



2015 GOVERNMENT TO GOVERNMENT REPORT

Margaret S. Van Vliet, Director
Oregon Housing and Community Services
725 Summer Street NE, Suite B
Salem, Oregon 97301

Summary

In accordance with Senate Bill 770 and Oregon Revised Statutes (ORS) 182.162 to 182.168, Oregon Housing and Community Services is submitting the following report to the Governor and the Legislative Commission on Indian Services.

Oregon Housing and Community Services is Oregon's housing finance agency, providing financial and program support to create and preserve opportunities for quality, affordable housing for Oregonians of lower and moderate income.

OHCS administers federal and state antipoverty, homeless and energy assistance, and community service programs. OHCS also assists in the financing of single-family homes, the new construction or rehabilitation of multifamily affordable housing developments, as well as grants and tax credits to promote affordable housing.

In this report, you will find exciting agency updates, a description of key agency services, and 2016 priorities for improved Tribal engagement. We look forward to continued staff participation with SB 770 Health & Human Services, and Economic Development & Community Services clusters, as well as other opportunities for direct discussion such as the Oregon Coastal Caucus and the upcoming State-Tribal Government to Government Summit.

Agency Updates

The 2015 legislature made unprecedented strides to address the lack of resources for affordable housing development by committing \$62.5 million in bonds for affordable housing. This amount includes:

\$40 million of general obligation, Article XI-Q bonds. These funds will be used to build new affordable housing for low income Oregonians through the Local Innovation and Fast Track (LIFT) Housing Program. Governor Brown has asked us to strategically focus the \$40 million LIFT program on families with children, especially:

- Families in other state systems such as the child welfare and self-sufficiency systems within Oregon's Department of Human Services towards reunification and stability as well as families receiving services through Early Learning Hubs;
- Communities of color, for whom incidence of homelessness, poverty, and housing instability are disproportionately high; and
- Small rural communities (with less than 25,000 population) left behind by the economic recovery.

\$20 million of lottery backed bonds to provide housing for people with mental illnesses. OHCS will be working closely with the Oregon Health Authority as well as stakeholders to develop the implementation strategy for these funds.

\$2.5 million of lottery backed bonds to preserve existing affordable housing. OHCS has successfully used lottery bonds several times to preserve existing affordable housing.

OHCS submitted HB 2442 to help the agency move towards a more streamlined governance system, and to increase the responsibilities of the State Housing Council. The bill passed the House and the Senate, and was signed into law by Governor Brown on May 28, 2015, making it effective on January 1, 2016.

HB 2442 makes several critical changes:

- The Housing Council will be renamed to the Oregon Housing Stability Council. The name change reflects the importance of stable housing to everything OHCS does, from foreclosure avoidance, to energy and rent assistance, to the creation of new rental units.
- The new Housing Stability Council will have two additional members appointed by the Governor and confirmed by the Senate, bringing the total membership to nine. In addition, it will have increased oversight of a state housing plan; will address geographic and racial disparities; and increase oversight of the agency budget, financial plan, and policy direction.
- The bill abolishes and transfers authority from three advisory bodies, the Advisory Committee on Energy (ACE), the Community Development Incentive Advisory Board, and the Interagency Council on Hunger and Homelessness, to the new Council. It is our intention to create a subcommittee to oversee energy policy that will include representatives from our community action partners and utility companies.

- The bill transfers responsibility for leading state policy on hunger to the Department of Human Services. The bill also transfers the role of OHCS with respect to the Oregon Hunger Task Force to the Department of Human Services.

HB 2171 included tax credit extensions including the extension of the Oregon Individual Development Account (IDA) Initiative until 2022. The bill also expanded the purposes that low income Oregonians can save for to include things like first and last months' rent, vehicles, improving credit, paying down educational or medical debt, and more. It also included a change to the percentage of the state tax credit for donors. We are excited to work with partners to implement these new changes.

Key Agency Programs

Oregon Housing and Community Services works closely with a large and diverse network of partners to provide critical program services throughout Oregon and tribal nations. This includes tribal, federal, regional and local governments, housing authorities, community development corporations, food banks, Community Action Agencies, and many more.

To promote collaboration across state agencies with partners and communities, OHCS has two new "integrator" positions. The OHCS Integrator will aid in the alignment of affordable housing and housing stabilization resources with family stabilization and self-sufficiency efforts of Oregon's Department of Human Services, as well as other community-based efforts within key State policy areas, including Coordinated Care Organizations, Early Learning Hubs, Regional Achievement Compacts, Workforce Investment Boards and Regional Solutions. Through this important work, Integrators can provide a strong link to the SB 770 Clusters. The Integrators serve as a conduit of information to OHCS about emerging and urgent community trends and opportunities, and can provide recommendations about ways to leverage and prioritize OHCS programs.

