices may have farther to fall. Though Oregon has been hit hard through this downturn, Oregon's housing market is relatively better off than some states, such as California, Nevada, Florida, and Arizona. Coupled with the recessionary state of the economy, overbuilding and heightened credit standards will keep demand for housing relatively low. For most of Oregon, home price decline and foreclosures have been caused by the recession more than by correction of the housing bubble. If Oregon's economy recovers well, Oregon's housing market should revive better than the states that experienced the greater housing market bubbles. As many former homeowners have lost their homes and as lower incomes and higher credit standards make it more difficult for potential homeowners to obtain financing, the demand for rental housing swells. This increases market rates for rental housing, making it even more difficult for Oregonians with low incomes to find housing they can afford and still be able to meet their basic needs. Many households are "cost-burdened", spending more than 30 percent of their incomes on housing.

### Manufactured Dwelling Parks

In 2003, Oregon tallied 986 manufactured housing parks. According to the latest OHCS report, the number of parks in the balance of state has dropped to 751 with a

total of 38,120 spaces. Oregon staffs an ombudsman position to assist residents and also offers a loan program to help residents purchase their park. Unfortunately, market conditions have limited the viability of the loan program.



## Public Housing

There are a total of 17,463 public housing and Section 8 units in the Consolidated Plan area with a 1.8% vacancy rate. Based on a review of most current PHA plans on file, the waiting list for Section 8 and public housing units is 1280, 3% of the existing supply. According to an internal projection, 63 Section 8 projects with 1,458 units will be going "off-line" during the period covered by the Consolidated Plan.

Based on the 2008 Special Needs and Affordable Housing Needs Assessment, the following shows Oregon affordable rental housing projects in the Consolidated Plan area. Because the primary target population (in projects lists units with more than one target population) the table should be used for general reference only.

County	ADR	ALF	CMI	DD	DV	ELD	FW	HIV	HOM	PD	RO	GENERAL	TOTAL
Baker	5	0	16	3	0	86	0	0	10	6	4	60	190
Benton	0	0	0	30	20	264	0	0	0	15	0	251	580
Clatsop	0	0	15	32	3	160	0	0	29	17	0	289	544
Columbia	2	35	13	26	0	139	22	0	2	8	20	272	538
Coos	39	50	22	33	8	139	66	0	0	8	0	312	677
Crook	0	30	8	0	0	104	0	0	0	0	0	69	211

Curry	0	0	18	10	10	128	0	0	0	18	0	172	356
Deschutes	2	83	25	43	0	546	0	0	38	11	0	868	1,615
Douglas	17	169	40	52	36	490	0	0	93	14	18	852	1,779
Gilliam	0	29	0	0	0	0	0	0	0	0	0	0	29
Grant	0	0	0	12	0	26	0	0	0	0	0	57	95
Harney	0	40	0	0	0	40	1	0	6	0	0	70	157
Hood River	0	30	0	5	0	72	222	0	0	0	0	291	619
Jackson	54	0	47	44	33	1,119	77	4	47	44	0	1,611	3,080
Jefferson	0	27	0	0	0	48	47	0	12	15	0	171	319
Josephine	0	105	74	20	24	375	0	0	7	0	0	171	776
Klamath	0	0	11	12	4	210	25	0	8	2	2	244	518
Lake	0	6	0	0	0	9	0	0	0	9	0	28	51
Lane	34	276	162	198	0	1,441	11	0	176	151	23	2,800	5,270
Lincoln	0	244	9	10	0	308	40	0	18	0	0	555	1,184
Linn	0	50	49	71	32	450	1	0	46	10	2	630	1,340
Malheur	5	0	0	10	0	216	198	0	7	0	0	259	695
Marion	9	224	10	222	56	1,237	283	0	57	126	3	2,313	4,541
Morrow	0	0	0	0	0	19	48	0	0	0	0	66	133
Polk	8	168	6	59	0	256	45	0	3	48	0	358	949
Sherman	0	0	0	0	0	12	0	0	0	0	0	0	12
Tillamook	0	64	0	0	0	37	0	0	0	0	0	322	423
Umatilla	16	149	24	56	2	330	257	0	14	0	1	1,142	1,989
Union	0	0	10	7	0	170	46	0	11	0	0	381	625
Wallowa	0	30	11	0	0	38	0	0	0	5	0	112	196
Wasco	8	0	0	5	0	146	341	0	20	20	0	522	1,061
Wheeler	0	0	0	0	0	10	0	0	0	10	0	5	24
Yamhill	6	163	18	75	24	342	73	0	17	59	1	925	1,702
<b>TOTAL</b>	<b>752</b>	<b>2,355</b>	<b>1,300</b>	<b>1,641</b>	<b>298</b>	<b>15,010</b>	<b>2,380</b>	<b>56</b>	<b>1,987</b>	<b>1,262</b>	<b>291</b>	<b>42,412</b>	<b>69,744</b>

## Condition

No single data source provides complete information about the condition of housing in Oregon. Various sources can give general impressions however. 2000 Census Table HCT22 shows a total of 6,584 units in Oregon lacking complete plumbing facilities. 55% of those are rental units. 32.9% are poverty households. 62.7% of Oregon homes were built prior to 1979, making the great majority of them at some level of risk for lead based paint. Of those, poverty level households occupy 22,323 homes.

## Cost

Once again, it is regrettable that the 2010 Census data is not available. Data analysis is further complicated by the national recession and the disproportionate effects on Oregon's housing market and unemployment. Because reliable, updated information is not available for the balance of state, 2000 Census data will continue to be used.

2000 Census table H84 shows approximately half of all homes in the jurisdiction were valued less than \$125,000. Over 20% were valued less than \$80,000. 171,717 homeowners (28.4%) in the jurisdiction are cost burdened. (Table B). 60.9% of low income owner households are cost burdened. A June 2005 article in *Oregon Business* listed annual housing appreciation rate in Oregon entitlement areas ranging from a low of 24% in Salem to a high in Medford/Ashland over 69%. Little data is available for current values in the non-entitlement areas of Oregon.

HUD data in Table B lists 36.3% of all Oregon renters as cost burdened. 56.9% of low income renter households are cost burdened.

### **Homeless Housing 91.310 (b)**

The January 2010 Point In Time Homeless Count sponsored by OREGON shows in total there were 19,207 people experiencing homelessness counted. Of those, 9,622 (50.1%) were from non-entitlement areas which has approximately 36% of Oregon's population.

Data analysis required subtracting the various HOME entitlement areas from the Oregon total (excludes Benton, Clackamas, Lane, Marion, Multnomah, Polk, and Washington Counties). Of the 9,622 individuals counted in the non-entitlement part of the state, 27% were served in shelters and transitional housing and the remaining 73% were turned away for services or counted through a street count. 1,840 persons (19%) counted were defined as chronically homeless (based on the state definition which includes individuals in families).

The balance of state Oregon does not differentiate between homeless and chronically homeless in the provision of services or shelter.

The State of Oregon has committed to ending chronic homelessness, believing all people in Oregon should have the opportunity to be at home in their communities and to be physically, emotionally and economically healthy.

The Ending Homelessness Advisory Council (EHAC), created through Executive Order by Governor Ted Kulongoski, has been charged with developing strategies and making recommendations to end and prevent homelessness in Oregon. EHAC's membership include two members of the state legislature and representatives from ten state agencies, in addition to representatives from local government, housing authorities, the food bank, the faith community and other key stakeholders.

EHAC developed the State of Oregon's 10-year plan to end homelessness in 2008 and the Year One Status Report in 2009. The 10-year plan to end homelessness is

available at [http://www.ehac.oregon.gov/OHCS/EHAC/docs/EHAC\\_Action\\_Plan\\_Final.pdf](http://www.ehac.oregon.gov/OHCS/EHAC/docs/EHAC_Action_Plan_Final.pdf), or by contacting Loren Shultz: 503.986.2008 or [loren.shultz@hcs.state.or.us](mailto:loren.shultz@hcs.state.or.us).

EHAC members meet quarterly and provide support for local efforts to end homelessness, promote best practices and outcome-based services

Following is a brief summary of homeless facilities

**Table I - Homeless shelters**

Type of Housing	Year Round		Other	
	Family Beds	Individual Beds	Seasonal Beds	Overflow Voucher
Emergency Shelter Inventory	913	753	98	98
Additional Emergency Shelter Need	654	315	65	23
Transitional Shelter Inventory	1,255	483	0	0
Additional Transitional Shelter Need	573	259	10	0
Permanent Support Inventory	602	311	na	na
Additional Permanent Support Needs	553	553	na	na

Services for the homeless, chronically homeless and those in danger of becoming homeless include: homelessness prevention; rent, utility, and mortgage assistance; life skill training; job and vocational training; medical and mental health assistance; child care; food assistance; drug and alcohol abuse counseling; and other related assistance.

Oregon's Housing Plus Program provided linked housing and services for homeless and chronically homeless populations. Although current funding is fully committed to over 200 units, OHCS will be requesting an additional \$18 million to provide approximately 100 additional units.

Oregon's NSP2 (Neighborhood Stabilization Program) serves five counties, including the entitlement areas of Washington and Clackamas counties. Oregon has set aside a portion of the NSP2 funding for permanent supportive housing, with services. Combined with approximately \$3 million in non-HUD funds, the effort is expected to result in ten additional units with services.

NSP3 funding of \$5 million has been announced. Although guidance has not been issued, Oregon will use NSP3 funding in compliance with federal law, HUD regulation, and in the spirit and tone set by NSP and NSP2.

### **Special Need Housing and Services 91.310 (c)**

Oregon works through the Continuum of Care process in conjunction with the Department of Human Services (now Oregon Health Authority) , 15 Community Action Agencies and a variety of public, private, and faith-based organizations to provide services to special needs populations, including housing.

Following is a description of programs and services available to eligible Oregonians through local and regional service providers.

Programs address nutrition, rental assistance, homeless, low-income energy assistance, weatherization, financial literacy, individual development accounts, childcare assistance, and more.

#### **Federal Funds**

- Community Service Block Grant
- Continuum of Care
- Home Tenant-Based Assistance
- Emergency solutions Grants Program
- Housing Stabilization Program
- Temporary Assistance to Needy Families
- Housing Opportunities for People With Aids
- Low Income Weatherization and Energy Assistance
- Low Income Weatherization Programs
- USDA Food & Nutrition Service

#### **Non-Federal Funds**

- Emergency Housing Account Fund
- Low Income Rental Housing Fund
- Oregon Energy Assistance Program
- MidAmerican Energy Holdings, formerly PacifiCorp Reach
- Food and Nutrition Programs

A summary of facilities is shown in Table I. For additional data, please refer to Attachment 5, HUD's required Table 2A.

