

Oregon's Historical Investment in Housing

Oregon Housing and Community Services

Legislative Advocacy: State Advocacy

HFA Staff Contact

Sarah Neitzert

Sarah.neitzert@hcs.oregon.gov



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Background

OHCS has received historic investments from state and federal partners since the launch of Oregon's Statewide Housing Plan in 2019, with a significant increase in resources coming from the Oregon Legislature. OHCS received the agency's largest-ever biennial budget at the end of the [2019 Oregon Legislative Session, more than \\$336 million to advance housing solutions](#). The 2019 investment has been dwarfed this biennium, with historic investments made during the [2021 Oregon Legislative Session, over \\$896 million](#). On top of that investment, **and** outside the State's budget cycle during a notoriously difficult state short session, OHCS received nearly \$300 million during [2022 Oregon Legislative Session](#) – unprecedented for many Oregon state agencies.

Putting together a robust housing package in mere months

Recognizing that state revenues continued to outpace economist expectations in late 2021, OHCS' Government Relations team and Governor Kate Brown successfully proposed the most extensive off-cycle housing package in the State's history to address the housing crisis. This [\\$400 million housing package](#) of state general fund investments into existing programs would ensure that the agency and its partners can make qualitative improvements to data-driven programs rooted in best practices. Staff worked swiftly with providers on the housing package to ensure it was responsive to needs in Oregon communities and could achieve results in the second half of the state biennium.

Increasing the supply of Affordable Housing: Nearly 85% of the housing package, or \$339.5 million, addressed the root cause of Oregon's housing crisis: the lack of supply. [Oregon's Regional Housing Needs Analysis](#) found that the state needs an additional 140,000 homes *right now* to address community members already living here and 580,000 homes to address current and projected need over the next twenty years. At the same time, more projects have never been at risk due to preservation needs and construction costs ballooning 10-20%. OHCS balanced the need to keep accelerating housing production with the need to preserve affordable housing with a thoughtful supply package.

Asset Building to Create Community Resiliency: Oregonians struggled to weather the COVID storm due to a lack of savings and little margins in their budgets. OHCS proposed investing \$35 million in the successful Individual Development Account (IDA) program to support financial literacy and saving for low-income Oregonians, helping communities become more resilient for the next economic crisis. IDAs





provide matched savings towards defined goals such as homeownership, small enterprises, higher education, and more. IDA savers can access savings in times of crisis, like unemployment.

Supporting Homeowners: The State foreclosure moratorium ended in June 2021, and OHCS heard reports of increased calls to Oregon's Homeownership Centers. At the same time, Homeownership Centers and Community Dispute Resolution Centers saw increased operating costs. OHCS requested \$25 million to address these needs and expand counseling options to help manufactured home owners replace older, unsafe models with newer, energy-efficiency homes (supporting a state-funded program).

Improving the Homeless Response Infrastructure: As OHCS saw five-fold investments in shelter in 2021, OHCS proposed a modest investment of \$500,000 in the policy structure surrounding homelessness to better support coordination and direction at the state and local level. This includes following recommendations of the Oregon Task Force on Homelessness and Racial Disparities, specifically a Statewide Interagency Council on Homelessness, and expanding Built for Zero, a private/public partnership to support communities in ending homelessness.

Working with housing advocates & legislators

Governor Kate Brown and OHCS finalized this package in late December 2021. OHCS' Government Relations team quickly began working with housing advocates to secure support for this package. Despite the ask coming after traditional endorsement timelines, OHCS secured the support of the [Oregon Housing Alliance](#) and [Housing Oregon](#). The Oregon Housing Alliance even made Governor Kate Brown's \$400 million package a top priority for their 2022 Legislative Agenda. OHCS' work gained national notoriety and, despite being a state request, was [featured by the National Low Income Housing Coalition](#) ahead of the 2022 Oregon Legislative Session that began February 1.

Even with the robust coalition OHCS built, Legislators fielded housing requests from many organizations and interest groups. [Staff detailed potential outcomes](#) and participated in negotiations with legislative leadership to ensure housing investments would meet limited state funds' highest and best use. OHCS was nimble in working with key legislators to adapt our housing package to make room for creative and innovative housing solutions, regardless of the administrating agency.

One key example is [Project Turnkey](#). The [Oregon Community Foundation](#) (OCF), an OHCS partner in homelessness response, was identified to support shelter expansion through the second round of Project Turnkey Key. OHCS and OCF worked with legislative leadership to secure \$50 million in acquisition funds, to be administered by OCF, **and** operating resources to be delivered by OHCS. OHCS staff will continue to serve on OCF's advisory council. OHCS also partnered with legislative leadership on resources to support local government's response to homelessness (funds for shelter capacity, hygiene needs, outreach to people experiencing homelessness, and local coordinating offices).

Delivering resources to Oregonians

Due to the bold ask of Governor Kate Brown and OHCS, more than \$400 million was allocated to housing in the 2022 Oregon Legislative Session. OHCS received a record \$300 million of this state funding to address Oregon's housing crisis. The budget invests in programs and systems that are proven to be





incredibly effective in meeting the needs of Oregonians across the housing continuum. The historic investment allows the agency and its partners to expand existing data-driven programs and services, allowing us to reach target audiences and achieve collective goals. OHCS can foster existing and establish new partnerships to extend our reach and service to Oregonians with this investment. Below is a highlight of some of the key outcomes OHCS anticipates from this record funding:

- **Affordable housing forthcoming outcomes**
 - ~1,500 to 2,200 affordable rental homes to move forward with their construction despite dramatic construction cost increases
 - ~175 additional affordable rental homes and starter homes for purchase across the state
 - Supporting ~6 developments with land acquisition investment, creating approximately new 400-480 affordable homes across the state
 - Preserving 3-5 manufactured home parks across the state, creating, or preserving approximately 200-425 affordable homes.
- **Homelessness and eviction prevention programs**
 - Operating support to Project Turnkey Round One, ~865 beds in 19 new shelters from hotel/motel acquisitions in 13 counties (20% increase in Oregon's supply of emergency shelter beds funded in the last eight months), and Project Turnkey Round Two, estimated to fund ten new shelters across the state
 - Additional funds to Oregon's nine federally recognized Tribes to support homeless services
 - Funds to extend deliverables for recipients of OHCS' Emergency Solution Grants – Coronavirus grantees
 - Supporting a network of youth homelessness providers
 - Resources to culturally specific organizations to prevent evictions
 - Investments in local rental assistance through traditional networks and sustaining crucial data-driven programs like the Oregon Eviction Diversion and Prevention Program
- **Homeowner resources** – support for organizations serving homeowners (ranging from \$50,000-\$150,000 per organization)

Taking advantage of advocacy windows & achieving results

This historic investment in dedicated housing resources is a testament to the hard work of many mission-driven staff members. OHCS' Government Affairs team is small but mighty, serving at the critical nexus between desired legislative outcomes that advance the Agency mission and the lawmakers, community leaders, and stakeholder partners working collaboratively toward stable, equitable, and affordable housing opportunities for every Oregonian. A significant state revenue forecast presented an incredible opportunity for Governor Kate Brown and OHCS to advocate for a level of investment that begins to meet the moment and the scale of need. Over three short months, OHCS negotiated the \$300 million package with legislative leadership and community leaders to push it across the finish line, successfully securing the largest housing investment ever allocated in an off-cycle legislative session. We are confident that it will make necessary and impactful change, and we are already planning for another audacious ask in the 2023 Oregon Legislative Session.

