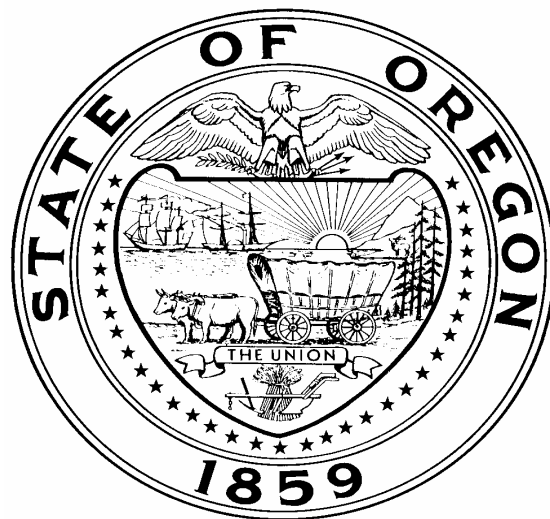


**2011**  
**ANNUAL ACTION PLAN**  
Housing and Community Development Programs  
Revised



Oregon Housing and Community Services  
Oregon Business Development Department  
Oregon Department of Human Services

Effective January 1, 2011 – December 31, 2011



## **ACKNOWLEDGEMENTS**

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

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OREGON 2011 ACTION PLAN

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# **OREGON 2011 ACTION PLAN**

for HUD Funding

## **INTRODUCTION**

The 2011 Annual Action Plan and the 2011 Method of Distribution (MOD) are the first in a series of five annual plans that supplement the State of Oregon 2011-2015 Consolidated Plan (ConPlan). The ConPlan addresses the state's housing and community development needs through implementation of these HUD programs:

- Emergency Solutions Grant (ESG)
- Housing Opportunities for Persons with AIDS (HOPWA)
- Home Investment Partnerships Program (HOME) and
- Community Development Block Grant (CDBG) through the Method of Distribution.

The Plan will:

- Summarize the state's five-year priorities and strategies for housing, homelessness, community development, and the community development delivery system;
- Describe what the state proposes to do in the coming year to further the five-year priorities and strategies of the Consolidated Plan;
- Explain the state's method for distributing CDBG, HOME, ESGP, and HOPWA funds.
- List the resources available to grantees and the state to further the five-year strategies;
- Review and respond to citizen comments about the 2011 Annual Action Plan.

HUD programs in the Action Plan will be administered by three different agencies:

- Housing and Community Services (OHCS) will administer Home Investment Partnerships Program (HOME) and the Emergency Solutions Grant (ESG)
- Housing Opportunities for Persons with AIDS (HOPWA) programs are administered by Oregon Health Authority, OHA (formerly Department of Human Services.)
- Oregon Business Development Department (OBDD) administers the Community Development Block Grant Program.

The overall objectives of the 2011 Annual Plan are to provide decent housing, maintain a suitable living environment, and expand economic opportunities for all Oregonians. OHCS, OHA, and OBDD each serve as funder, facilitator, coordinator, capacity-builder, and technical assistance provider in close partnership with a variety of public and private partners in Oregon.



# 2011 OREGON HUD ACTION PLAN

## **STANDARD FORM 424** (24CFR 91.320 (a))

Standard forms 424 for each of the four HUD funding sources can be found in Attachment M.

## **EXECUTIVE SUMMARY** (24CFR 91.320 (b))

The Oregon 2011 Action Plan is the first in a series of five action plans based on the 2011-2015 Consolidated Plan. The Consolidated Plan addresses how Oregon will use funding from HUD through the HOME, ESG, CDBG and HOPWA programs to address housing and community development needs in the state.

### **HOME**

Oregon uses HOME funds for new construction of rental housing, acquisition and rehabilitation of existing rental housing, tenant based rental assistance, and local capacity building through operating support grants to Community Development Housing Organizations (CHDOs).

HOME Requirements.

Objective: 1. Decent Affordable Housing

Outcome: Affordability

Past Performance:

#### HOME

Oregon historically funds 14 new construction or acquisition/rehabilitation rental housing projects annually.

In light of changes in tax credit equity markets, Oregon anticipates HOME funds may constitute a higher percentage of funding in rental housing projects which may reduce the number of projects funded.

#### CHDO Reserve

Of the projects discussed above, typically one quarter to one third of the rental housing projects funded annually are owned, sponsored, or developed by CHDOs from the 15% CHDO reserve.

### CHDO Operating

Oregon typically funds 8 to 10 CHDOs annually with \$30,000 or higher operating grants each.

### Tenant Based Assistance

OHCS has allocated at least \$2,500,000 annually to the community service agencies to provide very low income households the benefit of rental assistance and refundable deposit payment. Approximately 1,200 households receive TBA assistance each year.

## **ESG**

Oregon's ESG program provides a variety of shelter activities, such as emergency shelter, transitional housing and hotel and motel vouchers as well as essential support services that are provided to the homeless. In addition, the ESG program supports homeless prevention through eviction prevention and move in assistance. Program activities are carried out through a network of Community Action Agencies in non-entitlement jurisdictions.

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.

### 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

### Past Performance:

For PY 2009 Oregon's ESG Program provided

Availability/Accessibility in a Suitable Living Environment to

8,543 persons in emergency shelter and transitional housing for the homeless.

For PY 2009 Oregon's ESG Program provided Availability/Accessibility in a Suitable Living Environment to 13,247 persons through the provision of essential support services and case management

For PY 2009 Oregon's ESG Program provided Decent Housing through Affordability to 4,521 persons with homeless prevention to those at risk of homelessness or with move in assistance to the homeless.

## **HOPWA**

**Objectives:** Oregon's HOPWA program, known as Oregon Housing Opportunities in Partnership (OHOP) assists people living with HIV/AIDS in creating a continuum of stable, sustainable housing. The goal of OHOP is to assist clients in achieving and maintaining housing stability so as to avoid homelessness and improve their access to, and engagement in, HIV care and treatment. OHOP is designed to promote client housing stability and act as a bridge to long-term assistance programs, such as Section 8, or to self-sufficiency.

**Outcomes:** Through HOPWA, in 2011 the OHOP program will provide assistance to 60 unduplicated households with services including tenant based rental assistance to 60 households, and permanent housing placement services (deposits) for 15 households. Additional measured outcomes include housing stability planning, case management services, and access to primary health providers, medical insurance coverage, and linkage to income-producing employment.

**Past Performance:**

Of the 102 unduplicated clients served by the 2009 HOPWA Formula grant, major achievements were reported; 93% of households served with TBRA and 97% of households served with STRMU maintained permanent stable housing. Furthermore, 99% of clients served had access to health insurance, and 94% saw a health care provider for their HIV disease.



## CDBG

Oregon's CDBG program is administered by the Oregon Business Development Department (OBDD). Following are anticipated objectives and outcomes.

### CDBG Objectives and Outcomes for 2011 – 2015

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 following 2011-2015 Consolidated Plan objectives and outcomes for the 2011 program year are listed below. They can be found on page 2 of the Consolidated Plan.

### **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

## A Summary of the Outcomes of Consolidated Plan Years 2006-2010

In total the CDBG program funds awarded by the state, from January 1, 2006 to August 30, 2010, were proposed to have the following benefits to the residents of Oregon.

<b>Funds Leveraged:</b>	<b>\$50,844,665</b>
<b>Sponsored Local Capacity Building Conferences:</b>	<b>22 Conferences</b>
<b>Attendees</b>	<b>2,473</b>
<b>Total Persons Benefitted:</b>	<b>143,016</b>
<b>Total LMI Persons Benefitted:</b>	<b>94,804</b>
<b>Jobs Created:</b>	<b>120</b>
<b>Microenterprises Assisted:</b>	<b>1,303</b>
<b>Municipal Wastewater System Improvement Projects:</b>	<b>27 Systems</b>
<b>Municipal Water System Improvement Projects:</b>	<b>16 Systems</b>
<b>Downtown Revitalization Projects:</b>	<b>2 Cities</b>
<b>Brownfield Redevelopment:</b>	<b>0.9 acres</b>
<b>Off-site Infrastructure for New Affordable Housing:</b>	<b>20 units</b>
<b>Owner Occupied Housing Rehabilitation:</b>	<b>847 units</b>
<b>Housing Center Projects Funded:</b>	<b>36 projects</b>
<b>Emergency Homeless Beds Created:</b>	<b>48</b>
<b>Disaster Recovery Property Clearance:</b>	<b>19 properties</b>
<b>Public Community Facilities:</b>	<b>32</b>
<b>Fire Stations</b>	<b>2</b>
<b>Community Facility</b>	<b>2</b>
<b>Library</b>	<b>2</b>
<b>Senior Centers</b>	<b>6</b>
<b>Food Banks</b>	<b>4</b>
<b>Substance Abuse Detoxification Centers</b>	<b>2</b>
<b>Head Starts</b>	<b>6</b>
<b>Mental Health Treatment Facilities</b>	<b>4</b>
<b>Domestic Violence Shelters</b>	<b>3</b>
<b>Homeless Shelter</b>	<b>1</b>

### CDBG Evaluation

The CDBG program in general successfully addressed the goals and objectives set out over the past five years.

## CITIZEN PARTICIPATION

Oregon utilizes a combination of approaches to fulfill citizen participation obligations. In addition to notices and press releases, Oregon provides electronic notification to all Oregon:

- city councils
- county boards of commissioners
- councils of governments
- economic development districts
- regional boards
- partner agencies and non-profits, for-profits and faith based organizations
- other interested organizations and individuals

Oregon's meets the criteria established by HUD by publication of a notice of 30 day comment period in the state-wide Oregonian.

In addition, OHCS:

- forwards releases to over 80 various media related entities
- posts public notices on its website
- e-mails direct notice to approximately 300 individuals, stakeholders, and organizations.

Oregon's Citizen Participation Plan is included as Attachment I.

Also, OBDD:

- forwards the release to the CDBG List Serve that goes to over 400 stakeholders, interested persons and organizations, primarily cities, counties, ports, and economic development entities.
- posts notices on its website

While not exactly "going viral", the nature of Oregon's message and the relationships between recipients support multiple distributions far beyond the initial announcement.

One example: OHA commonly notifies the Oregon HIV Care Coalition, a statewide planning body consisting of both community volunteers and health and social service professionals. The Coalition helps to plan the delivery of services to Oregonians living with HIV/AIDS. The Oregon Housing HIV Task Force, a subcommittee of the Coalition identifies strategies to improve the quality of life and health outcomes for PLWH by providing education, advice and guidance about housing and HIV issues to local, state and federal agencies.

*Efforts to broaden participation* are focused on strengthening the relationships with stakeholders to undertake direct contact with their constituents and clients. At this writing, Oregon is exploring the possible use of "Go To" electronic meetings as well as potential use of a blog.

Oregon received over 140 comments from various sources. Due to volume, the comment table is placed in the Attachments and only referenced here.