## **STRATEGIC PLAN** Sec. 91.315

### Introduction

The Strategic Plan portion of Oregon's 2011-2015 Consolidated Plan will cover the years 2011-2015.

The Strategic Plan describes how federal and state resources, that are expected to be available, will address the state's needs to provide decent housing, a suitable living environment and services to expand economic opportunities for extremely-low, very-low, and low-income Oregon residents.

This section sets forth the most effective strategies for addressing housing and community development needs in Oregon. Strategies are listed for the state as a whole. Not all strategies will apply to all regions or communities. Oregon is a diverse state, with many areas experiencing steady growth. Some areas have, and will continue to experience, explosive growth, while other areas are seeing stagnation or even decreases in population and employment.

### **General Categories and Priorities** 91.315 (a)

#### (1) Investment priorities by geography

##### Affordable Housing

- Oregon does use regional geographical distribution as a framework for competitive applications for HOME new construction and rehab rental housing funding. Each region receives a base allocation plus additional funds based on need. Regional distributions are a guide and funds under utilized in one region will be allocated to another. In the case of insufficient HOME funds for regional allocation, a state-wide pool will be created. OHCS reserves the right to award HOME funds outside the competitive process including, but not limited to, demonstration projects, projects chosen through an RFP process, or projects with a critical time line. In the event of a State or Federally declared disaster Oregon may choose to reprogram HOME funds, including TBRA, to meet the needs of citizens victimized by the disaster in accordance with Federal and State regulations pertaining to that disaster. The state does not restrict the type and quantity of the applications reviewed for processing. The state distributes funds through a competitive process and cannot predict the ultimate geographic distribution of funds.

**HOME Tenant-Based Assistance will be allocated by county, based on households below 50% median family income, working through community-based organizations as local administrators. Due to the nature of the distribution process, the ultimate geographic distribution of the assistance cannot be predicted.**

- 

**Homelessness ESG funds are distributed in non-entitlement areas of the state using a distribution formula that factors: (Note: for ESG, Oregon entitlement areas are Portland/Gresham/Multnomah County, Clackamas Urban County, and Washington Urban County) The distribution formula was a joint effort between Oregon Housing and Community Services and the Community Action Partnership of Oregon (CAPO). CAPO agencies are also the lead agencies and/or project sponsors for the Continuums of Care throughout Oregon. Each CoC is either funded with ESG or other state homeless funds and is a vital partner for input and service delivery for Oregon.**

- **The percent of Cost Burden by State population. This factor measures the number of households that are paying more than 50% of their income to their rent.**
- **The percentage of Economically Disadvantaged by State population. This factor measures the number of households that have income below the poverty level.**
- **The percentage of population represented in State One Night Shelter Count. This factor is taken from the Shelter Counts taken in the previous biennium.**

**Funds are allocated to Lead Agencies with a demonstrated capacity to provide needed services and initiatives receive these funds. Due to the nature of the distribution process, the ultimate geographic distribution of the assistance cannot be predicted.**

**Other Special Needs including HIV/AIDS With the exception of program criteria noted above, Oregon does not use geography as criteria for allocating investment to meet the needs of special populations. Due to the nature of the distribution process, the ultimate geographic distribution of the assistance cannot be predicted.**

Non-Housing Community Development Needs The State of Oregon's non-entitlement CDBG program does not have any geographic priorities for funding, as the state has no control over the types and numbers of applications submitted to the program. The state does not restrict the type and quantity of the applications reviewed for processing. The state distributes funds through a competitive process and cannot predict the ultimate geographic distribution of funds.

(2) Basis for assigning priorities.

Affordable Housing Oregon has identified a variety of renter and owner occupied populations who need affordable housing. These populations are shown in Table J (also see required HUD Table 2A in attachments. Oregon considered a number of factors in assigning priorities as shown below.

*All demographic rental households from 0% to 50% income:* Oregon considered a number of factors from general demographics and the Market Analysis. Factors included but not necessarily limited to are the number of generally available units in both standard and substandard condition, unmet need, number of available units which are affordable, unmet need in relation to total population in that demographic, and total available resources available to meet the need. Because of the variance in Oregon's state-wide market as discussed in the Analysis (i.e. commuter market for urban areas, isolated rural communities, gentrifying retirement and recreational areas) a direct linkage is exceptionally difficult to establish, for example, compared to a municipal PJ.

*All demographic rental households from 51% to 80% income:* The basic reasoning described above also applies to the demographics with a medium priority. Oregon divided the HUD prescribed 51% - 80% income category into two subsections to reflect the requirements of other funding sources, which allow for a more precise targeting of resources. Households with incomes approaching 60% of median in limited circumstances are able to compete for and secure market rate housing in many markets, and therefore are not considered a high priority. Households with incomes from 61% to 80% are even more likely to afford market rate units, and have more financial options available.

*Owner occupied housing* Program design is the primary consideration in assigning high and low priorities to owner occupied housing. The

single most significant resource for owner occupied housing is CDBG funded rehabilitation. Oregon has designed a sustainable housing rehab program by using funds for deferred payment loans instead of grants. Owner households must have the ability to repay amortized loans used for rehab. This reduces the ability to target the program to the lower income levels. Few households below 50% of median income have the resources to buy a home, support the payment of a mortgage and have expendable income for on-going maintenance. Those that do have a home might qualify for a deferred payment loan but may not have income for a loan. Thus the "low" priority assignment is a result of prudent underwriting.

**Homelessness:** Within this category, Oregon assigns priorities on the basis of regulations pertaining to individual funding sources. Due to the obvious lack of household resources, the continued rise in homelessness and increasing numbers of people being turned away from services, maintaining and increasing shelter and transitional beds while improving access to permanent supportive housing and focusing on prevention have been identified as a high priority.

Funding the development of housing, in particular permanent supportive housing, is also a primary focus of Oregon Housing & Community Services housing division. Housing for homeless and chronically homeless individuals receives top need score in the departments competitive Consolidated Funding Cycle for housing development dollars (these need points are responsible for 18.5% of the total possible application points).

Further, the department has incorporated developing housing for the homeless in round two of the states Neighborhood Stabilization Program. The NSP2 program includes designated funding, and in combination with other funding from the department, creates permanent supportive housing for homeless persons in NSP2 designated areas. The funding is not statewide; it's only for regions represented by the NSP2 consortia members (Clackamas, Washington, Salem (Marion), Medford (Jackson County) areas of Deschutes, Jefferson, and Crook counties). These consortia members exist in entitlement and non-entitlement areas, covered by this Consolidated Plan.

Other Special Needs Within this category, Oregon assigns priorities on the basis of regulations pertaining to individual funding sources applied for through the competitive process. All special needs populations are high priority, including those served by HOPWA funding.

Non-Housing Community Development Needs The State CDBG program does not have established funding priorities by extremely low income, low income or moderate income.

(3) Obstacles to meeting underserved needs

Affordable Housing Lack of funding, cost of land, availability of qualified sponsors, tax credit investors, developers and contractors. For TBRA, a major obstacle is the lack of decent, affordable rental housing. Please also refer to the section on barriers to affordable housing.

Homelessness Lack of funding, state budget cuts to homeless programs, public perceptions, predisposing condition of populations, NIMBY. Please also refer to the section on barriers to affordable housing.

Other Special Needs Lack of funding, difficulty of orchestrating Continuum of Care.

Non-Housing Community Development Needs Since mid-2008 the Nation and Oregon has been in an economic recession that has impacted every segment of society and the low and moderate income households and neighborhoods have especially been impacted in a negative manner. The states CDBG program and CDBG Recovery Act Program (CDBG-R) program's are striving to alleviate the effects by creating jobs, assisting microenterprises, improving infrastructure, providing housing rehabilitation, and constructing new homeless shelters and other essential community facilities. However, the primary obstacle in meeting underserved needs continues to be lack of funding. Federal and state funding are simply not enough to meet the demand, even when coordinating funding resources with the U.S. Department of Agriculture's Rural Utilities Service, Oregon Department of Environmental Quality, the Environmental Protection Agency, the lottery funded Special Public Works Fund and Water Wastewater Financing Program and others. Oregonians are generally not aware of water, wastewater, medical, fire safety and other needs until a crisis occurs and the facility is either inadequate or not available to provide the services needed. Given today's economy Oregonians have demonstrated they are not willing to have their user fees increased or to pass a bond to assist with construction of new facilities or to improve existing facilities.

#### (4) Priority and Objective summary

Activity	Outcome	Objective	Annual Performance Indicators to Measure Progress	Short Term Annual Goals	Long Term Goal by December 31, 2015
Public Works – Wastewater, Water and Downtown Revitalization	Suitable Living Environments	Sustainability	# systems assisted Total persons assisted Total LMI persons assisted Funds leveraged	Fund 5 systems per year	25 systems assisted
Public Works – Off-Site Infrastructure	Decent Housing	Sustainability	# housing units assisted # LMI housing units assisted Funds leveraged	Fund 1 project every other year	2.5 projects funded
Public/Community Facilities – (fire stations, libraries, senior centers, food banks, family resource centers, community centers)	Suitable Living Environment	Availability/Accessibility	# facilities assisted Total persons assisted Total LMI persons assisted Funds leveraged	Fund 1 project per year	5 facilities assisted
Public/Community Facilities – (drug and alcohol treatment, head starts, mental health, health clinics, shelters/workshops for persons with disabilities)	Suitable Living Environment	Sustainability	# facilities assisted Total persons assisted Total LMI persons assisted Funds leveraged	Fund 1 projects every other year	2.5 facilities assisted
Public/Community Facilities – (domestic violence shelters, emergency/homeless shelters, transitional housing)	Decent Housing	Availability/Accessibility	# beds created Funds leveraged	Fund 1 project per year	5 facilities assisted
Economic Development	Economic Opportunity	Sustainability	Total jobs created/retained Total LMI jobs created/retained Funds leveraged	Fund 1 project per year	5 projects funded
Microenterprise Assistance	Economic Opportunity	Sustainability	# microenterprises assisted # LMI microenterprises assisted Funds leveraged	Fund 5 projects per year	25 projects funded
Housing Rehabilitation	Decent Housing	Sustainability	# units rehabbed Funds leveraged	Fund 6 projects per year	30 projects funded
Public Services	Suitable Living Environment	Availability/Accessibility	Total persons assisted Total LMI persons assisted Funds leveraged	Fund 3 projects per year	15 projects funded
Emergency Projects	Suitable Living Environment	Sustainability	The State has not experienced any declared emergencies since the December 2007 flood, affecting Columbia County, Clatsop County and Tillamook County. The Department does not anticipate future disasters but will ensure that if a bona fide disaster occurs in the future the projects will meet the CDBG program requirements and will be reported accordingly.		
Community Capacity/Technical Assistance			# training events held # of attendees	Fund 3 per year	15 funded training events

\* The state may select activities/funding priorities for the 2011-2015 CDBG program from the table above. The proposed outcome and performance measure requirements, performance indicators and the short and long term goals for each activity will only be triggered, if the activity is actually offered by the program.

