

# Advancing Systemic Change in Homeless Services to Address Racial Disparities

**Oregon Housing and Community Services**  
Legislative Advocacy: State Advocacy

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At Oregon Housing and Community Services (OHCS), we envision an inclusive Oregon where every person has access to safe, stable, and affordable housing. OHCS is eager to tear down silos and find innovative new ways of doing business that more effectively serve Oregonians while addressing root causes of societal problems. One important way to do that is by “getting our own house in order” and taking a hard look at our policies and funding practices.

During the 2021 legislative session, OHCS introduced House Bill (HB) 2100. The bill was introduced to improve program outcomes, codify outcomes-oriented practices that require a racial equity lens, and expand OHCS service provider partners beyond the Community Action Agency (CAA) network. The [bill](#) was carefully negotiated with CAAs, and the purpose of the coinciding Task Force was to identify methods to decrease racial disparities in homelessness, investigate potential changes to the state's homeless services funding structure, consider additional methods to receive advice and information about needed services, and identify ways to modify contracting processes and eligibility for homeless service providers. HB 2100 began a long overdue conversation about the statute that codifies the funding structure exclusively to CAAs that had gone unexamined for decades.

In Oregon, CAAs have served Oregonians for decades across the state. Oregon’s homeless services funding allocation model has historically distributed funds exclusively to CAAs to deliver critical resources to local communities, such as the Community Services Block Grant for housing, nutrition, and emergency services supports. The funding allocation formula used by OHCS directs funds to seventeen CAAs and the Oregon Human Development Corporation based on factors such as population, poverty, and homelessness statistics. CAAs exclusively deliver state funds for homeless services that are roughly ten times greater than typical federal investments. Prior to HB 2100, it was illegal for OHCS to provide any homeless services funding to organizations outside of the traditional CAA network.

The traditional funding model used in Oregon did a good job of ensuring geographic coverage across the state. However, it also created barriers by not allowing culturally responsive or specific organizations, Tribal nations, and other nonprofit and community organizations to access funding opportunities. This also prevented OHCS from determining if we were funding organizations with the best outcomes in the region. With the launch of the Task Force on Homelessness and Racial Disparities, Oregon had a unique opportunity to modernize and reimagine its current homeless services funding system to create more inclusive service provider opportunities.

### **INNOVATION**

In Oregon, poverty prevention resources play a lifesaving role. Families and individuals across the state were already living on the financial margins and struggling to get by before the COVID-19 pandemic hit. Rental vacancy rates were at historic lows, rents were at historic highs, and Oregon’s rate of homelessness had been among the highest in the nation. These high rates of homelessness and housing instability disproportionately impact Black, Indigenous, and other people of color as a result of past and current discriminatory practices. American Indian/Alaskan Native Oregonians are four times over-represented, and Black Oregonians are three times over-represented among people experiencing homelessness compared to their share in the general population as made evident by data presented to the Task Force.

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Over the course of the pandemic, states received a flood of emergency relief dollars. These funds allowed some of the nation's most vulnerable residents to avoid the "scarlet letter E" of eviction and the ability to keep the lights on, stay in school, and avoid slipping into homelessness. In some situations, these funds could not be distributed fast enough to meet the growing need. Many CAAs and nonprofit organizations faced capacity challenges with hiring enough staff and ramping up operations to meet the escalating demand for assistance. OHCS sought to use the emergency relief dollars from the state and federal government to allocate funding to new partners, including through competitive allocation, and awards to the Nine Federally Recognized Tribal Nations and local governments. These new partners helped inform and co-create the Task Force's recommendations.

At the same time, because of the narrow funding allocation formula, many qualified nonprofits who regularly contracted with CAAs to deliver critical poverty prevention services were barred from applying directly for funding. Increasing the pool of qualified organizations that are eligible to contract with OHCS provides not only additional capacity to be responsive during emergencies, it also increases the diversity of service provider options to reflect the vast cultural and local practices of Oregon communities. Multiple representatives on the Task Force, such as the Urban League, the Latino Network, and Oregon's Coalition Against Domestic & Sexual Violence, helped demonstrate the unique needs of the populations they serve and elevated the case for why more broad and diverse perspectives in administering housing stabilization resources is critical. By expanding participation to include groups that have been historically excluded, this approach moves the state towards more equitable systems and inclusive practices.