#### Changes and Challenges for 2011

- Absence of funding for non-federal bond efforts such as Oregon's aggressively successful first time homebuyer program.
- Evaluation of options to balance out possible differences in program and fiscal years.
- Adjusting to eventual loss of "other federal funds" from stimulus programs including Homeless Prevention and Rapid Re-housing (HPRP), Neighborhood Stabilization Program (NSP), TCAP and Exchange programs, and weatherization.
- Gubernatorial and Legislative elections plus continued record unemployment, foreclosures, hunger, and budgetary shortfalls at all levels of public service.
- Anticipated streamlining process for matching federal and state tax credits, formalized policy of coordination between OHCS and Oregon Department of Human Services, \$19 million in bond authority for preservation of affordable housing, and a new funding stream from a document recording fee.
- Closing out of federal stimulus funds including
  - CDBG-R
  - Neighborhood Stabilization Program
  - Homelessness Prevention and Rapid Re-housing Program
- Increased focus on recession related trends and challenges
- Implementing new programs such as NSP3. Oregon will receive \$5 million and will administer the program in compliance with federal law, HUD regulation, and in a manner reflective of the success of NSP and NSP2 programs.

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# 2011 Action Plan for HUD Funding

## GRANT RESOURCES (24CFR 91.320 (c) 1

NOTE: 2011 HUD funding estimates are based on 2010 allocations.

Table AP-1a shows the federal resources ESG, HOME, and HOPWA as well as the administrative agency, estimated funding levels, eligible recipients, estimated unit output and source and amount of non-federal match.

1. Federal Resources – Please see: Tables AP-1a, AP-1b, and AP-1c.

**Table AP-1a** **ESG, HOME, HOPWA**

Program	Description	Admin Agency	Est. Funding	Eligible Recipients	Est. unit Output	Est. Non Fed. Match	Match Source
<b>ESG</b>	Emergency Shelter activities	OHCS	\$946,790	Non-profits and local governments	15,140	\$1,341,601	State Homeless Assistance Program.
	OHCS (only)Admin	OHCS	\$24,276			\$70,614	State funds listed above
	<b>Total ESG</b>		\$971,066			\$1,412,295	
<b>HOME</b>	New construction and acq/rehab rental housing	OHCS	\$5,535,514	Public, private, and non-profit housing developers and CHDOs	8 projects	\$787,348	State grants and loans, local tax exemptions, bond financing, local fee waivers, donated land and labor, private foundations
	Admin	OHCS	\$1,147,931	NA		NA	NA
	CHDO operating	OHCS	\$573,965	CHDOs	8 CHDOs	NA	NA
	CHDO Reserve	OHCS	\$1,721,896	CHDOs	See above	\$387,729	State grants and loans, local tax exemptions, bond financing, local fee waivers, donated land and labor, private foundations
	Tenant based assistance	OHCS	\$2,500,000	Local non-profits providing rental assistance to low income households	1200	\$750,000	Sub-recipients: from Oregon EHA, LIRHF, or local funds
<b>Total HOME</b>			\$11,479,306			\$1,925,077	

1. ESG is matched by almost \$ 1.4 million in state funds as shown above.

2. Oregon HOME new construction and acquisition/rehab funds are allocated through a state-wide competitive process which historically has resulted in a leverage ratio in excess of \$10 for every federal dollar. Tenant based rental assistance is matched by the sub-recipients at 25% minimum.

HOPWA requires no match.

**TABLE AP-1a continued**

Program	Description	Admin Agency	Est. Funding	Eligible Recipients	Est. unit Output	Est. Non Fed. Match	Match Source
<b>HOPWA</b>	Tenant-based rental and technical assistance	OHA	\$348,621	Persons with HIV/AIDS and their families	60 clients/hh	\$ No match required	NA
	Short term rental mortgage/utility assistance	OHA	none*	Persons with HIV/AIDS and their families	No clients	\$ No match required	NA
	Support services in the form of deposit assistance	OHA	\$15,000	Persons with HIV/AIDS and their families	15 clients/hh	\$ No match required	NA
	Admin	OHA	\$11,246	Persons with HIV/AIDS and their families	NA	\$ No match required	NA
	Total HOPWA			<b>\$374,867</b>			

HOPWA requires no match

\* Due to an increased need for long term rental assistance (70 HH on waiting list) and implementation of local HPRP funds the HOPWA program will not be funding STRMU assistance in 2011. The program has exceeded expected goals for STRMU assistance as outlined in the Consolidated Plan.

*Program Income*

No program income is anticipated for HOME, HOPWA, or ESG programs.

Table AP-1b shows the federal resources for CDBG which is administered by Oregon Business Development Department, the 2010 actual funding levels, targeted percent of usage, estimated program income, and anticipated 2011 funding levels and percentage broken down by project category.

**TABLE AP-1b** Anticipated CDBG Fund Distribution

	2010 (Actual)	Target %	2011 Program Income & Recaptured funds (Estimated)	2011 (Proposed)	Target %
<b>Estimated Annual Allocation from HUD</b>	<b>\$15,680,902</b>		<b>\$450,000****</b>	<b>\$15,680,902</b>	
State Administration 2% (The required match for these funds comes from the Special Public Works Fund (SPWF).	\$313,618	2%	\$0	\$313,618	2%
State Administration \$100,000 - no match funds	\$100,000	N/A	\$0	\$100,000	N/A
State Technical Assistance Set-Aside 1%	\$156,809	1%	\$0	\$156,809	1%
<b>Funding Available for Projects</b>	<b>\$15,110,475</b>		<b>\$450,000</b>	<b>\$15,110,475</b>	
Economic Development	\$1,511,047	10%	\$22,500	\$755,523	5%
Microenterprise Assistance	\$453,314	3%	\$13,500	\$453,314	3%
Public Works	\$4,759,800	31.5%	\$202,500	\$6,799,715	45%
Community/Public Facilities	\$4,759,800	31.5%	\$112,500	\$3,777,619	25%
Regional Housing Rehabilitation	\$3,097,647	20.5%	\$99,000	\$3,324,304	22%
Regional Housing Centers*	\$528,867	3.5%			
<b>Program Income**</b>	<b>58,354***</b>			<b>50,000****</b>	
<b>Recaptured Funds (2010 and older)</b>	<b>\$2,196,605***</b>			<b>\$400,000****</b>	
<b>CDBG 1% set aside for CDBG Technical Assistance</b>	<b>\$100,000</b>				
<b>Set-aside for Accredited Main Street Program from the Public Works Category</b>	<b>\$300,000</b>				

\* Sub-granted to Oregon Housing and Community Services

\*\* When received, program income, is allocated to projects using the target percentages identified above, after taking 2% for state administration

\*\*\* Received to date.

\*\*\*\* Estimated to be received in either 2010 or 2011, as applicable.

	2010 (Actual)	Target %	2011 Program Income & Recaptured funds (Estimated)	2011 (Proposed)	Target %
<b>Estimated Annual Allocation from HUD</b>	<b>\$15,680,902</b>		<b>\$450,000****</b>	<b>\$15,680,902</b>	
State Administration 2% (The required match for these funds comes from the Special Public Works Fund (SPWF).	\$313,618	2%	\$0	\$313,618	2%
State Administration \$100,000 - no match funds	\$100,000	N/A	\$0	\$100,000	N/A
State Technical Assistance Set-Aside 1%	\$156,809	1%	\$0	\$156,809	1%
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Regional Housing Centers*	\$528,867	3.5%			
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<b>Recaptured Funds (2010 and older)</b>	<b>\$2,196,605***</b>			<b>\$400,000****</b>	
<b>CDBG 1% set aside for CDBG Technical Assistance</b>	<b>\$100,000</b>				
<b>Set-aside for Accredited Main Street Program from</b>	<b>\$300,000</b>				

the Public Works Category			
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- \* Sub-granted to Oregon Housing and Community Services
- \*\* When received, program income, is allocated to projects using the target percentages identified above, after taking 2% for state administration
- \*\*\* Received to date.
- \*\*\*\* Estimated to be received in either 2010 or 2011, as applicable.

#### Targeting

Targeting is used to give the Department investment flexibility. Targeting does not obligate the Department to award all the funds targeted for each category. If a sufficient number of projects are not awarded in a particular category, applications in other categories may be funded. Each calendar quarter March 31, June 30, September 30 and December 31 the Department will conduct a quarterly target review and determine if funds need to be moved from one category to another.

CDBG Program Income: Program income is shown in the table above.

CDBG Publicly owned property: Use of publicly owned property is in the Method of Distribution, Attachment J.

### "Stimulus" Programs

Under the Housing and Economic Recovery Act (HERA) of 2008, the U.S. Department of Housing & Urban Development (HUD) allocated \$19.6 million in grant funds to the State of Oregon. NSP 1 & 2 funds have been committed and project are underway or closing out. In addition, Oregon has qualified for \$5 million in NSP3 funding.

Under the American Recovery and Reinvestment Act (ARRA) of 2009, Oregon Housing and Community Services (OHCS) in collaboration with five entitlement jurisdictions including the Cities of Bend and Salem and Counties of Washington, Clackamas and Jackson formed the **Neighborhood Stabilization Program 2 (NSP 2)** Consortium (the "Consortium") and submitted a \$26.2 million dollar application in the fall of 2009. Due to the competitive nature of the funding process OHCS was awarded \$6.8 million in NSP 2 funds from the U.S. Department of Housing & Urban Development (HUD). The program plan as specified in the grant application has been inserted into the program Action Plan. The program activities will be similar to NSP 1. The table below specifies the activities and proposed budgets by the consortium. A minimum of 50% of the funds must be expended by February 11, 2012 and 100% of the funds by February 11, 2013. The target areas are smaller and therefore intended to have a greater concentrated impact than NSP 1. HUD requires that the Consortium produce a minimum of 100 units of NSP assisted housing. At least 25% of the funds must serve households below 50% of the area median income (AMI) and the remaining balance of

funds must serve households below 120% of the median. The distribution of funds is illustrated in the table below.

The NSP 2 Consortium table shows funding levels, amounts used for administration, and units assisted by income level for each consortium member.

<b>NSP 2 Consortium Funding Allocation</b>					
<b>Consortium Member</b>	<i>Project Funds</i>	<i>Admin</i>	<b>Units at 50% - 120%</b>	<b>Units at or below 50%</b>	<b>FINAL Adjusted Targeted # of Units</b>
Clackamas	872,827	67,887	7	1	8
Deschutes	2,317,295	180,234	40	5	45
Marion	67,613	5,259	2		2
Washington	829,801	64,540	3	4	7
Jackson	774,481	60,237	6	26	32
OHCS Program	1,284,655	142,739		10	10
OHCS Addtl Admin		162,067			
<b>TOTALS</b>	<b>6,146,672</b>	<b>682,963</b>	<b>58</b>	<b>46</b>	<b>104</b>

The Community Development Block Grant, Recovery Act (CDBG-R) program funded a wide range of local government activities intended to create suitable living environments, provide decent affordable housing and create economic opportunities, primarily for persons of low and moderate income. Under the Recovery Act, recipients shall give priority to projects that can award contracts based on bids within 120 days of the grant agreement. The Recovery Act of 2009 directs that CDBG-R grantees are to use these funds for projects that maximize job creation and economic benefit.