The CDBG program funds, transitional housing, emergency shelters, homeless shelters, and domestic violence shelters.

The priority for funding under the program is:

- 1# - Homeless shelters, emergency shelters and transitional housing
- 2# - Shelters for victims of domestic violence

The proposed outcome and performance measure requirements, performance indicators and short and long term goals for each activity will only be triggered, if the activity is actually offered by the CDBG program

For additional CDBG Priorities and Objectives – see 91.315(f) page 51 below – they are combined.

<b>HOME PRIORITIES AND OBJECTIVES</b>		
Decent Housing		
Affordability and Availability and Sustainability		
Detailed Outcome Measures	5 year	2011
Number of acquisition-rehabilitation projects	25	5
Number of new Construction projects	15	3
Number of TBA households assisted	7,500	1,200
Number of CHDO operating subsidy grants	40	8

The proposed distribution of funds will address the need to preserve existing projects with project based assistance, increase the supply of housing, in particular to special needs populations, and provide affordable housing through TBA. CHDO operating grants will support increased local capacity.

<b>ESG PRIORITIES AND OBJECTIVES</b>		
Emergency and Transitional Shelters, Essential services	Suitable Living Environment	
Homeless prevention and Move in Assistance	Decent Housing	
Emergency and Transitional Shelters, Essential services	Accessibility and Availability	
Homeless prevention and Move in Assistance	Affordability	
Detailed Outcome Measures	5 year	2011
Emergency and transitional shelters and homeless prevention and move in assistance	60,000	12,000

The proposed distribution of funds seeks a balance of prevention services, recognizing the rising need associated with the recession and the needs of those currently homeless. Oregon has adopted the federal priority regarding elimination of chronic homelessness and is dedicating funding and effort in support of that goal. State and ESG HEARTH funds are available to support this effort, largely undertaken through the Continuum of Cares throughout the state. Overall, assistance for the homeless is a high priority in Oregon.

Oregon used CSBG ARRA funds to train benefits specialists. The specialists will continue to assist people who are disabled and homeless or at risk of homelessness in seeking SSI/SSD benefits and health care coverage. EHAC will continue to provide technical assistance to local planning groups covering 21 Oregon counties to develop their plans.

<b>HOPWA PRIORITIES AND OBJECTIVES</b>		
Decent Housing		
Affordability		
Detailed Outcome Measures	<b>5 Year Goal</b>	<b>2011 Goal</b>
Number of households receiving HOPWA TBRA	130	60
Number of households receiving Permanent Housing Placement Services (in the form of deposits)	200	15
Total number of unduplicated households receiving HOPWA assistance	133 <small>This is an unduplicated client count. Duplicated count is 265</small>	60
Percent of households assisted with TBRA maintaining permanent housing	90%	90%
Number of households receiving support in conjunction with HOPWA-funded housing assistance who have:		
a) a housing plan for maintaining or establishing on-going residency	NA	NA
b) had contact with a case manager at least once in the last three months (or consistent with schedule specified in their individualized service plan)	NA	NA
c) have medical insurance coverage or medical assistance	NA	NA
d) obtained an income-producing job outside of OHA (formerly DHS) during the year	25%	25%

The proposed distribution of funds recognizes the immediate need for rental assistance with accompanying services (from other funding sources) to address long term household needs of self sufficiency.

Other Special Needs Oregon places a high priority on the needs of all special needs populations. Internally (not Consolidated Plan) Oregon Housing and Community Services has a performance goal that half of the rental housing development units funded during the fiscal biennium will be for special populations. This is defined as housing for elderly, persons with physical and mental disabilities, ex-offenders, farmworkers, the homeless, and victims of domestic violence.

- Under the CDBG program, the program offers a variety of non-homeless and special need facilities such as senior centers for the elderly, shelters or workshops for persons with disabilities, health clinics operated by nonprofit organizations, mental health treatment centers, drug and alcohol treatment facilities, and food banks. . The state does not restrict the type and quantity of the applications reviewed for processing. The state distributes funds through a competitive process and cannot predict the ultimate geographic distribution of funds.

### Non-Housing Community Development Needs

- *Assigning Priority* - Oregon does not use any special targeting of geographic areas or beneficiaries, other than meeting the federal national objective for the CDBG program. The federal objective of the program is to benefit low and moderate income persons. Oregon spends on average 95.7% of the CDBG funds on this objective. Therefore, low and moderate income persons receive the highest priority regardless of geographic location within the state. CDBG funds are spent on projects that provide or retain jobs, stimulate the economy and improve the quality of life for low and moderate income Oregonians. The state does not restrict the type and quantity of the applications reviewed for processing. The state distributes funds through a competitive process and cannot predict the ultimate geographic distribution of funds.

### **Affordable Housing 91.315 (b)**

(1) Several factors in Oregon's current housing support the decision to prioritize preservation of projects with existing project based rental assistance. Owners may consider letting rent subsidy contracts expire because:

- market rate rents pay more
- the cost of deferred maintenance is daunting

- market rate apartments have no compliance requirements, or
- like their projects, the owners are 15 years older and many are tired of the responsibilities or see selling, with or without PBA as part of good estate planning.

Additionally, the high demand for affordable housing in uncertain economic times makes the injection of federal rent subsidies doubly important.

Oregon will use HOME dollars for tenant based rental assistance because it presents an efficient means of meeting the needs of extremely low income households. The amount of public subsidy required to make rehab or new construction affordable to this income group is prohibitive.

91.315 (c)

**Table J - Housing Needs Assessment, Priorities, Goals**

NOTE: State records show that projects closed during the past four years provided over 3,600 units of affordable housing. In "normal" economic times, it would be reasonable to assume that all things being equal, there would be an equal reduction in unmet need. However, the current recession and the lack of detailed 2010 census data make any assumptions especially risky. Because of these factors Oregon will re-use need estimates based on the 2000 Census until such time as data can be updated.

Tenure	Demographic	Income Range	Priority	Total HH in Oregon	Unmet HH Need	5 Year HH Goal	2011 HH Goal		
<b>RENTER OCCUPIED</b>	Small Related Family	0-30%		High	76,088	10,360	2,065	413	
		31-50%		High		9,505	540	108	
		51-80%	51-60% Medium				6,847	275	55
			61—80% Low						
	Large Related Family	0-30%		High	19,792	2,321	2,005	401	
		31-50%		High		3,066	410	82	
		51-80%	51-60% Medium				3,583	165	33
			61—80% Low						
	Elderly	0-30%		High	31,691	4,876	2,010	402	
		31-50%		High		5,573	440	88	
		51-80%	51-60% Medium				3,074	45	9
			61—80% Low						
<b>OWNER OCCUPIED</b>	0-30%		Low	423,637	15,249	730	146		
	31-50%		Low		18,048				
	51-80%	51-60% Medium						20,605	
		61—80% Medium							

The same approximate information is also contained in HUD Table 2A in the attachments.

Table J notes

- The following information is required by HUD:
  - Renter occupied and owner occupied, (see #2)
  - small family, large family, elderly, HUD does not require elderly to be broken down by family size. (see #2)

- 0-30% income, 31-50% income, 51-80% income, (see #2) [OHCS management requested that the 51-80% category be further subdivided into 51-60% and 61- 80% to reflect income categories of other funding sources.
  - high, medium and low priorities.
  - unmet need (see #2)
  - 2011 and 5 year goals. HUD requires 5 and 1 year goals but has no prescribed formula for setting these goals.
2. The data in #1 comes from CHAS data tables provided by HUD at <http://socds.huduser.org/scripts/odbc.exe/chas/reports.htm> These tables also report "all other households" but HUD does not specify a use for these numbers and they are not included, except in "total households".
  3. a) Total households in a previous version were shown as the total households *by family size for each income category* and did not include "all other households" In this version, total households is the gross number of ALL small family renter, large family renter, and elderly renter in the state regardless of income or need. This results in significantly larger total HH numbers and significantly smaller %.
- b) The same methodology was applied to total owner households.

### Other:

In April 2008 OHCS released *Housing as an Economic Stimulus*, a study which reported that for every \$1 invested in affordable housing, the State realizes \$11 in economic benefits. ([www.ohcs.oregon.gov/OHCS/DO\\_economicstimulus.shtml](http://www.ohcs.oregon.gov/OHCS/DO_economicstimulus.shtml)) Additionally, the report cited creation of 1.5 jobs (on average) for each job created through affordable housing. To optimize the economic benefit of housing development, OHCS will be strategic in the placement of future housing to take advantage of communities that are ready for development and have workforce housing needs. The characteristics of the housing market indicate vacancy rates that support a combination of both new construction and rehabilitation. This approach is further supported by dramatically increasing cost of construction, cost of developable land, and supply of land.

Oregon will use HOME funds for tenant based rental assistance because local market conditions demand a substantial portion of assistance be delivered directly in lieu of delayed support from rehab or new construction. Additionally, many existing units can be subsidized at a lower cost per unit because they are existing, as opposed to the prohibitive cost of new construction.

### Public Housing 91.315 (c)

- (1) Oregon does not have a state agency that administers public housing.
- (2) Public housing projects in Oregon are eligible to apply for the Consolidated Funding Cycle.
- (3) Public housing agencies in Oregon designated as "troubled" work directly with HUD to resolve difficulties.

## **Homelessness 91.315 (d)**

Oregon's Ending Homeless Advisory Committee (EHAC) has adopted these principles.

- support local community efforts that respectfully empower individuals and families
- prevent and reduce homelessness across all homeless groups
- provide choice, quality, minimum standards and affordable temporary and permanent housing
- heighten awareness and understanding of the relevance of homeless issues
- keep people in their homes by using support packages and find the right home the first time
- deliver evidence and outcome based services
- consult with service providers and users
- listen, learn, and improve.

(1) Helping low income families avoid homelessness: Oregon will develop and utilize programs to help people stay housed and assess and assist persons discharged from institutions,

(2) Reaching out to and assessing individual needs of the homeless. Oregon will continue to support local and regional partners in identifying and providing services to homeless persons. Details of counseling and financial programs can be found at [http://www.ehac.oregon.gov/OHCS/EHAC/docs/EHAC\\_Action\\_Plan\\_Final.pdf](http://www.ehac.oregon.gov/OHCS/EHAC/docs/EHAC_Action_Plan_Final.pdf), or by contacting Loren Shultz: 503.986.2008 or [loren.shultz@hcs.state.or.us](mailto:loren.shultz@hcs.state.or.us).

