

Preservation Framework and Dashboard

Oregon Housing and Community Services

Rental Housing: Preservation and Rehabilitation

HFA Staff Contact

Kalie Douglass

kalie.douglass@hcs.oregon.gov

Oregon Housing and Community Services Preservation Framework and Dashboard

About the Preservation Framework

In 2023, Oregon Housing and Community Services (OHCS) set out to develop a clear, comprehensive, and actionable strategy framework to direct its work around affordable housing preservation. After extensive outreach and engagement with external partners, the [Preservation Framework document](#) was adopted in September 2023 and now serves as the basis for resource allocation decisions, capacity building efforts, and an agenda for further data and research.

The Preservation Framework set out five core objectives:

1. Articulate a clear rationale for sustained investment in preservation and forecast a rough order of magnitude of the need over the next 10 years and beyond
2. Define which kinds of Preservation this strategy covers
3. Establish high-level policy goals for preservation, including goals connected to OHCS' commitment to Equity and Racial Justice
4. Clarify how OHCS will prioritize resources available for preservation to meet those goals
5. Help inform our partners' planning around asset management and preservation

Preservation is a daunting challenge for every state housing finance agency (HFA). The scale of the need for fresh subsidy to maintain the affordability and habitability of affordable properties far outweighs resources typically dedicated to preservation. As tempting as it might be to avoid a clear-eyed accounting of that gap, OHCS decided to measure that gap and lay out some broad policy priorities, grounded in data and aligned with our values.

The framework defines four main preservation priorities for the agency:

1. Properties with long-term project-based federal rent assistance contracts that are at-risk
2. Affordable properties at risk of converting to market-rate as rent or income restrictions expire
3. Affordable rent-restricted properties at risk of loss due to physical or financial challenges
4. Manufactured home parks owned or being acquired by a residents' cooperative or a nonprofit

In 2024, OHCS completely re-designed its process for capital funding for affordable rental projects, including preservation, and built out a process for prioritizing at-risk projects with the highest potential impact to vulnerable tenants, based on the categories of the framework.

Alongside the funding process redesign, OHCS worked with its research and analysis staff to create an online mapping tool called the [Preservation Dashboard](#), which launched at the end of 2023, to help stakeholders identify properties at risk in every part of the state. This dashboard is already being used by nonprofit and for-profit partners, local governments, and legislators to inform their engagement around preservation opportunities and challenges.

Innovative and replicable

The Preservation Framework is the first of its kind document to wrap all preservation related topics into one document, developing a coordinated agenda centering the impact to tenants and embracing data, policy, resources, and commitment to equity and racial justice.

The Preservation Dashboard is also one of the first of its kind to make preservation data easily accessible to housing partners across the state and country. It transparently shows total affordable housing units

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that have expired, what's due to expire in the future, and helps OHCS track and prioritize preservation funding according to the framework. This dashboard has received national attention with inquiries from media outlets such as Bloomberg CityLab.

Both the Preservation Framework and Dashboard are designed to serve as resources for other states interested in learning from or adapting them. OHCS believes these tools can be replicable across states encountering similar preservation challenges and data needs.

Responding to an important state housing need

For OHCS, preserving affordable housing is just as important as creating more affordable housing. Many times, it's easier and more cost effective to preserve existing affordable housing. It's also a more tenant-centered approach that prevents tenant displacement and potential trauma from significant rent increases or being moved from a home. The Preservation Framework and Dashboard show and communicate the importance of this state housing need. They help build a case for sustained investment in preservation, establish baseline data, clear priorities, and definitions. Both the framework and dashboard are already serving as a critical resource for advocates, partners, and legislators as they consider policy and funding decisions.

Benefitting partners

The Preservation Framework and Dashboard are helping partners understand OHCS' priorities and help the agency be transparent with the realities of both the limits and opportunities around state preservation resources. These tools help property owners and developers make informed decisions about their properties most at risk of losing affordability. It also helps local jurisdictions better understand and prepare for the loss of any affordable housing and prioritize funding to help address these challenges.