Oregon is using the CDBG-R funds as follows.

The CDBG-R table shows the three CDBG-R recipients, the type of activity undertaken, and the funding awarded.

<b>Recipient</b>	<b>Activity/ Project</b>	<b>New CDBG-R Grant</b>
City of Silverton	Public/Community Facility - Senior Center Project	\$1,095,000
City of Haines	Public Works Infrastructure - Wastewater Improvement Project	\$1,249,650
Tillamook County – HJWSA	Public Works Infrastructure - Water System Improvement Project	\$1,216,132
<b>TOTALS</b>		<b>\$3,560,782</b>

The **Homelessness Prevention and Rapid Re-Housing Program (HPRP)** provided financial assistance and services to prevent individuals and families from becoming homeless and help those who are experiencing homelessness to be quickly re-housed and stabilized. The funds under this program are intended to target individuals and families who would be homeless but for this assistance. The funds can provide short-term or medium-term rental assistance, housing relocation and stabilization services, mediation, counseling, security or utility deposits, utility payments, case management and related costs.

Funds will be distributed by various Oregon's Community Action Agencies to homeless service providers through an application process utilizing a formula which includes population, unemployment and homeless data for the following key activities;

- Individuals and families who are currently in housing but are at risk of becoming homeless and need temporary rent or utility assistance to prevent them from becoming homeless or assistance to move to another unit.
- Individuals and families who are experiencing homelessness (residing in emergency or transitional shelters or on the street) and need temporary assistance in order to obtain housing and retain it.

The HPRP table shows the anticipated distribution of HPRP funds by use.

Oregon anticipated distribution of HPRP funds was approximately as shown below.

	<b>Homelessness Prevention</b>	<b>Rapid Re-housing</b>	<b>Total Amount Budgeted</b>
Financial Assistance <sup>1</sup>	\$2,418,245	\$2,418,245	\$ 4,836,490
Housing Relocation and Stabilization Services <sup>2</sup>	\$1,208,941	\$1,208,941	\$ 2,417,882
<b>Subtotal</b> (add previous two rows)	<b>\$3,627,186</b>	<b>\$3,627,186</b>	<b>\$ 7,254,372</b>

Data Collection and Evaluation <sup>3</sup>	\$ 225,393
Administration (up to 5% of allocation)	\$ 393,671
<b>Total HPRP Amount Budgeted</b>	<b>\$ 7,873,436</b>

<sup>1</sup>Financial assistance includes the following activities as detailed in the HPRP Notice: short-term rental assistance, medium-term rental assistance, security deposits, utility deposits, utility payments, moving cost assistance, and motel or hotel vouchers.

<sup>2</sup>Housing relocation and stabilization services include the following activities as detailed in the HPRP Notice: case management, outreach, housing search and placement, legal services, mediation, and credit repair.

<sup>3</sup>Data collection and evaluation includes costs associated with operating HUD-approved homeless management information systems for purposes of collecting unduplicated counts of homeless persons and analyzing patterns of use of HPRP funds.

The proposed HPRP distribution table shows fund distribution by local agency recipients.

<b>Proposed HPRP Distribution</b>			
ACCESS	\$746,022	LCHHS	\$901,538
CAPECO	\$374,070	MCCAC	\$174,868
CAT	\$429,408	MWVCAA	\$818,455
CCNO	\$242,431	NIMPACT	\$910,306
CIA	\$207,369	ORCCA	\$365,023
CSC	\$849,570	UCAN	\$845,712
KLCAS	\$382,924	YCAP	\$310,803

These three stimulus programs, NSP, CDBG-R, and HPRP were incorporated by program amendment into Oregon's 2008 Action Plan and are discussed here as previously requested by HUD. With the exception of NSP2 or unanticipated additional allocations, these programs will receive no further discussion.

Table AP-1c shows estimated sources and amounts of other federal funds, their uses, recipients, and estimated output which may support the activities and objectives described in the 2011 Action Plan.

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**Table AP-1c Other Federal Funds**

<b>Program</b>	<b>Description</b>	<b>Est. Funding</b>	<b>Eligible Recipients</b>	<b>Est. Unit Output</b>	<b>Est. Non Fed. Match</b>	<b>Match Source</b>
Weather-ization	Home weatherization bill payment	\$28,091,258*	Local community based organizations, public and private housing developers	4,265	\$18,674,421	N/A
Section 8 PrBA	Rental assistance	\$50,800,000*	Qualified low income renters	NA	NA	NA
Tax Credits 9%	Non-federal purchase of federal tax credits	\$8,700,000*	Public, private, and non-profit housing developers	17 projects	NA	NA
Tax Credits 4%	Non-federal purchase of federal tax credits	\$50,000,000*	Public, private, and non-profit housing developers	10 projects	NA	NA

Ryan White	Support services for HIV/AIDS clients	\$700,000*	HIV/AIDS clients and their families	60 un-duplicated	NA	NA
NSP3	Assistance for homeowner	\$5,000,000	Homeowners facing foreclosure, revitalization areas	30 homes	NA	NA
OHOP	permanent housing	\$34,992*	HIV/AIDS clients and their families	NA	NA	NA
Community Service Block Grant	Broad variety of services for low income persons	\$5,184,693*	Low income Oregonians through Community Action Agencies	350,000 persons	NA	NA
Continuum of Care	See Attachment A	\$1,493,448	See Attachment A Includes application for renewal, new funds, and Permanent Housing Bonus			
Food Assistance Programs	See web address at right	\$1,008,811*	Information for these programs can be found at <a href="http://www.ohcs.oregon.gov/OHCS/CRD_Community_Resources_Services_in_Oregon.shtml">http://www.ohcs.oregon.gov/OHCS/CRD_Community_Resources_Services_in_Oregon.shtml</a>			
OCVAS	See web address at right	\$2,653,997*				
Rural Development (USDA)	Housing	\$107,264,046*	Single family and multi-unit developments in qualified communities			

\* Numbers from previous years

Table AP-2 shows estimated sources and amounts of non-federal funds, their uses, recipients, and estimated output which may support the activities and objectives described in the 2011 Action Plan.

## 2. Non-Federal Resources

**Table AP-2\***

	<b>Program</b>	<b>Funding</b>	<b>Acronym</b>	<b>Notes</b>
<b>Energy &amp; Weatherization</b> (OHCS Program Unit 100 )	Low Income Weatherization	\$16,261,453	Multiple	Program & Admin – beginning balance plus new money
	Energy Assistance	\$16,075,635	Multiple	Program & Admin – beginning balance plus new money
<b>Self-Sufficiency &amp; Emergency Assistance</b>	HUD contract admin	\$1941,088	HCA	Admin – incl. beginning balance plus new money
	Low Income Rental Housing Fund	\$220,596	LIRHF	Program & Admin – beginning balance plus new money
	Emergency Housing Assistance	\$3,744,337	EHA	Program & admin – general fund and interest

<b>Programs</b> (OHCS Program Unit 200 )	State Homeless Assistance Prog.	\$1,385,334	SHAP	Program & admin – general fund and interest
	Continuum of Care match	\$36,792		Program – matching funds for HUD
	General Fund Food Program	\$1,000,000	GFFP	Program & admin General Fund
	Hunger Relief Task Force	\$72,000	HRTF	Admin - Pass-through from other state agencies
	Tenant readiness	\$50,000		Admin – interest (guarantees paid as prof. services)

<b>Community Capacity Building</b> (OHCS Program Unit 300 )	Manufactured Dwelling Park Community Relations	\$800,252	MDPCR	Admin – interest (dispute resolution svcs paid as prof services)
	Section 8 Preservation (CIF)	\$5,252,949		Program & Admin – beginning balance plus new money
	Individual Dev. Accounts*	\$59,833	IDA	Admin – incl. beginning balance plus new money
	Vertical Housing	\$50,166		Admin – beginning balance only no new money

<b>Homeowners hip</b> (OHCS Program Unit 400-01 )	Single Family Loan program	\$180,000,000		Program – only includes new money
	Homeownership Assistance Program	\$548,712	HOAP	General Fund and interest (TF)
	Single Family Loans	\$816,337		Admin – incl. beginning balance plus new money

<b>Affordable Rental Housing</b> (OHCS Program Unit 400-2)	Multi-Family Housing	\$7,647,778		Includes new general fund
	Housing Dev. Guarantee	\$3,485,215	HGDA	Program & admin – public purpose charges and interest
	Elderly & Disabled	\$2,500,000	E&D	Program – only includes new money
	HELP	\$460,050	HELP	Program – may be partially committed
	Oregon Rural Rehab	\$127,250	ORR	Program – only includes new money
	Alcohol & Drug Free Housing	\$500,000	ADF	Program – only includes new money
	Housing PLUS	\$8,205,828		Program and admin Lottery bond proceeds & interest
	Section 8 Preservation	\$1,398,614		General fund and interest
	Pre-development	\$3,409,140		Program – only includes new money
	Mobile Home Park Purchase	\$500,000	MHPP	Program – general fund transfer
	Seed Money	\$580,960		Program & admin – general fund transfer and interest
	Multi-family housing bonds	\$12,500,000		Program – only includes new money

TOTAL      \$273,409,319

Due to the nature of the resource, OAHTC does not appear in Table AP-2a, or AP-3

\* Numbers from previous years. 2011 year not yet available.

The Housing Opportunity Bill table provides a general description of the programs funded by the Housing Opportunity Bill and the estimated levels of funding.

**The Housing Opportunity Bill** passed by the 2009 Legislature, provides a new funding stream for the biennium as follows.

Program	Eligible Activities	Annual Funding
General Housing Assistance Program	<ul style="list-style-type: none"> <li>- for special needs populations,</li> <li>- for purchase of manufactured home communities and developing them into homeowner-cooperatives</li> <li>- for housing for working Oregonians</li> <li>- for support in preserving federally-subsidized multifamily rental housing.</li> </ul>	\$5.75 million

Home Ownership	- to support home purchase through down-payment assistance - for consumer education and homebuyer subsidies for Oregonians with lower incomes	\$1 million
Emergency Housing	- for assistance to persons experiencing or at risk of homelessness	\$750,000
Capacity Building	- to help increase capacity of OHCS partners to continue enhancing their good work.	\$900,000

### Other Legislative Advances

Senate Bill 5535 provided \$8.15 million in bonding authority for the preservation of affordable housing and preservation of manufactured home communities. Oregon expects to preserve approximately 800 units of affordable housing in the upcoming year.

Senate Bill 628 put forth a host of inter-agency communication guidelines to help better protect homeowners facing loss of their homes. OHCS will collaborate with the Department of Justice and with the Department of Business and Consumer Services in crafting the best outcomes possible.

The leverage and match table shows the amounts and sources of non-federal funds used to match HOME, ESG, HOPWA, and CDBG funds as well as the projected leverage ratios.