(3) Emergency shelter and transitional housing needs of the homeless are addressed as follows.

Oregon will help low-income families avoid being homeless largely through the Continuum of Care and the following activities.

- counseling to prevent homelessness and transition out of homelessness
- counseling for mental and physical health, family matters variety of support services and emergency payments for transportation, utility assistance, emergency meals and groceries, mortgage payments, utility and rent deposits
- counseling for employment preparedness, job seeking and placement
- counseling for credit concerns, preparation for homeownership

These activities may change based on guidance from HUD regarding HEARTH implementation.

(4) Helping the homeless (especially chronically homeless) transition to permanent housing and independent living.

The State of Oregon was allocated \$7,873,436 in one-time funding for the Homelessness Prevention and Rapid Re-housing Program (HPRP) as part of the Recovery Act of 2009 (ARRA). Assistance is provided through Community Action Agencies to prevent individuals and families from becoming homeless and to help those who are experiencing homelessness to become re-housed and stabilized.

Oregon supports the "housing first" and "housing plus" concepts which link provision of housing with supportive services designed to assist persons experiencing homelessness, especially chronic homelessness, to permanent housing and independent living.

**Other special needs** 91.315 (e)

Under the CDBG program, the program offers a variety of non-homeless and special need facilities such as senior centers for the elderly, shelters or workshops for persons with disabilities, health clinics operated by nonprofit organizations, mental health treatment centers, drug and alcohol treatment facilities, and food banks.

Oregon will use HOME TBRA for special needs populations. Local market conditions are largely represented through the Consolidated Funding Cycle process. The CFC process combines incentives through packaging of resources into a competitive rating system which encourages those entities with the most comprehensive and current awareness of local market conditions to propose projects which best address all factors.

Oregon will continue to support special populations through the Rural Oregon Continuum of Care network. ROCC will utilize the Supportive Housing Program funds, Continuum of Care funding and other sources. The ROCC team includes OHCS, OHA (formerly DHS), directors of Oregon's Community Action Agencies, county Mental Health agencies and a multitude of service providers representing literally every available source of assistance for the special needs populations, including Oregon's HOPWA program.

Oregon will use HOME funds for tenant based rental assistance. Market conditions that provide the most difficulty include availability and cost, as well as competition for scarce units from persons with more resources and fewer potential fair housing impediments.

In the past biennium Oregon has used the CFC funding process to combine HUD, state, and other funding to develop rental housing for chronically mentally ill, chronically homeless, and other special populations.

In the event of a State or Federally declared disaster Oregon may choose to reprogram HOME funds, including TBRA, to meet the needs of citizens victimized by the disaster in accordance with Federal and State regulations pertaining to that disaster.

The following table summarizes special population needs and goals.

**Table K - Special Populations Needs and Goals** (please also see HUD required Table 1B in Attachments, page 28)

Tenure	Income	Priority	Total in Oregon	Unmet HH Need	5 Year HH Goal	2011 HH Goal
Farmworker	under 80%	High	40,000 to 124,400	See notes	500	100
Disabled	Under 80%	High	70,809	38,943	400	100
Frail Elderly and elderly	Under 80%	High	Included in elderly	70,433	Included w/elderly	Included w/ elderly
Chronic Homeless	Under 80%	High	1,131	1,131	See notes	See notes
Homeless/ near homeless	Under 80%	High	3,592 (does not include chronic)	3,592	See notes	See notes
First time Minority Home buyers	50% - 80%	High	5,422	2,902	15	3
HIV/AIDS and families	Under 80%	High	1,646	812	300	60
Post incarceration	Under 80%	Low	2,664	2,664	See notes	See notes
Persons in recovery	Under 80%	Low	9,785	7,695	See notes	See notes

- +Farmworker needs are extremely difficult to enumerated separately. 50% to 70% are undocumented (3) and most of the remainder are included either in census or other, special counts.
- +Disabled included physically disabled, developmentally disabled, and chronically mentally ill.
- + The extent of need for homeless and chronic homeless is established by One Night counts. Units of service delivered over the course of any given period of time involve multiple services to the same individual, making realistic goal setting difficult.

- + Oregon has a goal of increasing the number of first time homebuyers who are minority. Need was determined from Census data by counting the number of low income minority renters with housing problems. Minority homeowners total represents all within the jurisdiction that are renters in the 50%-80% income range. Unmet need represents those households with one or more housing problems. (HUD SOCDs)
- + Oregon releases an average of 222 felons monthly into the planning jurisdiction. 82 housing units dedicated to this purpose are available. The jurisdiction, which incarcerates the felon, is not necessarily the jurisdiction into which the felon is released, making planning extremely difficult. Oregon has is evaluating the results of a trial program to meet this need and until evaluation is complete, no goals will be set.
- + OMHAS lists a total of 9,785 persons receiving mental health treatment needing specialized housing and 2,090 units available.
- + Oregon does not track persons in recovery as a separate class. These special needs population goals are included in the overall mix of transitional and homeless housing, as well as undifferentiated affordable housing. Oregon Mental Health and Addictions Services is actively working with the Oregon Youth Authority, Oregon Department of Corrections and the Oregon Employment Department to establish a system for determining and tracking what happens to clients after treatment.

## **NON-HOUSING COMMUNITY DEVELOPMENT PLAN 91.315 (f)**

- **Assigning Priority** - Oregon does not use any special targeting of geographic areas or beneficiaries, other than meeting the federal national objective for the CDBG program. The federal objective of the program is to benefit low and moderate income persons. Oregon spends on average 95.7% of the CDBG funds on this objective. Therefore, low and moderate income persons receive the highest priority regardless of geographic location within the state. CDBG funds are spent on projects that provide or retain jobs, stimulate the economy and improve the quality of life for low and moderate income Oregonians. The state does not restrict the type and quantity of the applications reviewed for processing. The state distributes funds through a competitive process and cannot predict the ultimate geographic distribution of funds.

**Potential Future Priority Changes to the CDBG Program** – The probability is high, that the 2010 census will show that there are many more communities eligible for funding under the area wide low and moderate income benefit national objective and that the state may need to increase the funds targeted to public works water and wastewater projects (may include an expansion to eligible activities under the public works program) and some core community facilities (food banks, emergency shelters, homeless shelters, domestic violence shelters and mental health treatment facilities) projects to accommodate this need. Once the results of the 2010 decennial census have been analyzed by the State, a need to amend the five year Consolidated Plan (2011-2015) may exist, along with a re-targeting of the CDBG funds to accommodate the new need.

### **CDBG Eligible Category -**

**Public Works – Wastewater and Water System** - The non-entitlement CDBG program is a cornerstone of the State’s efforts to address community development needs of small cities and rural areas. Without this assistance, communities that are home to many low and moderate income persons will go without potable water and adequate sanitary sewage systems, and continue to suffer from inadequate

infrastructure. These cities and rural areas will thus be unable to support economic development and suitable quality of life for their low and moderate income Oregonian residents. Providing funding assistance to municipal public works projects is in conformance with Goal 4, of the Department, which states “Assist Communities to build infrastructure capacity to address public health safety and compliance issues as well as support their ability to attract and retain businesses.”

Oregon spends, more than 60% of the CDBG funds on providing or improving public infrastructure, including water and wastewater projects and much needed public/community facilities. After the 2010 decennial census data is available, Oregon may need to spend more than 60% of the CDBG funds for these types of projects to accommodate the new demand and need for funds.

The Oregon Department of Environmental Quality records show that there are 486 permitted domestic, municipal wastewater treatment systems within Oregon. The permitted systems are operating under either a National Pollutant Discharge Elimination System (NPDES) permit or a Water Pollution Control Facility (WPCF) permit. Of these 486 systems 142 (29%) are not achieving compliance with water treatment standards for the state. In addition many of the system are not documented to be out of compliance, but are at or near the end of the useful design life of the facility and are in need of upgrading.

The Oregon Department of Human Services (now Oregon Health Authority) , – Drinking Water Program records show that there are about 1,300 public water systems, including all community systems, transient systems. Due to the massive influx of Recovery Act Funding under the Environmental Protection Agencies Safe Drinking Water Program, records show that 65 (5%) are not achieving compliance with the federal Safe Drinking Water Act’s requirements.

Public Works – Downtown Revitalization and Off-Site Infrastructure for New Affordable Housing - The local economic downturn has lead to reduced local resources available for publicly owned downtown revitalization projects to assist in creating a better economy and to extend publicly owned infrastructure to serve low and moderate income affordable housing complexes. Oregon will continue, as needed, to support these activities with the CDBG program.

Public/Community Facilities – The CDBG program is essential in the development of viable livable communities for Oregon residents. The current nation-wide economic downturn has reduced the availability of local and non-profit resources for many facilities, which provide services to or temporary shelters to homeless and special needs populations along with essential community facilities. After the 2010 decennial census data is available, Oregon may need to re-evaluate the types of

facilities that are funded under the program, to better accommodate new demands for the CDBG program. Until the 2010 census data is available Oregon will continue to support a variety of facilities to which could include and is not limited to: Homeless shelters; emergency shelters, transitional housing, food banks, shelters for victims of domestic violence, shelters/workshops for persons with disabilities, health clinics, mental health treatment centers, drug and alcohol treatment facilities, fire stations, senior centers, head start facilities, libraries, community centers and family resource centers.

Economic Development – Increasing economic opportunities is a high priority for the State. CDBG funds are also used for economic development often combining CDBG funds with other investments, both public and private, to help private businesses or microenterprises to create or retain jobs.

The 2009-2011 legislative priorities for the Governor included improving the number and type of available jobs and the overall economy. Three of the 4 Goals for the Department include:

- *Goal #1 – Help existing business retain jobs while growing and attracting sustainable businesses by focusing value- added services in key industries of: Clean Technology; Wood and Forest Products; Technology and Advanced Manufacturing; and Outdoor Gear and Active Wear.*
- *Goal #2 – Enhancing Oregon’s position in the global economy by assisting Oregon businesses in accessing global markets and by recruiting international companies to Oregon.*
- *Goal #3 – Advocate on behalf of Oregon businesses to capitalize on those areas where Oregon has demonstrated a competitive advantage by making targeted strategic investments.*

The Bureau of Labor and Statistics identifies that the State of Oregon ranks 8th in the nation in unemployment for July 2010. The state’s unemployment rate is 10.6% in comparison to the nations at 9.5%.