#### **DEMONSTRATING EFFECTIVE USE OF RESOURCES**

In order to demonstrate effective use of state and federal resources, as a funder, OHCS is responsible for building a coordinated and concerted statewide response to homelessness and housing instability that focuses on improving outcomes for Oregonians, ensuring equitable services for all, and bringing more seats to the table. House Bill 2100 makes meaningful progress in advancing these strategic objectives. The staff and leadership at OHCS believe that in order to help ensure an equitable recovery, it is critical to take proactive steps to ensure that community's most impacted by systemic inequality are in the driver's seat in designing upstream interventions, including removing barriers to apply for state and federal resources.

Ensuring culturally specific organizations are able to disperse dollars and information to communities quickly in their preferred language was imperative. We understood that in order to ensure the state's emergency response work didn't increase disparities, it would be critical to prioritize the work outlined in HB 2100. Informed with direct experience from partners on the Task Force, OHCS was able to employ analytical skills to anticipate and identify the potential ramifications of not having enough providers to move quickly when disasters hit and the importance of opening the doors to providers reflective of the unique cultural diversity that makes up the state of Oregon.

The Task Force was a strong example of effective collaboration and coalition building. In addition to working closely with culturally specific organizations and individuals with lived experience, OHCS's work on the Task Force helped forge effective relationships with seven state legislators that were either appointed or highly engaged with the work. In addition, OHCS deepened relationships with a dozen representatives of diverse perspectives and experiences, including organizations that focus on street outreach and unsheltered homelessness, shelter, rapid rehousing, and organizations that address the

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needs of various people experiencing housing instability. The broad array of stakeholders represented strong coalition building across many different perspectives toward achieving shared results.

The Task Force met six times between November 2021 and January 2022 before submitting its [initial report on its findings and recommendations](#) to the State Legislature. The group recommended extending its duties through 2025 to provide oversight, ongoing feedback, and overall direction to implement recommendations to address racial disparities in homelessness while further refining recommended solutions. In the 2022 Legislative Session, [HB 4051](#) extended the life of the Task Force through Jan. 2, 2026. Next, the Task Force submitted an [Interim Report](#) to the Legislature in September 2022, reporting on work including an in-depth presentation on the foundations of racial equity, focusing on Oregon-specific history, and adopting an approved subcommittee and assignment structure to accomplish more work between Task Force meetings. The [final report](#) was produced in March of this year, and today additional recommendations proposed by the Task Force are moving forward in the current legislative session. As we implement the work on the Homelessness and Housing Executive Orders, we hope to pilot some of these takeaways and recommendations to continue to learn critical lessons that our agency can act on.

#### **PROVIDE BENEFITS THAT OUTWEIGH THE COSTS**

HB 2100 makes meaningful reforms to Oregon's homeless system; it sets service equity standards and ensures there is inclusive planning at the local level. HB 2100 calls out a focus on unsheltered homelessness for the first time in the statute. In another major step forward, HB 2100 codified racial justice standards in Oregon's homeless services system making Oregon the first state to do so. It ensures OHCS listens to broad and diverse perspectives in administering homeless services and housing stabilization resources. The Task Force invites others with valuable perspectives into the conversation, such as tribal nations, culturally specific organizations, local governments, housing providers, and more. By centering equity and re-envisioning current practices to ensure increased access to housing resources, this innovative work clearly advanced the overall mission of OHCS to ensure every Oregonian has a safe, affordable place to call home.

The Task Force and the coinciding recommendations clearly provided benefits that outweigh the cost of doing "business as usual." After over thirty years of contracting with less than two dozen CAA service providers, HB 2100 reexamined how the state does business to ensure we are poised to embrace innovation to more effectively reach specific populations and demonstrate effective use of taxpayer dollars. With this legislation and Task Force, OHCS set a vision and a strategy to increase the availability of culturally specific and responsive services to decrease well-documented disparities. We know that homelessness and housing instability have been and will continue to have deeply racialized negative outcomes for communities of color. Our response and investments need to correlate to the most impacted communities in order to begin reversing these trends. The new and updated funding framework is more inclusive and modernizes our homelessness system. HB 2100 opened the doors of opportunity for new providers to apply for state and federal resources. Together we moved beyond non-competitive contracts in a collaborative process while providing stable and flexible funding to support increased expansion and inclusion in the homeless services system. We have more work to do but we believe Oregon's Task Force provides a model that other states can look to and replicate in their journey to decrease racial disparities and create a more inclusive and equitable homelessness services system.