### Leverage and Match– Table AP-3

HOME,ESG,HOPWA,CDBG total funds	\$ 28,506,141
Non-Federal funds	\$282,020,701
Leverage	\$ 9.90

HOME,ESG,HOPWA,CDBG total funds	\$ 28,506,141
Other Federal funds	\$256,231,245
Leverage	\$ 9.98

HOME,ESG,HOPWA,CDBG total funds	\$ 28,506,141
Non-Federal funds plus other federal funds	\$538,251,946
Leverage	\$ 18.88

Elements of Oregon's match and leverage commitment are in Tables AP 1a, AP 1b, AP 1c, and AP 2. The summary is above.

### HOME

The HOME program uses the Consolidated Funding Cycle (CFC) process to maximize the impact of all funding sources. This competition recognizes and rewards project sponsors which minimize Federal resources and maximize equity and other Oregon, Federal, and non-public funds. The CFC process historically produces match in excess of what is required. CHDO project set-aside is included in the CFC process.

HOME TBRA usually requires tenant financial participation, but need based. As mentioned above, new construction and rehab projects provide enough match to alleviate any TBRA match concerns.

The HOME CHDO operating subsidy funding formula requires match not less than 50%.

#### CDBG

CDBG match is described in depth in Attachment J, 2011 Method of Distribution.

#### ESG

Match is generated largely by Oregon funds leveraged to supplement the ESG award. Other local and federal funds are supplied by the community action agencies actually providing the services in the field.

#### HOPWA

HOPWA has no match requirement.

#### Publicly Owned Property

No publicly owned property use is anticipated for HOME, HOPWA, or ESG programs.

## **ACTIVITIES TO SUPPORT SPECIFIC ANNUAL OBJECTIVES**

Table AP-1 provides an outline of the proposed activities to be undertaken with CDBG funds in 2011, the expected outcomes and objectives, performance indicators, and both long term and short term numeric goals.

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#### **Annual Objectives – Table AP-1 CDBG**

<b>Activity</b>	<b>Outcome</b>	<b>Objective</b>	<b>Annual Performance Indicators to Measure Progress</b>	<b>Short Term Annual Goals</b>	<b>Long Term Goal by December 31, 2015</b>
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 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.**

**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>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

These tables show proposed priorities and objectives planned for the 2011 program year for the ESG, HOME, and HOPWA programs, including some numeric goals.

<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.

<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 HOPWA STRMU	0	none
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%
Percent of households assisted with STRMU maintaining permanent housing	0%	NA
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 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.

**How Specific Activities address objectives and priorities of the 2011-2015 Consolidated Plan**

**ESG**

Oregon’s ESG program provides a variety of shelter activities, such as emergency shelter, transitional housing and hotel and motel vouchers as well as essential support

services that are provided to the homeless. In addition, the ESG program supports homeless prevention through eviction prevention and move in assistance. Program activities are carried out through a network of Community Action Agencies in non-entitlement jurisdictions.

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.

**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

**HOME**

Oregon uses HOME funds for new construction of rental housing, acquisition and rehabilitation of existing rental housing, tenant based rental assistance, and local capacity building through operating support grants to Community Development Housing Organizations (CHDOs).

**HOME Requirements.**

**Objective:** 1. Decent Affordable Housing

**Outcome:** Affordability

**Past Performance:**

**HOME**

Oregon historically funds 14 new construction or acquisition/rehabilitation rental housing projects annually.

In light of changes in tax credit equity markets, Oregon anticipates HOME funds may constitute a higher percentage of funding in rental housing projects which may reduce the number of projects funded.

### CHDO Reserve

Of the projects discussed above, typically one quarter to one third of the rental housing projects funded annually are owned, sponsored, or developed by CHDOs from the 15% CHDO reserve.

### CHDO Operating

Oregon typically funds 8 to 10 CHDOs annually with \$30,000 or higher operating grants each.

### Tenant Based Assistance

OHCS has allocated at least \$2,500,000 annually to the community service agencies to provide very low income households the benefit of rental assistance and refundable deposit payment. Approximately 1,200 households receive TBA assistance each year.

## **HOPWA**

**Objectives:** Oregon's HOPWA program, known as Oregon Housing Opportunities in Partnership (OHOP) assists people living with HIV/AIDS in creating a continuum of stable, sustainable housing. The goal of OHOP is to assist clients in achieving and maintaining housing stability so as to avoid homelessness and improve their access to, and engagement in, HIV care and treatment. OHOP is designed to promote client housing stability and act as a bridge to long-term assistance programs, such as Section 8, or to self-sufficiency.

**Outcomes:** Through HOPWA, in 2011 the OHOP program will provide assistance to 60 unduplicated households with services including tenant based rental assistance to 60 households, and permanent housing placement services (deposits) for 15 households. Additional measured outcomes include housing stability planning, case management services, and access to primary health providers, medical insurance coverage, and linkage to income-producing employment.

### Past Performance:

Of the 102 unduplicated clients served by the 2009 HOPWA Formula grant, major achievements were reported; 93% of households served with TBRA and 97% of households served with STRMU maintained permanent stable housing. Furthermore, 99% of clients served had access to health insurance, and 94% saw a health care provider for their HIV disease.

## CDBG

Oregon's CDBG program is administered by the Oregon Business Development Department (OBDD). Following are anticipated objectives and outcomes.

### CDBG Objectives and Outcomes for 2011 - 2015

Activity	Outcome	Objective	Performance Indicators to measure progress	Short Term Annual Goals	Long Term Goal by December 31, 2015
Public Works – Wastewater, Water	Suitable Living Environments	Sustainability	# systems assisted Total persons assisted Total LMI persons assisted Funds leveraged	Fund 5 systems per year	25 systems assisted
Public/Community Facilities – (senior centers, food banks, community centers)	Suitable Living Environment	Availability/ Accessibility	# facilities assisted Total persons assisted Total LMI persons assisted Funds leveraged	Fund 1 projects per year	5 facilities assisted
Public/Community Facilities – (head starts)	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)	Decent Housing	Availability/ Accessibility	# beds created Funds leveraged	Fund 1 project per year	5 facilities assisted
Housing Rehabilitation	Decent Housing	Sustainability	# units rehabbed Funds leveraged	Fund 6 projects per year	30 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
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

## ACTIVITIES (24CFR 91.320 (d))

This section will describe the following for each HUD funding source:

- A. Method of distributing funds to others to carry out program activities
- B. Activities undertaken by Oregon
- C. The reasons for the allocation priorities
- D. How the proposed fund distribution/activities address Table AP-4 objectives
- E. Obstacles to addressing needs

## HOME

HOME funds are not allocated on a geographical basis. They are allocated on the basis of need, leverage, and other rating factors in the competitive Consolidated Funding Cycle. **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.**

### 1. Method of Distribution

- a) Construction and acquisition/rehab funds will be distributed either competitively through the Consolidated Funding Cycle (CFC) application process, through requests for proposals or through demonstration projects. These activities represent 48% of the HOME allocation. A brief description of the CFC process is included as Attachment K.
- b) Tenant based rental assistance will be distributed through a variety of local non-profits throughout the state with funds allocated per county based on rent burdened households below 50% median family income. Approximately 22% of HOME funds will be allocated to this activity.
- c) CHDO set-aside construction funds (15% of allocation) are also distributed through the competitive CFC process open only to CHDOs.
- d) CHDO operating subsidies (5% of allocation) are made available through an annual application process limited to CHDOs with either an open HOME funded project or pending CFC application for a HOME funded project.

### 2. Activities

- a) Oregon will use approximately 15% of HOME dollars as a set-aside for housing projects sponsored, owned, or developed by CHDOs.
- b) Oregon will use a maximum of 5% of HOME dollars for CHDO operating subsidies
- c) A maximum of 10% will be set-aside for administration, State and local. Sub-recipients using HOME Funds for tenant based assistance and other eligible activities may receive funds from this set-aside.
- d) OHCS reserves the right to increase or decrease the allocation for any activity based upon the demands or needs for HOME funds by rural Oregon. OHCS may elect to offer other HOME eligible activities during the year if the activity would benefit low-income persons, provide affordable housing, meet a rural need, and be in compliance with the Consolidated Plan.  
OHCS may elect to use HOME funds for mobile home park purchase or the rehabilitation of an existing park if a need is demonstrated.

- e) Based upon need and demand, OHCS may elect to forward allocate HOME funds in an amount not to exceed 25% of the current annual HOME allocation.
- f) OHCS reserves the right to award HOME funds for rental housing production outside of the CFC. Examples include but are not limited to: projects undertaken through a demonstration program, an RFP process, the Director's discretion, existing projects, funded with non-HOME resources which have newly emerging needs, or for a project that has a critical timeline that cannot wait for a future CFC funding cycle.
- g) OHCS also reserves the right to award HOME funds to projects that are located in other participating jurisdictions. These projects may be solely funded by OHCS or jointly funded with the local participating jurisdiction and funding decisions will be made on a case-by-case basis.
- h) OHCS also reserves the right to award HOME funds to activities that are located in other participating jurisdictions. These activities may be solely funded by OHCS or jointly funded with the local participating jurisdiction

3. Reasons for allocating HOME funds between construction, rental assistance, and CHDO operating grants.

- a) Allocation decisions for TBA and construction funds are currently reflective of a needs analysis conducted by OHCS. The analysis used local market conditions for low and moderate households which are also cost burdened. OHCS weighed the potential use of funds for each activity and made a judgment meant to balance immediately achievable needs which could be met by TBA versus the more long term solutions provided by new construction or rehabilitation. For example, two years ago TBA was reduced to provide additional funding to preservation of housing which was in danger of losing PBA, and/or of converting to market rate units.

The local market conditions that led to establishing the TBA Program for OHCS are that the wait lists for Section 8 Rental Assistance through local housing authorities were long, in excess of 18 months to 2 years. Providing rental assistance through TBA would help very-low income families find affordable housing on a temporary basis until the Section 8 program could pick-up their assistance for the long-term. The percentage of funds allocated to each agency is determined by a charting of factors which include percent of cost-burdened households, percent in poverty and percent at 50% AMI, which might indicate there was amply housing in the community but it wasn't affordable without a subsidy.

Many of the local agencies serving Oregon's counties which are rural but also have one or two larger communities are each receiving over 2,000 unduplicated requests for rental assistance annually.

Any preferences for special needs groups are set at the local level and do not factor into Oregon's distribution of fund decisions. Each agency must have a written Tenant Selection Policy that clearly specifies how households will be selected to receive assistance. Agencies are instructed to choose one of three options when developing tenant selection criteria. They can follow the old federal preferences, develop local preferences which correlate to the priorities outlined in the state's Consolidated Plan, or accept applicants on a first-come first-served basis. Assistance must be available to all persons in the target population. Using this system, each of the 15 CAPs could choose a unique priority or none at all. Tenant Selection Policies must include an explanation and supportive data why the target population has been given priority over others.

- b) Oregon makes 5% of its HOME allocation available to CHDO operating support grants. Oregon wishes to provide additional support to sponsors to offset the additional costs of HOME compliance. Funding also encourages the use of HOME funds for projects. Oregon requires CHDOs to be recently recertified, and have a HOME project either in development or at the CFC application stage.