Microenterprise Assistance – Small microenterprise businesses struggle to compete and prosper under good economic conditions. In an effort to offer maximum program flexibility, Oregon will maintain the option of funding microenterprise assistance projects under the program.

Housing Rehabilitation - The non-entitlement CDBG program is essential to the State’s efforts to maintain viable communities by enabling low and moderate income

homeowners to repair and upgrade their homes, creating suitable living environments. Without this assistance these homeowners are unable to repair their homes and are forced to live in unsafe conditions. Oregon spends approximately 20% of the CDBG funds housing rehabilitation.

Public Services – Public services are primarily provided by other state and federal resources. Therefore, the Oregon Business Development Department will keep the funding of public services to a minimum and only for those services where it appears to be inadequate other resources to provide.

Emergency Projects – The state uses CDBG funds to provide grants for projects rising from bona fide emergencies. To be considered a bona fide emergency the situation must be:

- Officially declared by the Governor as a “State of Emergency” needing immediate action; and/or
- A Presidential declared disaster declaration has been issued for the event.

CDBG Emergency projects funds may only be used to repair or mitigate damages that were a direct result of the qualifying disaster.

Community Capacity/Technical Assistance – To develop local capacity in the administration of CDBG funded projects and the development of viable community projects, the state strategy is to continue the use of CDBG 1% funds to several economic development organizations, infrastructure conferences and other local capacity building events, grant administration workshops, applicants workshops, grant management training and one-on-one technical assistance.

### **Short-Term and Long-Term Objectives –**

The following outcomes, objective, performance indicators, short and long term goals are in conformance with the primary objective of the CDBG program to develop viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities, principally for low and moderate income persons.

The state may select activities for the 2011-2015 CDBG program from the table below. The proposed outcome and performance measure requirements, performance indicators and the short and long term goals for each activity will only be triggered, if the activity is actually offered by the program.

Activity	Outcome	Objective	Annual Performance Indicators to Measure Progress	Short Term Annual Goals	Long Term Goal by December 31, 2015
Public Works – Wastewater, Water and Downtown Revitalization	Suitable Living Environments	Sustainability	# systems assisted Total persons assisted Total LMI persons assisted Funds leveraged	Fund 5 systems per year	25 systems assisted
Public Works – Off-Site Infrastructure	Decent Housing	Sustainability	# housing units assisted # LMI housing units assisted Funds leveraged	Fund 1 project every other year	2.5 projects funded
Public/Community Facilities – (fire stations, libraries, senior centers, food banks, family resource centers, community centers)	Suitable Living Environment	Availability/Accessibility	# facilities assisted Total persons assisted Total LMI persons assisted Funds leveraged	Fund 1 project per year	5 facilities assisted
Public/Community Facilities – (drug and alcohol treatment, head starts, mental health, health clinics, shelters/workshops for persons with disabilities)	Suitable Living Environment	Sustainability	# facilities assisted Total persons assisted Total LMI persons assisted Funds leveraged	Fund 1 projects every other year	2.5 facilities assisted
Public/Community Facilities – (domestic violence shelters, emergency/homeless shelters, transitional housing)	Decent Housing	Availability/Accessibility	# beds created Funds leveraged	Fund 1 project per year	5 facilities assisted
Economic Development	Economic Opportunity	Sustainability	Total jobs created/retained Total LMI jobs created/retained Funds leveraged	Fund 1 project per year	5 projects funded
Microenterprise Assistance	Economic Opportunity	Sustainability	# microenterprises assisted # LMI microenterprises assisted Funds leveraged	Fund 5 projects per year	25 projects funded
Housing Rehabilitation	Decent Housing	Sustainability	# units rehabbed Funds leveraged	Fund 6 projects per year	30 projects funded
Public Services	Suitable Living Environment	Availability/Accessibility	Total persons assisted Total LMI persons assisted Funds leveraged	Fund 3 projects per year	15 projects funded
Emergency Projects	Suitable Living Environment	Sustainability	The State has not experienced any declared emergencies since the December 2007 flood, affecting Columbia County, Clatsop County and Tillamook County. The Department does not anticipate future disasters but will ensure that if a bona fide disaster occurs in the future the projects will meet the CDBG program requirements and will be reported accordingly.		
Community Capacity/Technical Assistance			# training events held # of attendees	Fund 3 per year	15 funded training events

\* The state may select activities/funding priorities for the 2011-2015 CDBG program from the table above. The proposed outcome and performance measure requirements, performance indicators and the short and long term goals for each activity will only be triggered, if the activity is actually offered by the program.



## NOTE: Proposed Beneficiary Summary

Attachment 7 contains a detailed summary of CDBG program funds awarded by the State from January 1, 2006 and the proposed benefits to the residents of Oregon.

### **Coordinated Community Revitalization** 91.315(g)

- The State CDBG program does not have any areas of geographically targeted revitalization efforts carried out through multiple activities in a concentrated coordinated effort. The state does not restrict the type and quantity of the applications reviewed for processing. The state distributes funds through a competitive process and cannot predict the ultimate geographic distribution of funds.

### **Barriers to Affordable Housing** 91.315 (h)

Oregon wishes to create an environment that encourages housing developers to produce high quality, affordable homes and apartments to meet the ever-growing need of Oregon's low income residents. The barriers also affect low income persons accessing home ownership opportunities. Oregon researched and compiled a list of the barriers affecting the production of affordable housing and considers the following obstacles to be significant. The proposed means of addressing the barrier follows each in italics.

- Lack of and high cost of private land – *Largely local market issue. Oregon may somewhat offset land costs through creative financing of improvements. Recent enactment of an initiative affecting "down-zoning" may free up more land for development.*
- Lack of coordinated response to problems and effective partnerships – *Oregon will continue the Governor's Economic Revitalization Teams that coordinate State resources and regulations at the planning stage.*
- Lack of and high cost of rural infrastructure – *Will continue to be addressed through CDBG*

- Lack of economic development/low wages – *Governor has made economic development and job creation a priority with a number of initiatives that will not be outlined here.*
- Community attitudes/”Not In My Backyard” (NIMBY)/Stigma of affordable housing – *Oregon provides communities and agencies direct assistance through Regional Advisors to the Department (RADs). RADs act as guides and referral sources for all manner of housing development concerns, including NIMBY.*
- Exclusionary zoning ordinances – *Largely a local issue primarily beyond the reach of State government if laws are followed.*
- Lack of local government interest in low income housing development. - *Largely an issue of local marketing. Oregon's Regional Advisors to the Department address this problem on a monthly, if not weekly basis by making presentations and providing support to local advocates.*
- Availability of private financing/Rural areas considered high risk. – *Oregon will continue to utilize the Consolidated Funding Cycle process which packages a variety of funding sources to boost owner equity and reduce private sector risk.*
- Lack of incentives for private development of affordable housing. - *Oregon will continue to utilize the Consolidated Funding Cycle process which packages a variety of funding sources to boost owner equity and reduce owner risk.*
- Local Design review guidelines - *Largely a local issue primarily beyond the reach of State government if laws are followed.*
- Property assessment practices - *Largely a local issue primarily beyond the reach of State government if laws are followed.*
- Poor credit worthiness of low-income people/Access to credit for mortgage loans – *Oregon continues to fund and support regional housing centers which provide credit repair counseling. Oregon also provides direct financing through state programs.*
- Lack of financing for home buyer programs – *Due to the current recession, there is no viable market for the financing instruments Oregon has traditionally used to assist low income and first time home buyers.*
- Lack of capacity and operating or predevelopment funds for non-profits – *Oregon will continue to support non-profits by continuing pre-dev loans.*

*Working through the Oregon Community Development Collaborative, resources from three different agencies are combined to provide non-profit evaluation, capacity building, predevelopment loans, and operational support. EHAC will continue to provide technical assistance to local planning groups covering 21 Oregon counties to develop their planning documents. Oregon used CSBG ARRA funds to train benefits specialists. The specialists will continue to assist people who are disabled and homeless or at risk of homelessness in seeking SSI/SSD benefits and health care coverage.*

- *Lack of support services for special needs groups – Oregon's Rural Continuum of Care (ROCC) provides comprehensive services and support to special needs groups by working through Community Action Agencies throughout the state. A major player is Oregon Department of Human Services (now Oregon Health Authority) , which provides a huge amount of service dollars.*
- *Public funding inadequate, too competitive and hard to obtain. – Oregon continues to aggressively pursue funding at both the state and federal levels. The Consolidated Funding Cycle process (which now includes weatherization resources) forces efficiencies among developers vying for those scarce resources.*
- *Lack of public transportation – Addressed through Continuum of Care efforts.*
- *Rental laws and practices – Oregon just completed a new Fair Housing Analysis of Impediments. The new Fair Housing Strategic Action Plan is included as part of Attachment 3.*
- *Redevelopment of manufactured home parks with resident displacement. – Parks across Oregon are being closed and land used for higher revenue producing commercial or residential use. Oregon will continue advocacy for displaced residents and will also continue to offer low interest loans that could be used by coalitions of residents to purchase and control their own park, assuming a willing seller. Oregon has passed legislation that makes park manager training mandatory, requires parks to report vacancies, and offers tax advantages to owners who sell facilities to residents. Oregon will be requesting amending law to allow use of Farmworker Housing Tax Credits by farmworker cooperatives in the purchase of parks.*

## **Lead Based Paint 91.315 (i)**

The State Community Development Block Grant program has developed procedures to eliminate the hazards of lead poisoning due to the presence of lead-based paint in housing assisted with Community Development Block Grant funds. In accordance

with the Lead-Based Paint Hazard Reduction Act of 1992 (Title X) the State established a certification program for inspectors and contractors and accrediting programs for trainers

All purchasers and tenants of Community Development Block Grant assisted emergency homeless shelters, transitional housing and domestic violence shelters constructed prior to 1978 receive a notice about the hazards of lead-based paint. Applicants for housing rehabilitation loans receive notification. The notification form to be used is the current Environmental Protection Agency (EPA) pamphlet, *Protect Your Family from Lead in Your Home*. Grant recipients must keep documentation of the notifications in their local project file.

In 2004 OHCS undertook a major "bridge building" effort by organizing a symposium with Oregon Department of Human Services (now Oregon Health Authority), and Oregon OSHA. There was a major marketing effort aimed at the Construction Contractors Board and its member contractors. As a result OHCS developed a new lead inspection protocol and participated in the creation of a new form of permitting and free training for lead safe work practices. OHA (formerly DHS) also provided funding for lead assessors and inspectors. The collaboration also posted an unsuccessful Super NOFA application for supplemental rehab funds. The collaboration will continue to seek funding for the following efforts.