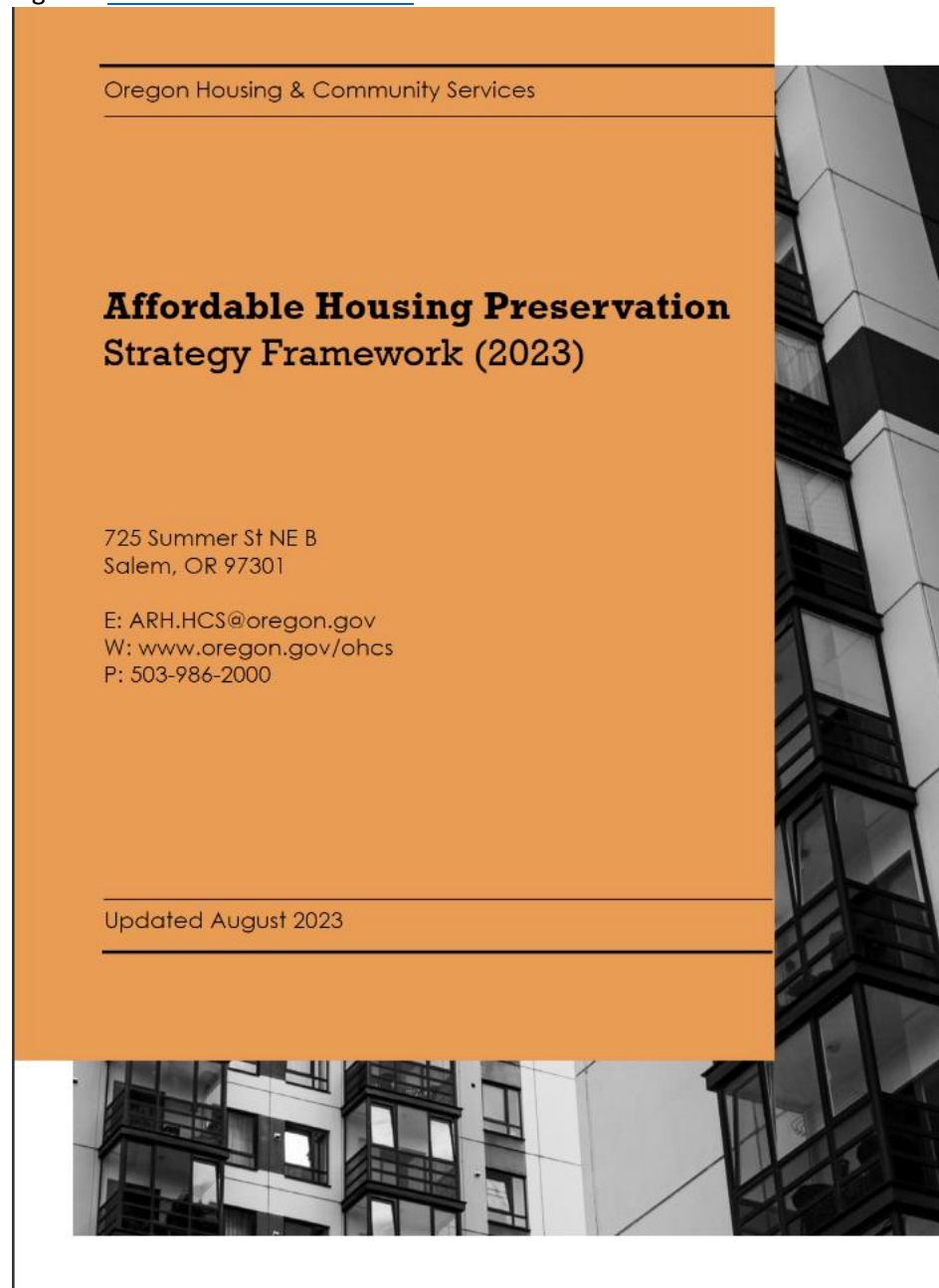
Achieving strategic objectives

The Preservation Framework and Dashboard tells a more effective story and highlights the need for and impact of investments on preservation. It shows how the agency has been able to help properties stabilize their long-term viability and where properties have converted to market rate in each community. This helps OHCS better ensure an equitable distribution of preservation resources and the ability to work with each local jurisdiction on tackling their community's preservation housing needs. In addition, the Preservation Framework describes the human impacts of preservation, especially how vulnerable communities are impacted when housing affordability can or can't be maintained.

Effectively employing partnerships

The Preservation Framework and Dashboard were both heavily influenced by external housing partners who are connected to preservation work. This includes nonprofit and for-profit developers, public housing authorities, housing advocates, and other public funders. The Preservation Framework was created after meeting with many preservation partners and incorporates their thinking and feedback. The dashboard was also created based on partner feedback and a soft launch to partners went out first to incorporate their feedback. OHCS built on the robust infrastructure of engagement led by Network for Oregon Affordable Housing, and regularly reports out on preservation work and gathers feedback on new work from these and other groups.