4. Addressing objectives HOME funds will be used to provide decent housing as addressed in the Consolidated Plan through the following

Reduce chronic homelessness by providing rehabilitated and new construction rental units. During the Oregon CFC application process, each project designates a population to be served. Through a complicated data analysis protocol, each population is given a priority, ranging from one to three. In Oregon, homeless and chronically homeless populations are exempted from the analysis and are always given a number one priority. For more information, please see Attachment K.

Reduce poverty by providing and preserving affordable housing. HOME funds will not directly provide employment or income opportunities. However, Oregon HOME funds obligate owners to provide resident services. Resident service plan guidelines call for owners to conduct an analysis of service needs for the population served by the project. Among services

commonly identified are financial literacy, employment skills and so on. Project sponsors are not required to provide services, but may instead opt to advise residents how to access these services.

Preserve existing housing through acquisition/rehab funds. The Oregon CFC process for 2011 has a 50% set-aside for preservation projects with project based assistance.

Support and expand affordable housing through construction of new rental housing

Using HOME funds to leverage other funds for affordable housing. The CFC process encourages applicants to evaluate project funding alternatives and the advantages of using diverse (leveraged) sources. Because resources are finite, single funding source applications have limited options at decision time. Either there are enough funds, or there are not. Multi-source applications provide more flexibility in the funding decision, thus a greater likelihood of funding and therefore, and encouragement for leverage.

Support the Fair Housing Cooperative of Oregon in removing barriers to fair housing. OHCS and OBDD are supporters of and contributors to the Fair Housing Council of Oregon. In support of their efforts, all CFC funded projects require compliance with the Fair Housing Act. All HOME projects require full compliance with all applicable Federal law and regulation pertaining to fair housing.

Provide tenant based rental assistance. HOME funds in 2011 will provide direct funding of TBA. In addition, the CFC process, which includes HOME funds, has made preservation of existing housing with project based assistance a priority by setting aside 50% of overall funding for that purpose. TBA serves to protect tenants, especially very low income tenants from homelessness.

Use HOME funds to support new construction, acquisition/rehab, and tenant based rental assistance to support special needs populations and to preserve affordable housing, especially with expiring project based assistance.

Use CHDO funds to assist building local capacity of and provide operating support for CHDOs. Each CHDO is required to have either an active

HOME funded project, or an application for HOME funds being submitted in the next Consolidated Funding Cycle (CFC).

5. Obstacles to addressing needs      The primary obstacle to addressing needs remains the general, overall lack of resources. This problem has been exacerbated by widespread recession and resultant changes in normally reliable funding sources for affordable housing.

- Bond markets are either non-existent or self-restricted to major metropolitan areas.
- Tax credits, if sold, have a fractional value of that previously dependable.
- Tax credit investors are likewise focusing only on major metro areas.
- TCAP and Exchange funds are seen as a godsend, but carry unfunded administrative burdens and an uncertain future.
- In addition to the barriers listed above, recession related unemployment and normal commercial credit markets have brought grave demographic changes to the roster of homeless, in danger of homelessness, and rent burdened populations.

### Emergency Solutions Grant (ESG)

1. Method of Distribution    ESG funds are distributed in non-entitlement areas of the state using a distribution formula that factors:
  - a) The percent of cost burden by State population. This factor measures the number of households paying more than 50% of their income towards housing.
  - b) The percentage of Economically Disadvantaged by State population, a measure of the number of poverty level households.
  - c) The percentage of population represented in the One Night Homeless Count. Funds are allocated to Lead Agencies with a demonstrated capacity to provide needed services and initiatives.
2. ESG Activities    ESG funded activities undertaken by Oregon include:
  - a) A maximum of 2.5% of ESGP funds will be used by OHCS for administration. An equal percentage of each award is available to sub-recipients.
  - b) Shelter Improvements
  - c) Shelter renovation: Cost of facility work not exceeding 75% of pre-project value.

- d) Major rehabilitation: Cost of facility work exceeding 75% of pre-project value.
  - e) Conversion- the cost of converting the use of the building to an emergency shelter and any rehabilitation costs that exceeds 75 percent of the value of the building after conversion.
  - f) Shelter Operation: Rent, furnishings, and operational costs with no more than 10% for staffing.
  - g) A maximum of 30% for Essential Services, related to all needs of the homeless.
  - h) A maximum of 30% for Homelessness Prevention, financial and supportive services for households without housing, under eviction or foreclosure notice or other action leading to homelessness.
3. Reasons for allocating ESG funds are allocated to agencies providing services based on the factors described in "A" above. At the local level funds are distributed based on demand from eligible recipients.
4. Addressing objectives ESG funded activities address these Objectives
- Reduce chronic homelessness*
    - a) By providing shelter
    - b) By direct provision of or referral to services to address medical conditions, mental illness, substance abuse, emergency funds, job training and placement.
  - Reduce poverty by providing services that lead chronically homeless persons back to a productive role in society.*
  - Provide services to HIV/AIDS populations by providing rental assistance and other services.*
  - Support affordable housing for special populations by providing and coordinating services to the homeless in those categories.*
  - Support community and economic development by addressing the needs of homeless and chronically homeless populations.*
5. Obstacles The primary obstacle to addressing needs remains the general, overall lack of resources. This problem has been exacerbated by widespread recession and resultant increase in the number of homeless and those in danger of becoming homeless.

## Housing Opportunities for Persons with AIDS

1. Method of Distribution\_HOPWA funds are distributed through a cooperative partnership with the Oregon Department of Human Services and are coordinated with Ryan White Part B program resources. HOPWA funds are distributed outside the five county Portland MSA, through direct payment on behalf of participating clients. Referred clients are prioritized for assistance based on assessment of client need as determined by the Ryan White funded HIV case manager and HOPWA funding Housing Coordinator.
2. Activities HOPWA funds will be used for tenant based rental assistance and permanent housing placement services in the form of deposits.
3. Reasons for allocation The Oregon Department of Human Services Public Health Division HIV Care and Treatment Program is the grantee of and manages all balance of state HUD funded HIV/AIDS programs (outside of MSA). As the grantee, OHA works with community housing and social service partners and leverages additional program funding to provide a continuum of HIV services. OHA is able to analyze the needs of both existing caseload and waiting list clients, and match those needs to available funding and program services. This process was used to allocate HOPWA funds to rental assistance and permanent housing placement services.
4. Addressing objectives HOPWA funded activities address these Objectives
  - Reduce chronic homelessness by providing shelter for HIV/AIDS affected persons and their families through rental assistance and permanent housing placement services.
  - Provide direct services to HIV/AIDS populations through rental assistance and other services such as rental assistance and permanent housing placement services.
5. Obstacles The primary obstacle to addressing needs remains the general, overall lack of resources as the HOPWA program currently maintains a waitlist of approximately 80 households eligible for long term rental assistance. A secondary, but no less formidable obstacle is continued community stigma directed towards persons living with HIV, whom also experience multiple challenges, such as deteriorating health, mental illness, substance abuse, criminal history, and poverty.

## CDBG

1. **Method of Distribution** Applications for CDBG funded activities are accepted quarterly, with the exception of community capacity/technical assistance and emergency projects. Local governments wishing to apply work with a regional coordinator to establish preliminary eligibility and craft a meaningful project description and plan. If successful at that stage, OBDD requests a full application which is then rated and ranked with others submitted that quarter.

2. **Activities** CDBG funded activities include public works, public facilities, housing rehabilitation, economic development, microenterprise assistance and community capacity/technical assistance. Emergency project applications will be accepted for qualified emergencies.

### 3. Reasons for allocation

Targeting of allocated funds is based on previous demand experience and OBDD's cost/benefit analysis. Targeting is used to give the Department investment flexibility. Targeting does not obligate the Department to award all the funds targeted for each category. If a sufficient number of projects are not awarded in a particular category, applications in other categories may be funded. Each calendar quarter March 31, June 30, September 30 and December 31 the Department will conduct a quarterly target review and determine if funds need to be moved from one category to another.

### 4. Objectives addressed

The following table illustrates CDBG activities and the objectives addressed.

Activity	Outcome	Objective
Public Works – (wastewater, water , downtown revitalization)	Suitable Living Environments	Sustainability
Public Works – Off-site Infrastructure	Decent Housing	Sustainability
Public/Community Facilities – (senior centers, food banks, community centers, fire stations, libraries, family resource centers)	Suitable Living Environment	Availability/ Accessibility
Public/Community Facilities – (head starts, drug and alcohol treatment facilities, mental health treatment facilities, shelters and workshops for person with disabilities, health clinics)	Suitable Living Environment	Sustainability
Public/Community Facilities – (domestic violence shelters, emergency/homeless shelters)	Decent Housing	Availability/ Accessibility
Housing Rehabilitation	Decent Housing	Sustainability
Emergency Projects	Suitable Living Environment	Sustainability
Community Capacity/Technical Assistance		
Economic Development	Economic Development	Sustainability
Microenterprise Assistance	Economic Development	Sustainability

### 5. Obstacles

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 remains 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 are not willing to have their user fees increase or to pass a bond to assist with construction of new facilities or to improve existing facilities.

**OUTCOME MEASURES** (24CFR 91.320 (e))

Oregon's outcome measure systems are charted for each funding source and major programmatic sub-category in the following tables.

<b>HOPWA OUTCOMES MEASURES</b>			
Objective	1. Decent Housing		
Outcomes	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 HOPWA STRMU		0	none
Number of households receiving Permanent Housing Placement Services (in the form of deposits)		200	15
Total number of unduplicated households receiving HOPWA assistance		133 This is an unduplicated client count. Duplicated count is 265	60
Percent of households assisted with TBRA maintaining		90%	90%

permanent housing		
Percent of households assisted with STRMU maintaining permanent housing	0%	NA
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 during the year	25%	25%

<b>HOME OUTCOMES MEASURES</b>			
Objective	1. Decent Housing		
Outcomes	Affordability		
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	

<b>ESG OUTCOMES MEASURES</b>			
Objectives	Emergency and Transitional Shelters, Essential services	2. Suitable Living Environment	
	Homeless prevention and Move in Assistance	1. Decent Housing	
Outcomes	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 – persons served.	60,000	12,000
------------------------------------------------------------------------------------------------------	--------	--------

### CDBG Public/Community Facility Projects

Objective (Pick One)	Outcome (Pick One)	Indicators	Performance Measures
<ul style="list-style-type: none"> <li>Decent Housing</li> <li>Suitable Living Environment</li> </ul>	<ul style="list-style-type: none"> <li>Availability/Accessibility</li> <li>Sustainability/Promoting Livable or Viable Communities</li> </ul>	Number of households assisted with: <ul style="list-style-type: none"> <li>New access to service or benefit</li> <li>Improved access to service or benefit</li> <li>Where the project is used to meet a quality standard or measurably improve quality, report the number of households that no longer only have access to a substandard facility or infrastructure (as defined by the local community)</li> </ul> Homeless /Emergency Shelter activities: <ul style="list-style-type: none"> <li>Number of homeless persons given overnight shelter</li> <li>Number of beds created in overnight shelter or other emergency housing</li> </ul>	Amount of money leveraged from other federal, state, local and private resources
			Number of persons assisted
			Number of low and moderate income persons assisted
			Number of communities assisted
			Race, ethnicity, disability (current categories for beneficiary reporting still apply)
			Number of facilities assisted