### Purpose

To supplement rehabilitation programs in eligible housing with funds for lead-safe remodeling and lead-hazard reduction.

### Use of Funds

LHC funds may be used for the following:

- Inspection/Risk Assessment
- LBP Paint Stabilization/Standard Treatments using HUD-approved contractors
- LBP abatement using state-certified abatement contractors
- Clearance inspection

The Oregon HOME, CDBG, Low Income Housing Tax Credit and Risk Share problems all require that any homes built before 1978 undergo a lead paint assessment, with any identified or impacted surfaces required to be treated according to law.

The Department of Human Services (now Oregon Health Authority), will continue to offer the following coordinated State services on lead information:

- informational website
- brochures and information for consumers
- brochures and information for business
- accredited training for these positions
  - inspector
  - risk assessor
  - supervisor
  - project designer
  - worker
- list of certified professionals
- sources of insurance coverage
- remodeling tips
- prevention tips
- links to other sources of information

The low-income weatherization program requires all of its contractors to carry permits and be certified Lead Safe Workers. The required course is currently the HUD 8 hour course designed to train all contractors involved in serving low-income rehab and weatherization programs.

OHA (formerly DHS) agreed to fund all non-profit organizations that desire to have staff trained and certified. This has been integrated into the Community Based Organization Network of OHCS and a total of 40% of agencies now have fully state-certified in-house staff. This has heightened diligence in lead inspections and improved identification and documentation in low-income rehab and weatherization programs.

### **Anti-poverty Strategy 91.315 (j)**

This section of the State of Oregon Consolidated Plan summarizes the general discussion of poverty in the state and provides insight to the general strategies being pursued by Oregon to alleviate, if not eliminate, poverty. Some of the information contained in this section is repeated elsewhere in the Plan.

Oregon is conducting a concerted campaign on several fronts to move lower income Oregonians out of poverty. In general, Oregon's anti-poverty strategy helps move public assistance from a maintenance program to a system of transition and support; a continuum of care. The main goal of all services is to help individuals gain economic independence.

Oregon Individual Development Accounts (IDAs) are matched savings accounts that low income persons can use to help them invest in homeownership, additional education or training, or to start a business. The program encourages saving by matching each dollar a participant saves with at least one dollar from the program, allowing a low income person to leverage their savings. OHCS is responsible for implementing the program and providing program oversight.

OHCS maintains a leadership role in pursuing hunger issues through the Interagency Coordinating Council on Hunger. Several initiatives have resulted from OHCS' work with its partners. Adult and Family Services' offices will have expanded hours to allow working poor to access food stamps and the Oregon Food Bank will have expanded hours to provide greater access to emergency food supplies. Oregon operates five different food programs in service to its most vulnerable citizens.

As described earlier in this document, the Continuum of Care process is designed to provide a focused, multi-resource approach to address the universe of concerns that places families and individuals in poverty. Programmatic emphasis is to make poverty a transitional occurrence and not a permanent state.

In May 2007, the Governor created the Re-entry Council. The Council consists of 21 members: directors from many state agencies, Representative Kevin Cameron, Vicky Walker (then senator, now Director, Oregon Rural Development) representatives from the Oregon Association of Community Corrections Directors, the Oregon State Sheriffs Association, the Oregon District Attorneys Association, the Oregon Criminal Defense Lawyers Association, the Oregon Judicial Department, the Oregon Association of Chiefs of Police, and social service providers that concentrate on offenders' transition.

The Council is working collaboratively to identify and minimize the barriers that offenders find when transitioning out of incarceration. It is clear, both in Oregon and nationally that unnecessary barriers to successful re-entry are many and that some extend far beyond the boundaries of the criminal justice system.

An example of one such barrier that offenders often face is the lack of valid identification, which is a requirement for looking for a job and finding housing. There is an opportunity for DOC and our community partners to work with DMV to ensure that those transitioning back into society have that necessary ID.

## **Institutional Structure 91.315 (k) (1)**

### Components of Infrastructure

#### **Public**

- Oregon Housing and Community Services
  - Housing Division
  - Community Services Division
- Oregon Business Development Department
- Oregon Department of Human Services (now Oregon Health Authority) ,
- Oregon Food Bank
- Oregon Public Housing Authorities
- Cities, counties, port authorities, public development groups
- County social service agencies
- State Housing Council
- HUD
- Rural Development Administration
- Health and Human Services
- Other Oregon agencies
  - DOT
  - DEQ
  - Oregon Division of State Lands

#### **Faith Based Organizations**

#### **Private**

- Oregon Bankers
- Private sector developers - OHCS has worked with 37 in the past 5 years
- Institutional bond purchasers
- Oregon Builders Association

#### **Non-profits**

- Oregon Community Development Corporations
- Oregon Community Action Agencies

- Oregon Human Development Corporation
- Habitat for Humanity
- Manufactured Home Owners of Oregon
- Oregon Law Center
- Neighborhood Partnership Fund
- Enterprise Foundation
- Association of Oregon Community Development Organizations
- Oregon non-entitlement Independent Living Centers

The major strength and weakness of Oregon's institutional structure are mirror images.

**STRENGTHS**

**WEAKNESSES**

Comprehensive resources across agency lines	Difficulty in communicating across agency lines
Combined resources for holistic problem solving	Shrinking funding and staffing levels
Shared "big picture" goals	Funding/staffing concerns encourage more narrow vision

**Current Efforts**

OHCS participates at the regularly scheduled meetings with the Oregon Opportunity Network, an association for the community development corporations of the state and with the Association of Oregon Housing Authorities. Both of these meetings are forums to discuss potential policy changes, resolve issues facing the housing industry and new housing programs or initiatives.

Periodic meetings with Department of Human Services' (now Oregon Health Authority) , Addictions and Mental Health Division and Seniors and Persons with Disabilities Division to coordinate our housing efforts and limited resources.

Quarterly meetings with Portland Housing Bureau to discuss policies, housing needs, coordination of funding rounds and specific housing development issues.

Continue inter-agency working groups of federal, state and local agencies to work to facilitate consistent policies and practices that streamline the property acquisition and contract renewal processes on preservation projects.

## New Relationships

SB 200, passed in 2009, ties together OHCS and the Department of Human Services (**now Oregon Health Authority**), in administering homelessness policies. The Interagency Council on Hunger and Homelessness, “shall advise the departments in carrying out the policy,” according to the bill, which calls for the redesign of homelessness systems to focus on permanent housing.

## Efforts to Enhance Coordination

- Oregon will continue the following collaborations and activities to enhance coordination of public, private, and faith based service providers for housing, health, mental health, and other services.
- Oregon Public Housing Authorities
- Oregon Community Development Collaborative
- Oregon Economic Revitalization Teams
- Oregon Rural Continuum of Care
- Oregon HIV Care Coalition/Oregon HIV Housing Task Force
- support of local CAP agencies
- health services such as Oregon Health Plan, CAREAssist, OMIP
- OMHAS
- Oregon Council on Developmental Disabilities
- Fair Housing Council of Oregon

## CDBG

This section describes the institutional structure utilized by OBDD in the implementation of the State’s CDBG program. To understand the institutional structure a quick analysis of the historical award data was necessitated to better understand the applicant/recipient pool that typically utilizes the State CDBG program.

**Historical Award Distribution Data** - Since January 1, 2006, to present, the state has made 158 awards and 20 grant increases with total CDBG non-entitlement funds from the annual CDBG allocations and from the CDBG Recovery Funds (CDBG-R). In total, as of March 4, 2010) the State has received \$57,079,240 in 4

annual allocations and \$3,837,579 in CDBG-R funds for a total of \$60,916,819. The state has made unduplicated awards to the following:

- **Counties:** Twenty- two (67%) of the thirty-three counties within the geographic area served by the States of Oregon’s non-entitlement CDBG program have received CDBG awards.
- **Cities:** Sixty-eight (33.5%) of the 203 cities within the geographic area served by the States of Oregon’s non-entitlement CDBG program have received CDBG awards.

<b>Population</b>	<b>Number of Cities Awarded CDBG Funds</b>	<b>Percentage of Total Cities Awarded CDBG Funds</b>	<b>Number of Cities comprised of 51% or more LMI persons</b>	<b>Percentage of 51% or more LMI Cities</b>
5,000 and over	29	42.7%	9	26.5%
Over 2,500 and under 5,000	11	16.1%	5	14.7%
Over 1,000 and under 2,500	16	23.5%	11	32.4%
Over 500 and under 1,000	5	7.4%	5	14.7%
Under 500	7	10.3%	4	11.7%
<b>TOTALS</b>	<b>68</b>	<b>100%</b>	<b>34</b>	<b>100%</b>

**Eligible Applicants** - The eligible applicants to the State of Oregon’s non-entitlement CDBG program are cities and counties, which do not receive their own direct CDBG entitlement from HUD. A review of the cities and counties within the geographic area served reveals that there are 33 counties and 203 cities.

**Cities:** All of the incorporated cities located within the counties of Clackamas, Multnomah and Washington are excluded from the States non-entitlement CDBG program because these counties receive their own direct CDBG entitlements from HUD. In addition, the following cities of: Ashland, Bend, Corvallis, Eugene, Gresham, Hillsboro, Medford, Portland, Salem and Springfield are excluded from the States non-entitlement CDBG program, because they receive their own direct CDBG

entitlements from HUD. This leaves an applicant pool of 203 cities for the States non-entitlement CDBG program. An analysis of the 203 cities is presented below.

<b>Population</b>	<b>Number of Cities</b>	<b>Percentage of Total Cities</b>	<b>Number of Cities comprised of 51% or more LMI persons</b>	<b>Percentage of 51% or more LMI Cities</b>
5,000 and over	47	23%	10	14.1%
Over 2,500 and under 5,000	26	12.8%	10	14.1%
Over 1,000 and under 2,500	56	27.6%	18	25.2%
Over 500 and under 1,000	29	14.3%	14	19.7%
Under 500	45	22.3%	19	29.9%
<b>TOTALS</b>	<b>203</b>	<b>100%</b>	<b>71</b>	<b>100%</b>

**City Capacity Analysis** - Small cities of less than 1,000 persons struggle in the development and retention of local capacity to administer CDBG funded projects and are considered high risk communities. In reviewing the potential applicant pool to the States CDBG non-entitlement program, seventy-four or 36.6% of the cities have a population of 1,000 or less where thirty-three or 44.6% of these cities are comprised of 51% or more LMI persons. Due to the sheer number of cities within this “high risk” category increases the complexity of administering the CDBG program state-wide.