Visual Aids Appendix



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“Oregon Housing & Community Services is committed to not only developing more affordable housing but preserving current affordable housing to ensure diversity, resilience, and a sense of belonging within a community can last for generations.”

- Director Andrea Bell



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Executive Summary

Pictured below: YaPoAh Terrace in Eugene, OR



What is preservation and why is it important?

Keeping existing rent-restricted housing affordable and well-maintained over the long term is as important as building new affordable housing. The State's Preservation efforts generally focus on periodically investing in the physical condition and financial sustainability of existing affordable projects as they age, in return for extending the rent restrictions attached to the property. Other related Preservation priorities include renewing federal rent assistance contracts attached to specific properties, and supporting the preservation of manufactured home communities as long-term affordable housing options.

While it's easy to become focused on housing units and project finances, it is critical to keep the potential impact on residents at the center of Preservation efforts.

If a project is lost to market-rate or falls into disrepair, low-income residents may face a potential nightmare of losing stable housing they can afford.

This Framework represents a summary of the scale and scope of known Preservation challenges, a plan for updating and refining data, and a set of priorities and policies to guide OHCS going forward.

Estimating the scale of preservation challenges

OHCS estimates that in the next 10 years, about 94 rent-restricted properties across the state (more than 5,800 units) lose affordability restrictions – and likely need recapitalization and rehabilitation. Based on recent data, preliminary estimates of the public subsidy required to preserve all of those could total nearly \$1 billion over the decade. Another 5,000 units owned by public housing authorities and nonprofits require significant repairs/rehabilitation, and more than 3,100 units have project-based federal rent assistance that could require additional subsidy to extend or renew.

OHCS priorities that will guide investments and policy

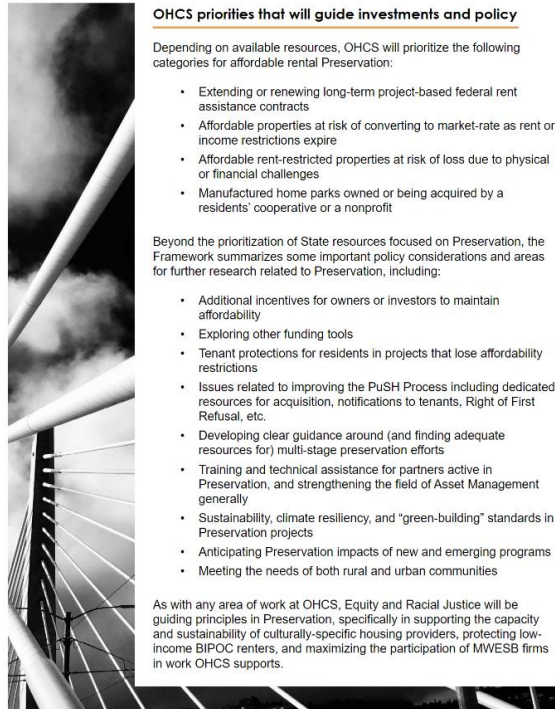
Depending on available resources, OHCS will prioritize the following categories for affordable rental Preservation:

- Extending or renewing long-term project-based federal rent assistance contracts
- Affordable properties at risk of converting to market-rate as rent income restrictions expire
- Affordable rent-restricted properties at risk of loss due to physical or financial challenges
- Manufactured home parks owned or being acquired by a residents' cooperative or a nonprofit

Beyond the prioritization of State resources focused on Preservation, the Framework summarizes some important policy considerations and areas for further research related to Preservation, including:

- Additional incentives for owners or investors to maintain affordability
- Exploring other funding tools
- Tenant protections for residents in projects that lose affordability restrictions
- Issues related to improving the PuSH Process including dedicated resources for acquisition, notifications to tenants, Right of First Refusal, etc.
- Developing clear guidance around (and finding adequate resources for) multi-stage preservation efforts
- Training and technical assistance for partners active in Preservation, and strengthening the field of Asset Management generally
- Sustainability, climate resiliency, and "green-building" standards in Preservation projects
- Anticipating Preservation impacts of new and emerging programs
- Meeting the needs of both rural and urban communities

As with any area of work at OHCS, Equity and Racial Justice will be guiding principles in Preservation, specifically in supporting the capacity and sustainability of culturally-specific housing providers, protecting low-income BIPOC renters, and maximizing the participation of MWESB firms in work OHCS supports.



Expiring Affordability Restrictions