### CDBG Public Works

Objective	Outcome (Pick One)	Indicators	Performance Measures
Suitable Living Environment	<ul style="list-style-type: none"> <li>Sustainability/Promoting Livable or Viable Communities</li> </ul>	Number of households assisted with: <ul style="list-style-type: none"> <li>New access to service or benefit</li> <li>Improved access to service or benefit</li> <li>Where the project is used</li> </ul>	Amount of money leveraged from other federal, state, local and private resources
			Number of persons assisted

		to meet a quality standard or measurably improve quality, report the number of households that no longer only have access to a substandard facility or infrastructure (as defined by the local community)	Number of low and moderate income persons assisted
	Number of communities assisted		
	Race, ethnicity, disability (current categories for beneficiary reporting still apply)		
	Number of systems brought up to environmental/safety standards or upgraded		

### CDBG Housing Rehab

Decent affordable housing as a housing program that meets individual family needs is our objective. Sustainability as a project that promotes livability by improving neighborhoods is our desired outcome. The amount of money leveraged from other sources is also a factor. Each applicant must address how their project meets the objective(s), outcome(s), indicators and performance measures identified below:

Objective	Outcome (Pick One)	Indicators	Performance Measures
Decent Affordable Housing	Sustainability/ Promoting Livable or Viable Communities	Number of owner occupied units rehabilitated or improved: <ul style="list-style-type: none"> <li>Number using lead safe working practices (Pre-1978 units, where \$5,000 or more of rehab work is to be complied and any lead safe practices were used.)</li> <li>Number subsidized by federal, state, or local program</li> <li>Number occupied by elderly (head of household or spouse age 60 or older)</li> <li>Number of units made handicapped accessible</li> </ul>	Amount of money leveraged from other federal, state, local and private resources)
			Number of persons, households or units assisted (pick the one most appropriate to your project – pick only one)
			Number of low and moderate-income persons served by the project.
			Number of communities assisted,
			Race, ethnicity, disability (current categories for beneficiary reporting still apply)
			Number of units rehabilitated

Economic Development

Objective	Outcome	Indicators	Performance Measures	State Measurement
Creating Economic Opportunities	Sustainability/ Promoting Livable or Viable Communities	Total number of jobs created: With employer sponsored health care benefits Types of jobs created (managers, professional, technicians, sales, office, clerical, skilled craft workers, semi-skilled operatives, unskilled laborers and service workers) Employment status before taking the job: number unemployed.	Amount of money leveraged from other federal, state, local and private resources	The amount of money leveraged from all other funding sources.
		Total number of jobs retained: With employer sponsored health care benefits Types of jobs retained (managers, professional, technicians, sales, office, clerical, skilled craft workers, semi-skilled operatives, unskilled laborers and service workers)	Number of persons, households or units assisted (pick the one most appropriate to your project – pick only one)	Number of jobs made available to, created or retained, including the number of jobs filled by low and moderate income persons.
		Total Businesses Assisted: New: Existing, of which how many are expansions; DUNS number is needed for every assisted business; Two digit NAIC industry classification: Does assisted business provide a good or service that meets the need of the service area (as determined by the local community)? If so, what was the need and how was it addressed?	Number of low and moderate income persons served by the project Number of communities assisted Race, ethnicity, disability (current categories for beneficiary reporting still apply)	

Microenterprise Assistance

Objective	Outcome	Indicators	Performance Measures	State Measurement
Creating Economic Opportunities	Pick One:  • Sustainability/ Promoting Livable or Viable Communities	Number of persons assisted: • With new access to a service. • With improved access to a service. • Where the project is used to meet a quality standard or measurably improve quality, report the number of households that no longer only have access to a substandard facility or infrastructure (as defined by the local community).	Amount of money leveraged from other federal, state, local and private resources.	The amount of money leveraged from all other funding sources.
			Number of persons assisted.	Number of persons having access to more microenterprise assistance services including the percentage of low and moderate income persons which benefit.
			Number of communities assisted.	Number of persons benefiting from new microenterprise services including the percentage of low and moderate income persons which benefit.
			Race, ethnicity, disability (current categories for beneficiary reporting still apply).	

**GEOGRAPHIC DISTRIBUTION** (24CFR 91.320 (f))

Oregon distributes funds according to Table AP-5.

(Table A in Consolidated Plan)

Jurisdiction	HOME	CDBG	ESG	HOPWA
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

OHCS reserves the right to award HOME funds to activities or projects in other participating jurisdictions funded solely or jointly when a need is demonstrated.

No HUD funds are distributed on the basis of geography.

There are areas of low income and minority concentration which meet the definition of 24 CFR Part 92.305. However while the percentages are valid, the actual number of households do not warrant any prescriptive program actions.

- **HOME** funds are not distributed on a geographical basis. Funds go to non-entitlement areas of Oregon for rental housing development primarily through the competitive Consolidated Funding Cycle (CFC). OHCS reserves the right to award HOME funds outside the CFC process including, but not limited to, demonstration projects, projects chosen through an RFP process, or projects with a critical time line, or for activities in the event of a State or Federally declared 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. Allocation decisions for TBA and construction funds are based on a needs analysis conducted by OHCS. The analysis used city and county data for low and moderate households in which are also cost burdened. OHCS weighed the potential use of funds for each activity and made a judgment meant to balance immediately achievable needs which could be met by TBA versus the more long term solutions provided by new construction or rehabilitation. For example, two years ago TBA was reduced to provide additional funding to preservation of housing with project based assistance in danger of losing PBA, or of converting to market rate units. Oregon requires TBA recipients to be very low income. Individual community action agencies may opt for any preferences which meet all state and federal guidelines.

CHDO support is not distributed geographically, but rather through a competitive process. **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.**

- **HOPWA** funds are not distributed on a geographical basis. HOPWA funds are distributed throughout the Consolidated Plan jurisdiction through direct payment on behalf of participating clients and thus the ultimate geographic distribution of the assistance cannot be predicted. Referred clients are prioritized for assistance based on assessed client need with no regard for client's geographic location.
- **ESG** funds are not distributed on a geographical basis. Funds are distributed in non-entitlement areas of the state using a distribution formula that factors:

- ❖ The percent of Cost Burden by State population. This factor measures households that are paying more than 50% of their income to their rent.
- ❖ The percentage of Economically Disadvantaged by State population. This factor measures households with income below the poverty level.
- ❖ The percentage of population represented in State One Night Homeless 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.

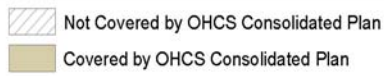
Due to the nature of the distribution process, the ultimate geographic distribution of the assistance cannot be predicted.

- **CDBG Non-housing** funds are not distributed on a geographical basis. CDBG funds are distributed statewide in non-entitlement areas to eligible units of general local government, awarded on a competitive basis. Please refer to Attachment J for additional information. **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.**
- **CDBG Housing Rehab** funds are distributed in non-entitlement areas to eligible units of government, awarded on a competitive basis. Please refer to Attachment J for additional information. **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.**

**ESG funds, Oregon Balance of State**



**HOPWA funds, Oregon Balance of State**



OHCS, 7/2009

**HOME funds, Oregon Balance of State**



**CDBG funds, Oregon Balance of State**

- Not Covered by OHCS Consolidated Plan
- Covered by OHCS Consolidated Plan



OHCS, 7/2009

## AFFORDABLE HOUSING GOALS

**Table AP-6** (Table J in Consolidated Plan)

Tenure	Demographic	Income Range	Priority	Total HH in Oregon	Unmet HH Need	5 Year HH Goal	2011 HH Goal		
<b>RENTER OCCUPIED</b>	<b>Small Related Family</b>	0-30%		High	76,088	10,360	2465	664	
		31-50%		High		9,585	620	145	
		51-80%	51-60% Medium				6,847	282	19
			61—80% Low						
	<b>Large Related Family</b>	0-30%		High	19,792	2,321	2,005	336	
		31-50%		High		3,066	410	67	
		51-80%	51-60% Medium				3,583	165	7
			61—80% Low						
	<b>Elderly*</b>	0-30%		High	31,691	4,876	1,610	1	
		31-50%		High		5,573	360	5	
		51-80%	51-60% Medium				3,074	35	5
			61—80% Low						
<b>OWNER OCCUPIED</b>	0-30%		Low	423,637	15,249	730	145		
	31-50%		Low		18,048				
	51-80%	51-60% Medium						20,605	
		61—80% Medium							

\* Original Consolidated Plan and previous Action Plans had included TBRA assistance for elderly. Although Oregon feels the assistance is provided, the current data collection system does not generate information to back the claims. However, the Consolidated Plan will not be amended until Oregon evaluates alternatives in data collection. 2011 goals are significantly reduced due to anticipated impact of changes in alternative minimum tax on availability of equity and resulting increases in affordability gaps.

Activities in support of the goals in Table AP-6 include new construction and acquisition/rehab of rental units, tenant based rental assistance, housing rehabilitation. It does not include CDBG funded assistance provided through regional housing centers to approximately 3,700 households per year.

## HOMELESS AND OTHER SPECIAL NEEDS ACTIVITIES

Oregon continues to support housing availability for the homeless and other special population needs through the Consolidated Funding Cycle process. For example, in 2008, 30% of the units in closed HOME projects were for special needs populations, including homeless. 58% of all OHCS assisted units closed in 2008 were for special needs populations.

The following information represents goals for special populations and includes tenant based rental assistance and units all of which are also in Table AP-6.

**Affordable Housing Goals for 2011** (24CFR 91.320 (g))

HOME	New construction	4 projects	100 units
	Rehab	4 projects	50 units
	Acquisition only	0 projects	
	CHDO set aside	(included above)	
	TBRA	1,200 households	
ESG		15,140 households	
HOPWA		60 individuals	
CDBG	Rehab	140 households	
	Housing centers	10 centers	

**(24CFR 91.320 (h))**

**Special Populations Needs and Goals Table AP-6** (Table O in Consolidated Plan)

Tenure	Income	High	Total in Oregon	Unmet HH Need	5 Year HH Goal	2011 HH Goal
<b>Farmworker</b>	under 80%	High	79,546	see notes	500	20
<b>Disabled</b>	under 80%	High	70,809	14,339	300	60
<b>Frail Elderly</b>	under 80%	High	included in Table AP-6	included in Table AP-6	included in Table AP-6	included in Table AP-6
<b>Chronic Homeless</b>	under 80%	High	1,131	1,131	see notes	see notes
<b>Homeless/ near homeless</b>	under 80%	High	3,592 (does not include chronic)	6,685	see notes	see notes
<b>First time Minority Home buyers</b>	under 80%	High	5,422	2,902	15	0
<b>HIV/AIDS and families</b>	under 80%	HIGH	1,405	500	300	60
<b>Post incarceration</b>	under 80%	Low	2,811	2,664	see notes	see notes
<b>Persons in recovery</b>	under 80%	Low	9,785	40,131	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. The 2011 goal has been greatly reduced in response to a lack of investor market for all forms of tax credits in the current economy.