**Counties:** There are 36 counties within Oregon and the counties of Clackamas, Multnomah and Washington are excluded from the States non-entitlement CDBG program, because they receive their own direct CDBG entitlements from HUD. Of the 33 remaining counties, none are over 51% low and moderate income, however this does not exclude them from being the applicant on behalf of a project qualifying under the low and moderate income limited clientele or presumed national objective.

**County Analysis** – The 33 counties within the geographic area served by the states non-entitlement CDBG program, have a larger institutional structure and generally have the ability to successfully administer CDBG grants. Counties do experience unique difficulties when they are the applicant on behalf of non-profit association or district which lacks capacity. The unique difficulties are presented below.

**Non-Profit Analysis** - Oregon funds numerous projects where the City/County is the applicant on behalf of a non-profit organization. Therefore we need to analyze the ability of the non-profits to assist in administering the CDBG grants. Nationally the non-profit fiscal health situation is severe due to the national economic crisis and Oregon is no exception. The National Council of Nonprofits reports the following:

- **Increasing Demand** - As more families find themselves struggling financially due to unemployment, underemployment and disappearing savings they seek assistance from their local non-profits.
- **Escalating Costs** – The cost to provide the services of each program offered by the non-profit, increases proportionately with demand, along with their own increase in operating costs.
- **Decreasing Revenues** – Corporate donations have dropped dramatically, fees for services have faltered, foundation assets have shrank, Governments have delayed or even stopped paying nonprofits for services that they previously contracted for, and individual giving has decreased.

Due to the three issues identified above many non-profits have had to lay off critical employees, yet the demand for their services escalates and the need to construct more facilities to meet the increased demand exists. However, the non-profit capacity to keep up with day to day program delivery and construct new facilities is nearly non-existent.

The decline in non-profit capacity identified above, coupled with the fact that the focus of the non-profit is the delivery of their programs and not the complex requirements of the CDBG program, cities and counties who are applicants on behalf of these non-profits, experience difficulty. Oregon has observed a decline in non-profit capacity to complete the CDBG funded activities over the last several years.

**Special District Analysis** - Many Oregon counties apply for CDBG funding on behalf of sanitary districts, water districts, water supply authorities and organizations operated on a not-for-profit basis. This section provides a brief overview of the ability of these districts to assist in the administration of these CDBG funded projects.

Sanitary districts, water districts, water supply authorities and organizations operated on a not-for-profit basis, and providing basic water and wastewater service to small rural population pockets located outside incorporated cities. Due to the very

nature that the majority of these systems serve a population that is very small 500 or less in population, they are considered “high risk” in terms of capacity, identical to cities with populations of 500 or less. Therefore, when a county is the applicant on behalf of one of these systems not only are they dealing with the complexity of the governing/legal jurisdictional issues encountered in administering a grant that is benefitting and being implemented by an outside government body, which they have no governing authority, they are also dealing with reduced local capacity to implement and complete the funded project.

### **Overcoming gaps in the institutional structure 91.315 (k)(2)**

The CDBG program is statutorily designed to assist high risk populations, and as such creates difficulties by its own nature. To assist in reducing the local capacity gaps identified above, the state allows every grant recipient 10% of the requested grant, up to a maximum of \$25,000 per project for grant administration services. These funds can be used by the grant recipient to secure the services of a retained grant administrator. Since January 1, 2006 to present the state had awarded \$1,435,501 of CDBG funds to cities and counties for grant administration services. The state also has a mandatory certified sub-grantee program, a voluntary certified grant administrators program and is assessing the potential to offer the following:

- A Funding Agency Circuit Rider Program – This program could provide one-on-one technical assistance at the local level and may require the state to hire additional full time equivalent staff to implement.
- Development of Regional Professional Capacity – This would require the development of a special training program for existing or new local professional’s to develop their skills in the funding agency program requirements and to contract with local cities and counties to provide this service.
- Re-evaluate the need for a mandatory certified grant administrators program.

For the HOME, ESG, and HOPWA programs, Oregon will continue to utilize the ERT concept at the local level and joint planning/operations. Greater collaboration and cooperation will be sought to eliminate or mitigate communication problems.

## **Coordination 91.315 (l)**

The Oregon Business Development Department (OBDD) will continue to focus on coordinating with private industry, businesses, developers and social service agencies by using the twelve Regional Coordinators and eleven Business Development Officers which are assigned to specific regions of the state. OBDD staff uses a variety of methods to provide economic development assistance including one-on-one meetings, conferences, workshops, current web-site information, brochures and inter-entity one stop meetings and the successor entity for the Governor's office Economic Revitalization Team.

Governor Kitzhaber has clearly established economic development job creation as a priority for his new administration. The Business Development Department relations with economic development organizations statewide will be a resource for the IFA's management of the CDBG program. OBDD's contacts and outreach potential include local, rural economic development programs via Oregon Economic Development Association, the Oregon Business Plan organization, micro enterprise network, Ports, and special districts to list only a few.

The IFA also maintain close contact with cities, counties, and economic development districts thru its board membership. CDBG activities are reviewed by the IFA Board, as occurred in preparation of the 2011 proposed MOD.

OBDD will continue to collaborate with the Oregon Housing and Community Services, the Department of Human Services (now Oregon Health Authority), and the Department of Environmental Quality to provide affordable funding packages to improve livability for the state's low and moderate income citizens as eligible for CDBG resources. OBDD recognizes it plays a major role in the state's efforts to create jobs and improve living conditions in high unemployment and poverty areas in rural Oregon communities."

Oregon will continue the following collaborations and activities to enhance coordination of public, private, and faith based service providers for housing, health, mental health, and other services.

- Oregon Economic Revitalization Teams
- Oregon Rural Continuum of Care
- Oregon HIV Care Coalition
- Support of local CAP agencies
- health related services such as Oregon Health Plan, CAREAssist, OMIP
- OMHAS
- Oregon Council on Developmental Disabilities
- Fair Housing Council of Oregon
- Oregon Ending Homelessness Advisory Council
- Oregon Re-entry Council

- New NSP associated initiatives will work more closely with Oregon OHA (formerly DHS)

OPUS is an electronic data collection and business processing system for ten different funding programs operated through OHCS including homeless programs, rental assistance, and continuum of care. OPUS, still a work-in-progress, is jointly developed with service delivery partners. Ultimately, all programs in the Community Resources Division of OHCS will be incorporated in OPUS, allowing users to enter client information only once.

The needs of the chronically homeless are included in the focus of the Governor's Ending Homeless Advisory Council. EHAC has 27 members from a diverse group of Oregonians including elected officials, high ranking state agency officials, faith-based and non-profit groups, as well as service providers.

### **Low Income Housing Tax Credits 91.315 (m)**

Oregon offers an annual "Consolidated Funding Cycle" (CFC) competition for the development (either through acquisition, rehabilitation or construction) of affordable rental housing. The CFC offers up to seven different federal and state grant and tax credit programs, including the Low Income Housing Tax Credit Program and the HOME Program. In allocating grant and tax credit resources, OHCS prefers developments designed to achieve specific performance goals and preferences such as:

- Rental charges are a minimum of 10% below and preferably 20% below local market rents
- Developments include resident services appropriate to the tenant population designed to enhance resident self-sufficiency and the long term viability of the development
- Site and unit designs meet the needs of the residents as a first priority and in location appropriate for the development of housing
- Meet the following department performance measurement
- Populations whose affordable housing needs have largely not been satisfied by the market or other affordable housing developments.

The current market for tax credits is tentative at best, and almost non-existent for rural projects. Federal stimulus programs have provided a stabilized funding source but the impact will be limited to only the projects assisted.

## **Annual Action Plan** Section 91.320

The 2011 Annual Action Plan and CDBG MOD are included as separate documents.

## **Certifications** Section 91.325

Certifications are included as separate attachments to the Action Plan.

## **Monitoring** Sec.91.330

### General

#### *Internal Monitoring*

In addition to the description of individual program monitoring which follows, Oregon will institute a program of quarterly meetings with appropriate management and program staff. The purpose of the meetings will be to assess status of individual program goals in relation to the Consolidated Plan and the current Action Plan.

To ensure that all statutory and regulatory requirements are being met for activities with HUD funds, the Oregon Housing and Community Services Department and Oregon Business Development Department use various monitoring standards and procedures. In compliance with the requirements for an Action Plan, monitoring activities for federal funds are discussed. OHCS employs an extensive and sophisticated monitoring system for all funds and projects from planning through the full period of affordability.

Both departments take on various aspects of the responsibility for ensuring that recipients under the CDBG, HOME and ESG programs are carrying out their projects in accordance with both Federal and state statutory and regulatory requirements. These requirements are set forth in the grant contract executed between the State and the grantee. OHCS and OBDD provide maximum feasible delegation of responsibility and authority to grantees under the three programs. Whenever possible, deficiencies are rectified through constructive discussion, negotiation, and assistance.

Two basic types of monitoring are conducted: off-site, “desk” monitoring, and on-site monitoring. Department staff regularly reviews each project or activity to verify that it is proceeding in the manner set forth in the Grant Agreement in accordance with applicable laws and regulations. Desk monitoring is an ongoing process in which the

project administrator responsible for overseeing the grantee's project uses all available information to review the grantee's performance in carrying out the approved project. This review process enables both departments to identify problems requiring immediate attention and to schedule projects for on-site monitoring. Material utilization for this review include, but are not limited to: Amendments/Extensions to the Grant Agreement; Project Status Reports; Requests for a Draw-down of Funds; and other support documents.

On-site monitoring is a structured review conducted by the project or program administrator at the locations where project activities are being carried out or where project records are being maintained. At least one on-site monitoring visit is normally conducted during the course of a project. The review covers the following evidence of conforming to approved program guidelines, substantial progress toward program goals, compliance with laws, and continued capacity to carry out the approved program. Checklists are utilized to ensure that all issues are addressed. The number of times a project is monitored depends upon the issues that arise during the desk and on-site monitoring. In summary, OHCS and OBDD use the following processes and procedures for monitoring projects receiving HUD funds: evaluation on program progress, compliance monitoring, technical assistance, project status reports, monitoring technical assistance visits, special visits and continued contact with grantees by program representatives.

### *CDBG*

Every Community Development Block Grant project is monitored at least once by the State of Oregon before administrative closeout. The monitoring reviews the grant recipient's performance in administering the project in compliance with state and federal regulations to ensure federal funds are being managed properly and to document the effectiveness of the program.

Most projects, except Public Works Planning and Engineering grants, will be monitored on-site. The decision to monitor on-site versus a desk top review is based upon several risk factors, such as: program complexity, local grant administration capacity, recent problems with the project, past monitoring findings and projects with high risk activities. High-risk activities include projects that generate large amounts of program income, housing rehabilitation projects and projects that are far behind schedule.