+ Disabled included physically disabled, developmentally disabled, frail elderly 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 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 person 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.

+ HIV/AIDS at 33 is an unduplicated count. The duplicated count is 265.

In addition to the activities in Table AP-6, Oregon will undertake the following activities in support of special populations. The majority of services will be delivered through the Rural Oregon Continuum of Care (ROCC), a collaboration of state and local government, agencies, non-profits, faith-based, and private organizations.

### Continuum of Care Services

The ROCC utilizes funds from all possible sources to provide the following general services: emergency and transitional shelter for homeless, victims of domestic violence and others including those who are homeless or near homeless because of a State or Federally declared disaster.

- 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

Additional detail regarding ROCC activities is in Attachment A.

### Chronic Homelessness

Created at the direction of Gov. Ted Kulongoski the plan to end homelessness in 10 years is largely the work of the Ending Homelessness Advisory Council. EHAC is a 27-member commission of state and local advocates and experts who have dedicated themselves to the task of preparing the plan this past year.

Three key elements frame the Governor's 10-year Plan to End Homelessness.

- prevention and intervention, which include programs to keep people in housing.
- permanent housing and supportive services, aimed at placing homeless individuals and families into housing that provides them the services that keep them out of costly institutions.
- system improvements, will require better alignment of the disjointed services that have hindered collaborative solutions by state agencies and communities in ending homelessness.

## Housing Opportunities for Persons with HIV/AIDS

Oregon Housing Opportunities in Partnership (OHOP) has received HOPWA formula funding since 2005, and administered two additional HOPWA grants to create a continuum of housing and related supportive services opportunities for people living with HIV/AIDS (PLWHIV) and their families. OHOP is a balance-of-state project and includes all 31 Oregon counties that are outside of the Portland metropolitan statistical area.

Using HOPWA funds, OHOP provides TBRA to an estimated 120 households annually. Of those, approximately 60 will be funded with federal HOPWA formula grant funds. A variety of additional services and resources are available through the Continuum of Care and other sources.

The Oregon Department of Human Services, HIV Care and Treatment Program will serve in an administrative capacity and provide direct services to participating clients. In addition to Oregon Housing and Community Services, other collaborative partners include the Oregon Department of Corrections, Cascade AIDS Project, 15 local County Health Departments, Ryan White funded case managers, and various community action agencies.

### Farmworker Housing

Oregon has created and administers a farmworker tax credit program and an estimated twenty units will be assisted in 2011. The 2011 goal is considerably lower due to the lack of market for tax credits of any kind.

## **BARRIERS TO AFFORDABLE HOUSING** (24CFR 91.320 (i))

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 and Moderate Income residents. OHCS researched and compiled a list of public policies, procedures, and processes affecting the production of affordable housing. Proposed actions to address barriers follow each barrier.

- Oregon anticipates possible challenges in providing affordable housing in 2011 primarily due to changes in the lending and investment markets. Due to current market conditions, investor interest is waning for the low income housing tax credits, a major resource for affordable housing development. Investors who are participating in the program are tightening their underwriting standards. They are also showing a preference for projects with strong sponsors and development teams as well as a preference for projects located in more urban markets. The result is fewer investors and a lower pay-in rate for the tax credits. Oregon anticipates a much higher per-unit demand for HOME funds as a major source to offset the financing and affordability gaps that the market is creating. The Housing and Economic Recovery Act of 2008, H.R. 3221 will assist in resolving some of this issue but its full impact is yet to be demonstrated. *Oregon will continue to use the Consolidated Funding Cycle process to maximize leverage and efficient use of all funds, especially HUD funds.*

*Oregon will continue to support and implement the Housing Opportunity Bill, passed in 2009, which uses a document recording fee to raise \$7.5 million (estimated) which will be used for*

- *multi-family housing projects,*
- *to purchase manufactured dwelling parks for conversion to co-ops,*
- *provide down payment assistance and homeowner education*
- *provide additional funding for homelessness programs*
- *support capacity building for non-profit development partners.*

*Other legislation passed in 2009 includes SB5535 which authorizes issuance of \$16.3 million (biennium) in lottery backed bonds for preserving federally subsidized rental housing and manufactured home communities*

- A secondary, somewhat related problem hampers acquisition/rehabilitation project efforts especially in the rural areas. Concerns over mortgage markets, in combination with tax credit concerns are great investment disincentives for

rehabilitation projects where project cost containment is much more volatile than new construction. Complicating that scenario are existing HUD and Rural Development projects that are expiring, i.e. losing rent subsidy contracts. Because expiring rental assistance contracts means permanent loss of affordability, Oregon has prioritized preservation of these units. The strategy is hampered by reduced equity investor interest due to factors discussed above. Like the tax credit problem, the full impact of rehab investment reluctance is still emerging. Oregon has utilized from other programs for projects and will continue to work with existing and potential owners to maintain these crucial units as affordable. *Oregon will continue its aggressive program for preserving affordable housing project with project based assistance due to expire. Oregon will continue seeking non-traditional investors for tax credits. Oregon will continue to use the Consolidated Funding Cycle process to maximize leverage and efficient use of all funds, especially HUD funds.*

- Lack of and high cost of private land due to zoning and land use law – Largely local market issue. *Oregon may somewhat offset higher land costs through creative financing of improvements. Recent enactment of an initiative affecting "down-zoning" may free up more land for development, and will be monitored for future potential. Oregon will continue collaboration with partners in support of initiatives which improve the affordable housing environment.*
- Lack of coordinated response to problems and effective partnerships – *Oregon will continue the Governor's Economic Revitalization Teams which coordinate state resources and regulations at the planning stage. Oregon will begin implementing new legislation establishing communication guidelines to better help homeowners deal with foreclosure. The legislation will result in more productive working relationship between OHCS and Oregon Departments of Justice and Business and Consumer Services.*
- 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.*
- Exclusionary zoning ordinances – *Largely a local issue primarily beyond the reach of state government.*
- Lack of local government interest in low to moderate 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.*

- Local Design review guidelines – *Largely a local issue primarily beyond the reach of state government if local actions follow the law.*
- Property assessment practices – *Largely a local issue primarily beyond the reach of state government if laws are followed.*
- 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.*

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 (CAA's) and other non-profits throughout the state. Oregon Department of Human Services continues to provide service dollars for special needs groups, and various Mental Health agencies provide services through match 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 conducted a new Fair Housing Analysis of Impediments and has developed a new action plan concurrently with this plan.*
- 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 to fund an Ombudsman position to provide advocacy for displaced residents and will also continue to offer low interest loans which could be used by coalitions of residents to purchase and control their own park, assuming a willing seller. A new initiatives authorized in 2009 will begin implementation in 2011 and authorizes up to \$3.1 million in bonds for resident co-op purchase of their own parks.*

## **OTHER ACTIONS** (24CFR 91.320 (j))

- Actions to foster and maintain affordable housing. OHCS demands the most from public and private housing providers who apply for state funding through the Consolidated Funding Cycle (CFC). This system rewards those who utilize creativity and aggressive packaging of all resources, federal, state, local, public and private to meet the needs of both targeted and mixed needs communities. The CFC process includes extensive evaluation through use of subsidy layering. Oregon has consistently ranked in the top 1/3 of State PJs in overall CPD "Performance Snapshot" ratings, and plans to continue and improve this standing.
- Tax Credit Coordination OHCS and OBDD receive over \$275 million in State funds and tax credits that help to carry out the goals set forth in the Consolidated Plan.
- OHCS administers the federal low income housing tax credit (LIHTC) program, a major funding source for development of affordable housing in Oregon. The value of LIHTC is heightened by coordinating the use of the credits with other state and federal housing programs through the CFC process, which allows use of one form to apply for all state and federal housing grant and tax credit resources available through OHCS. Oregon's allocation is approximately \$8.7 million in credits for 2011. OHCS also administers the non-competitive 4% LIHTC, awarded in conjunction with tax-exempt bonds.
- Actions to remove barriers to affordable housing  
OHCS completed a 2010 Analysis of Impediments (AI) to address a variety of housing concerns, including barriers to fair housing. The AI is a separate document from this one and is available upon request.
- Evaluation and removal of lead based paint  
The Oregon Health Authority (OHA) and Oregon OSHA take the lead on lead paint issues in the state. 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 also provided funding for lead assessors and inspectors. The collaborative also posted an unsuccessful Super NOFA application for supplemental rehab funds.

The collaborative will continue to seek funding for the following efforts.

- Inspection/Risk Assessment

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

The low-income weatherization program offered through Community Action Agencies 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 has also agreed to fund all non-profit organizations who desire to have staff trained and certified in Lead Inspectors and Lead Assessors. 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 inspector/assessors. This has heightened diligence in lead inspections and improved identification and documentation in low-income rehab and weatherization programs. Note: Not all weatherization programs offered through OHCS require this certification.

- Reduce Poverty Level Families

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 "welfare" 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.

- OHCS is responsible for Oregon's Individual Development Accounts (IDAs). 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's 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
- 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. Continuum of Care will continue partnerships that maximize opportunities, through the creative and efficient use of resources, that include strengthening linkages with mainstream housing and service systems and integration with other state sponsored planning processes.

- Oregon CDBG funds are used for micro-enterprise support, targeting low income persons throughout the state.
- Oregon's CSBG funding supports life skills trainings which among other things can provide employability and job skill training.

- Develop Institutional Structure and 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

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.

SB 200, passed in 2009, ties together OHCS and the Department of Human Services (OHA) 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.

- Public housing initiatives

Oregon does not provide public housing and has limited input or control over PHAs operating within the planning jurisdiction. Oregon supports the initiatives undertaken by PHAs to foster resident involvement and encourage homeownership, including creation of IDAs and providing counseling and other resources through CDBG funded Regional Housing Centers. Currently eight Oregon Housing Authorities work with the IDA program for home ownership.

- Fair housing efforts

Oregon drafted a new Analysis of Impediments to Fair Housing Choice in 2010. The full analysis can be found at the OHCS website: <http://www.ohcs.oregon.gov/OHCS/index.shtml> OR by contacting Ann Brown at [ann.brown@state.or.us](mailto:ann.brown@state.or.us)

Adjunct to the Analysis was creation of Oregon's Fair Housing Strategic Action Plan, included as part of Attachment C. Following is a list of impediments.

A. *Organizational/Political*

1. *Review the State's existing non-English speaking resident citizen participation requirements and enhance where needed.*
2. *Initiate communication with the Oregon Department of Land Use and Conservation Development.*
  - a. *Review land use laws within Oregon to identify and attempt to overcome any impediments to fair housing choice created by these laws;*
  - b. *Review the recently passed legislation in North Carolina that limits NIMBYism as well as the Florida and California laws that have the capability for similar applicability in Oregon.*

B. *Structural Barriers*

1. *Create a state level interagency stakeholders group consisting of members with a specific fair housing interest or significance including but limited to the Oregon Housing and Community Services Department, the Oregon Department of Land Use and Conservation, the Department of Justice, Department of Human Services, the Oregon Business Development Department, and the Bureau of Labor and Industry, to evaluate the current methodologies and funding mechanisms used to track fair housing impediments throughout the state.*
2. *Develop the Fair Housing Stakeholder Collaborative consisting of stakeholders throughout the state with a specific interest in fair housing to discuss fair housing issues, prospective action items pertinent to the non-entitlement areas of Oregon, and evaluation methodology.*
3. *Establish a strategic communications plan to increase the knowledge of fair housing laws in Oregon through the following methods:*
  - a. *increase level of understanding of fair housing law through the effective distribution of printed materials explaining current Oregon law of who is protected and what represents illegal discriminatory treatment;*

- b. *research the ability to utilize alternative dissemination media such as television and radio advertisements, webinars and seminars and other communication media not currently utilized by the state to increase knowledge of fair housing laws in Oregon;*
- c. *consider preparing a fair housing referral guide for distribution in the non-entitlement portions of the state advising persons of the complaint process.*

4. *Form a stronger alliance with BOLI and:*

- a. *Meet with a representative of BOLI periodically to discuss the current state of fair housing in Oregon and in the non-entitlement areas of Oregon.*
- b. *Steer housing complaints directly to BOLI, as they are reimbursed by HUD on a per case basis for each case alleged to be in violation of federal fair housing law.*
- c. *Demonstrate to BOLI that additional enforcement capacity is needed outside their current regional offices of Portland, Salem, Eugene, Bend, Medford and Pendleton, as seen in the FHCO housing complaint data.*
- d. *Facilitate or otherwise help BOLI with incorporating more enforcement capacity, building and training under their HUD funded FHAP activities. Encourage them to add annual performance measures and benchmarks.*

C. *Rental Markets*

- 1. *Enhance outreach and education activities to increase the understanding of common discriminatory actions seen in the rental markets.*
- 2. *Conduct audit testing.*
- 3. *Enhance outreach and education activities to consumers to overcome the two types of discriminatory activities identified in rental markets, as described above.*

D. *Home Purchase markets:*

- a. *Enhance homebuyer education programs to better inform consumers of the attributes of predatory lending, including car title and pay day loans.*
- b. *Enhance financial literacy classes for housing consumers, including racial and ethnic minorities, to include describing how to establish and keep good credit. This could also include production and distribution of educational materials for housing consumers, so they might better protect themselves against predatory- style lending.*

*The Oregon Business Development Department (OBDD), which administers Community Development Block Grant funds for the state's non-metropolitan cities and counties, educates its recipients about their fair housing responsibilities in several ways including: 1) presentations at workshops, 2) an updated comprehensive Grant Management Handbook, 3) provision of informational handouts, posters, brochures, and individual technical assistance, as needed or requested, 4) sending recipients notices of workshops or conferences which address fair housing issues, and 5) conducted a statewide Analysis of Impediments to Fair Housing Choice which is made available to recipients to identify, plan for and remove impediments to fair housing choice.*

*Specifically the State:*

- a. *Updates the CDBG Grant Management Handbook annually. This updated handbook contains accurate contact information and forms for processing fair housing complaints.*

- b. *The state continues to convey fair housing information via the CDBG list serve which was started in 2007. This list serve disseminates information to all interested persons and grant recipients.*
- c. *OBDD staff participate in the new Interagency Council on Homelessness and Hunger that was formed as a direct result of House Bill 2073. This council will play a key role in reviewing and implementing policy initiatives that will effectively move Oregon forward in reducing the problem of hunger and homelessness.*
- d. *OBDD requires the submission of reasonable accommodation policies when becoming a certified sub-grantee.*

*Fair Housing Collaborative – In 2005, OHCS, OBDD, BOLI, FHCO and other private and other public sector participants formed a fair housing collaborative to address statewide fair housing issues and were a large part of the successful completion and development of the 2006-2010 Analysis of Impediments to Fair Housing Choice and Fair Housing Action Plan. This collaborative was meeting monthly during the development of these documents, and then quarterly thereafter to work on fair housing issues.*

*In 2009, the Fair Housing Collaborative meetings were once again increased to a monthly basis to assist in the development of the new 2011 - 2015 Analysis of Impediments to Fair Housing Choice and Fair Housing Action Plan. OBDD and OHCS continue to participate in this collaborative.*

## **PROGRAM SPECIFIC REQUIREMENTS (24CFR 91.320 (k))**

### **1. CDBG**

- i. The details of the CDBG method of distribution are included in this action plan as Attachment J. The MOD contains a large amount of information and is not replicated here. The MOD includes the criteria used in evaluating applications, the relative importance of criteria, how resources are allocated among funding categories, various thresholds involved, and grant limits.
- ii. Oregon does not intend to help units of local government apply for guaranteed loan funds under 24 CFR Part 570, sub M.

### **2. HOME**

- i. OHCS will only make HOME investments listed as eligible in 92.205(b)
- ii. Oregon will not be using 2011 HOME funds for homebuyers. Currently Oregon's inability to market bonds at a competitive rate limit the assistance available to NSP2, which is restricted, and a new state program funded from recording fee charges. For more information contact [Roberto.franco@hcs.state.or.us](mailto:Roberto.franco@hcs.state.or.us)

- iii. Oregon Housing and Community Services (OHCS) does not plan to utilize HOME funds to refinance existing debt secured by multifamily housing that is being rehabilitated with HOME funds unless a program amendment is sought. In that case, the following minimum guidelines under 24 CFR 92.206 (b) will be established.
- (A) Demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing.
  - (B) Require a review of management practices to demonstrate that disinvestment in the property has not occurred; that the long term needs of the project can be met; and that the feasibility of serving the targeted population over an extended affordability period can be demonstrated.
  - (C) State whether the new investment is being made to maintain current affordable units, create additional affordable units or both.
  - (D) Specify the required period of affordability, whether it is the minimum 15 years or longer.
  - (E) Specify whether the investment of HOME funds may be jurisdiction-wide or limited to a specific geographic area, such as a neighborhood identified in a neighborhood revitalization strategy under 24 CFR Sec. 91.215(e)(2) or a Federally designated Empowerment Zone or Enterprise Community. **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.**
  - (F) State HOME funds cannot be used to refinance multifamily loans made or insured by any Federal program, including CDBG.

iv. Affirmative Marketing: Oregon's requirements for HOME funded projects containing 5 or more units can be found in Attachment H.

### 3. ESGP

Process for awarding grants to recipients: All ESG funds are distributed in non-entitlement areas of the state.

Factors for determining the distribution formula to Lead Agencies include at-risk populations based on the poverty populations/unmet assisted housing need and the number of homeless population based on the one night homeless count bi-annual data in each geographic area. These Lead Agencies, primarily community action agencies, must demonstrate the capacity to provide community-based services and undertake anti-poverty initiatives in order to be given Lead Agency status.

In addition, each Lead Agency must coordinate a local planning process that identifies local priorities based on the needs and gaps in homeless services. This process is conducted annually for the Supportive Housing Continuum of Care Application and biannually for the State Omni Plan Process, now called the Master Grant Agreement.

#### 4. HOPWA

Method of selecting project sponsors:

Since 2005, Oregon's formula grant for HOPWA funds has been jointly undertaken with the Oregon Department of Human Services as project sponsor. In 2009, OHCS and OHA requested a change in the administrative agency, which was approved by HUD. As of 2009, OHA will directly administer the HOPWA formula funds with no associated project sponsor agencies.

HOPWA funds will be used for tenant based rental assistance. OHA will administer the program and directly provide housing coordinator services through OHA staff. OHCS will provide on-going technical assistance and training to OHA and continue to participate in the program planning processes.

OHA, HIV Care and Treatment Program is the grantee for the Federal Ryan White Program Part B funds awarded to Oregon. HIV Care and Treatment Program and administers the state AIDS Drug Assistance Program (known as CAREAssist in Oregon) and a full continuum of supportive services accessible through a funded network of HIV case managers. As such, OHA has a long history of providing rental assistance, housing placement services and supportive utility assistance to persons with HIV/AIDS. Prior to receiving the HUD-HOPWA grant in 2001, the HIV Care and Treatment Program expended on average 30-40% of available funds on housing related services. HIV case management service providers are trained in using local resources to house persons with HIV/AIDS and have a history of effectively assisting clients to access HOME TBA, Section 8, and a variety of supportive housing programs such as LIHEAP.

#### **Certifications** 24 CFR 91.325

Please refer to Attachments

- (a) General: Items 1 through 8
- (b) CDBG: Items 1 through 7
- (c) ESG: Items 1 and 2

## **Monitoring** 24 CFR 91.330

- General:

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, Department of Human Services, 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.

All three agencies are responsible for ensuring that grantees 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, or “desk” monitoring and on-site monitoring. Department staff regularly review each project 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 includes, 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 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 with 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 also 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

Monitoring of rental housing developments by the OHCS is an ongoing process involving continuous communication and evaluation. 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 Program Compliance Section (PCS). It is PCS' responsibility to:

- Perform file reviews and on-site visits as needed to ensure that the owners and/or property management companies are operating the projects 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.
- Provide technical assistance to the sponsors, owners, and management agents when indicated or requested to ensure compliance with program requirements.
  - Report instances of noncompliance to OHCS Finance Committee, or to HUD if appropriate, if the owner does not adequately correct a finding within the allowable timeframe.
  - Maintain the documentation used to complete the review for five years after the calendar year in which it was received.
  - OHCS performs on-site inspections of all HOME projects at least through the end of the period of affordability.

PCS performs the physical inspection of HOME funded rental units for Housing Quality Standards (HQS)/Uniform Physical Condition Standards (UPCS) under the following guidelines.

- Owners of projects with HOME units are required to conduct annual HQS/UPCS inspections. The results are reviewed by the Compliance Officer during the site visit.
- OHCS inspects projects with 25 or fewer total units every two years for HQS/UPCS compliance.
- OHCS inspects projects with 26 or more total units annually for HQS/UPCS compliance.

- Emergency Solutions Grant Program

Service providers receiving an ESG grant are monitored at least once annually. This process consists of a number of forms and can include review of progress reports, telephone consultation, and performance of on-site assessments 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. When applicable, 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

OHA- HIV Care and Treatment Program conducts an annual file review for HUD compliance. This annual review includes client case/chart reviews as part of the agency's HOPWA program Quality Improvement Plan, as well as an assessment of program database records to measure progress in meeting program objectives.

## **Actions to Address Fair Housing Issues**

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	2011 - 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

\* 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.

## IN CLOSING

2011 will be a year rife with both challenge and opportunity. The continuing involvement of partners and service providers in concert with state and federal funders will be crucial in achieving success. Input and suggestions are always welcome.