The state has developed a monitoring checklist that enables staff to consistently monitor projects. Monitoring, whether on-site or desk top, are scheduled to coincide with various phases of the implementation of the project. After the monitoring is complete, a letter is sent to the recipient, outlining any areas of concern of findings

that need to be addressed. Areas where the recipient has done well are also noted. Findings are where the recipient is not in compliance with federal laws, regulations or a specific condition of the grant contract. Failure to respond to a finding will result in sanctions. Concerns are not a violation of federal law, but are areas that could be improved prior to a problem occurring.

Final drawdowns from the grant are generally approved after the monitoring has been completed and all findings are resolved.

### *HOME Rental Housing Development*

Monitoring of rental housing developments by OHCS is an ongoing process involving continuous communication and evaluation. Oregon monitors over 200 projects housing 25,000 citizens in developments ranging from 4 to 200 units. The process involves telephone conversations, written correspondence, analysis of reports and periodic on-site visits. The monitoring is completed by the Housing Resources Section until the project is completed. The file is then transferred to the Asset and Property Management Section (APM). It is APM's responsibility to:

Perform annual file reviews and on-site visits required by HOME regulations to ensure that the owner and/or property management firm is operating the project in compliance with applicable rules, regulations, and policies. The areas to be reviewed for compliance include:

- Tenant qualification, income calculations and appropriate supporting documentation
- The gross rent (Rent plus the tenant-paid utility allowance)
- The vacancy history of both low-income and market-rate units and the marketing strategies used to fill the vacancies
- Items agreed to in the HOME Grant Agreement, HOME Land Use Declaration of Restrictive Covenants and other applicable documentation
- Project characteristics attested to in the initial application for which ranking points were awarded.

Oregon will also

- Provide technical assistance to the sponsors, owners, and management agents when indicated or requested to ensure compliance with program requirements.

- Report instances of noncompliance, when appropriate, to HUD or the OHCS Finance Committee after giving the owner appropriate time to correct the problem.
- Maintain the information used to complete the compliance review for five years after the calendar year in which it was received.
- OHCS performs on-site inspection of all HOME projects at least through the end of the period of affordability.

### *HOME*

OHCS will assure initial program compliance through application procedures.

### *HOME TBA*

OHCS partners with 14 Community Action Agencies (CAPs) and 1 public housing authority (PHA) to distribute HOME tenant based rental assistance. In addition to administrative monitoring from OHCS Salem offices, each CAP and PHA has an annual monitoring visit by OHCS staff. Each agency provides access to client files from a randomly chosen period of time since the last visit. Several files are randomly chosen from that pool and are intensively monitored for all aspects of compliance with HUD regulation.

### *HOME CHDO Operating Subsidy*

Oregon CHDOs have to certify prior to competing for operating subsidy funds. CHDOs must also document either an existing HOME funded project under development, or have an immediately pending application. Oregon collaborates with The Neighborhood Partnership Fund and Enterprise Foundation to combine funding streams and staff expertise to support CHDO operation. Application materials require CHDOs to provide a one-year plan for overall housing and organizational development and are reviewed in the office. CHDO performance is also monitored by quarterly reports and at least one annual on-site review by the State at the CHDO office.

### *ESG*

Service providers receiving an ESG grant are monitored at least once annually. A closeout monitoring process is also followed prior to drawing down the last ten percent of grant funds. This process consists of an on-site visit during which the applicable files, programs and processes are reviewed. Areas examined include organization, conflicts of interest, insurance coverage, nondiscrimination and drug-free workplace policies, project activities and timelines, financial management and

matching funds, procurement procedures, demographics, essential services, operations, homeless prevention and rehabilitation activities. A written monitoring report is provided to each grantee identifying concerns and findings for noncompliance and actions required to correct them. Prior to any further draw down of ESG funds, all findings must have been resolved satisfactorily. Failure to do so could also result in repayment by the grantee of expended funds.

### *HOPWA*

HOPWA program performance will be monitored through quarterly file review for HUD compliance. Cases will be reviewed a minimum of once per year. DHS- HIV Client Services conducts an official annual file review for HUD compliance to include client case/chart reviews. Quarterly reviews are more informal.

HOPWA formula funds are directly administered by OHA (formerly DHS) and there are no sponsors or recipients of HOPWA formula funds. OHA (formerly DHS) administers the HOPWA program through four OHA staff. HOPWA management conducts annual onsite chart reviews to ensure compliance with federal regulations and program policy, as well as quarterly face to face training and policy review meetings. In addition, OHA contracts with Building Changes, the HUD HOPWA technical assistance contractor to perform periodic external review. A full external review occurred in 2009, utilizing the Office of HIV/AIDS Housing HOPWA Grantee Oversight Resource Guide and will occur again in 2011. The review results in a report highlighting successes and findings. Findings from the 2009 review were promptly resolved by OHA. In addition the report was provided to the HUD field office for review and comment.

## **Actions to Foster Fair Housing**

Each year, the State of Oregon is eligible to receive funds from the U.S. Department of Housing & Urban Development (HUD). These funds are used in communities throughout the State to improve housing and community development conditions. HUD requires the State to complete several reports in order to receive funds. One of these reports is called an Analysis of Impediments to Fair Housing Choice or AI.

The AI has two distinct parts. The first is made up of research that is used to identify existing fair housing impediments. Fair housing impediments can take many forms, which may include discrimination of citizens when trying to obtain housing, land use and zoning barriers that prohibit or discourage certain types of housing, and differential treatment of borrowers who are applying for a mortgage, among other types of activities. The second part of the AI is a plan for addressing the impediments that were identified in the research.

The State of Oregon Analysis of Impediments to Fair Housing Choice report, completed in the summer of 2010, details the research findings from the State study of fair housing impediments. This document outlines the specific actions the State will undertake to address the fair housing impediments identified in the Analysis of Impediments (AI). To receive a copy of the AI, contact Ann Brown at [ann.brown@state.or.us](mailto:ann.brown@state.or.us) or 503.986.2122.

The 2010 Analysis of Impediments for the state of Oregon uncovered several issues considered barriers to affirmatively furthering fair housing and, consequently, impediments to fair housing choice. These issues are as follows:

### **A. Organizational/Political constraints:**

- 1. The need for more effective communication regarding fair housing, further hampered by language and cultural differences.**
- 2. Local zoning constraints and NIMBYism tend to restrict inclusive housing production policies; existence of such policies or administrative that may not be in the spirit of affirmatively furthering fair housing.**

**B. Structural barriers:**

1. The need for more effective outreach and education methods, such as television and radio advertisements, seminars, and webinars or other dissemination methods not currently utilized by the state, particularly in the non-entitlement areas of Oregon.
2. The need to increase knowledge of fair housing and fair housing complaint system.
3. The need to develop a more effective referral system.
4. The need to increase the existing enforcement capacity.

**C. Rental markets:**

1. Refusal to allow reasonable accommodation.
2. Discrimination against Section 8 voucher holders. While not a protected class, respondents reported Section 8 program participation as a commonly cited reason they are turned away by landlords.
3. Discriminatory terms and conditions exist in marketplace.
4. Discriminatory refusal to rent.

**D. Home purchase markets:**

1. Disproportionately high denial rates for selected racial and ethnic minorities.
2. Originated high annual percentage rate loans (HALs) disproportionately carried by racial and ethnic minorities.
3. Denials and HALs appear concentrated in selected geographic areas.

The Analysis of Impediments contains a total of twenty possible actions Oregon should consider in developing a Fair Housing Action Plan. While all suggestions had merit, internal discussions led to consensus that due to shortages of human and financial resources, actions should be prioritized. Oregon intends to pursue fair housing actions through an informal association of stakeholders referred to as the Fair Housing Collaborative. The Collaborative consists of State and local agencies concerned about fair housing, the Fair Housing Council of Oregon, and other interested parties.

This Fair Housing Action Plan is intended to be a partner document with the Analysis of Impediments, and thus will minimize repetition of information contained therein. The plan element itself is minimal and contained in the following table, intended to be concise and to the point.

ACTION ITEM	PRIORITY	TIMING	OUTCOME	MEASUREMENT
1. Renew efforts to have a broad-based active, involved Fair Housing Collaborative (B4*)	High	Ongoing	Improved participation and involvement	Regular meetings with progress on mutually identified action items
2. Continue contracting for "retail" activities such as educational outreach, informative brochures, audit testing etc. (B1a, B2, B2a)	High	Annual	Consistent effort at public and partner education.	Number of events, brochures. etc.
3. Develop a means of measuring results of outreach efforts, including possible new approaches (B1b)	High	2011 - 2012	Evaluation of existing measures and suggestions for new approaches	System for measuring effectiveness of outreach
4. Continue the Fair Housing referral guide (B3)	High	Annual	Availability of information to citizens and partners	Number distributed (see #3)
5. Initiate and maintain better communications with Oregon's fair housing enforcement arm, the Bureau of Labor and Industry (B5, a-b-c)	High	Ongoing	Better coordination and understanding	To be developed
6. Review non-English speaking citizen participation requirements and make changes where needed. (A1)	High	2001 - 2012	Revised Citizen Participation Plan. Adopted Limited English Proficiency Plan	HUD approval and user acceptance
7. Conduct audit testing specific to reasonable accommodation (C2)	High	Annual	Improved approaches to education and enforcement	Improved baseline data
8. Increase knowledge of Fair Housing law (B1)	Medium	2014 - 2015	Better educated citizens and partners	Contingent upon #3 success
9. Enhance outreach and education to rental markets and consumers (C1, C3)	Medium	2014 - 2015	Better educated citizens, and landlords	Contingent upon #3 success
10. Enhance homebuyer programs (D1)	Low	2014 – 2015	Better educated home buyers	Decrease in predatory lending as measured in next AI
11. Review NIMBYism laws in other states (A2a)	Low	2014 – 2015	Better understanding of impacts of Oregon law	Actions taken to correct any problems discovered
12. In cooperation with Department of Land Conservation and Development, in-depth review of land use law (A2)	Low	2014 – 2015	Better understanding of impacts of Oregon law	Actions taken to correct any problems discovered

\* Suggestion number in Analysis of Impediments

## Conclusion

Impediments to fair housing continue to exist in Oregon's balance of state and elsewhere. Oregon's Analysis of Impediments identifies a variety of factors that impact Oregon citizens in their right to fair housing.

Oregon has proposed specific actions to overcome identified barriers to fair housing which include a continuation of existing measures plus efforts to explore and develop more sophisticated means of implementing State and federal rules and regulations governing fair housing.