Low Income Housing Tax Credit Program

The Low Income Housing Tax Credit (LIHTC) Program provides federal income tax credits to developers who construct, rehabilitate, or acquire and rehabilitate qualified low-income rental housing. These development projects encompass multifamily and single-family rental housing units. Eligible applicants include both for-profit and nonprofit sponsors. These credits are issued through a competitive Notice of Funds Availability (NOFA) application process.

In 2013, the agency awarded funding to the Warm Springs Housing Authority for the construction of Greeley Heights. By the end of 2015, this project will be completed and families will be living in their new homes. The development includes: 15 three-bedroom units, 15 four-bedroom units, and five five-bedroom units, all of which have two bathrooms, full-sized washer and dryers, and attached one-car garages. All 35 housing units will be targeted toward households with annual incomes of up to 30 percent, 50 percent, and 60 percent of Area Median Income (AMI).

We are very proud of the innovation of this project, as it is a new approach to the use of Low Income Housing Tax Credits. The houses will be rental units during the mandatory 15-year compliance period,

per IRS regulations. After 15 years, tenants will have an opportunity to buy the homes at an affordable price and become homeowners.

Throughout 2015 OHCS staff has been working closely with the development team at NAYA to finalize the Generations project. Generations will be a 40 unit affordable housing development in Portland, designed as an intergenerational community to provide stable housing for foster children, parents wishing to adopt, and community Elders. In Multnomah County, there are a disproportionate number of Native American children in child welfare. This project is an exciting partnership between Portland Public Schools, City of Portland, Department of Human Services, among others to help address disparities and build community.

HUD Section 8 Project Based Assistance

OHCS is the contract administrator for project-based Section 8 Housing. Staff provides technical support to owners, managing agents, site staff, and residents. In addition, we help provide information to persons seeking housing, who might already be living in Section 8 housing, or who may be experiencing housing problems. There are approximately 260 contracts in HUD Section 8 properties in Oregon and currently there are 136 heads of household that self-identify as American Indian/Alaskan Native.

Homeownership Centers & Down Payment Assistance

Using OHCS homeownership programs for dwellings on sovereign land presents many challenges and regulatory restrictions. The agency continues to work with tribes, financial partners, and service providers to overcome barriers to homeownership lending on tribal lands as well as other locations.

As with many programs, OHCS works through local partners to deliver services to Oregonians. To understand how to best address current challenges in the housing market, OHCS has convened a Homeownership Workgroup to provide guidance and recommendations for improving programs. The Workgroup is focused on closing the Minority Homeownership Gap, and how to best address this issue. There are Homeownership Centers serving every county in Oregon, providing housing counseling services, classes and workshops, as well as financial assistance such as down payment assistance.

OHCS supported the 10th Annual Native American Housing to Homeownership Fair held at the Native American Youth Family Center (NAYA) in October. The NAYA Homeownership Program provides culturally specific homeownership coaching, education, and programming to increase homeownership opportunities for Portland's Urban Native Community.

Individual Development Account Program

OHCS works with Neighborhood Partnerships to administer the Oregon Individual Development Account (IDA) Initiative. This is an incredibly powerful and successful tool to help low income Oregonians increase wealth through a matched savings program, generally resulting in a 3 to 1 match for activities related to educational attainment, down payments for homeownership, or business startup or expansion. Thanks to HB 2171, the list of eligible savings categories has been expanded to improve the flexibility of the tool.

Local partners work in our communities to help individuals achieve their savings goals. Neighborhood Partnerships works through an extensive list of strong local partners. Tribal specific partnerships include:

- Confederated Tribes of Siletz Indians (in partnership with CASA of Oregon)
- The Native American Youth and Family Center (NAYA)
- Warm Springs Community Action Team

Food Distribution Program on Indian Reservations

The Food Distribution Program on Indian Reservation (FDPIR), a federally funded program through the US Department of Agriculture (USDA), provides nutritious commodities to help meet the nutritional needs of households through a monthly package of commodities. Participants also receive nutrition education. According to federal regulations, the FDPIR must be administered locally either by an Indian Tribal Organization or by a state government agency.

The 2015 Oregon State Legislature approved the Oregon Housing and Community Service Transition Plan which recommended the transfer of FDPIR administration to the Confederated Tribes of the Umatilla Indian Reservation (CTUIR). The CTUIR is the only federally recognized tribe in the state that does not administer the FDPIR program directly. The collaboratively developed Transition Plan coordinates efforts with USDA, OHCS, CTUIR and the Community Action Program of East Central Oregon for a transfer of FDPIR to CTUIR effective January 1, 2016. Transfer of the food programs allows OHCS to strengthen its strategic focus upon housing stabilization, while providing opportunities for CTUIR to develop a more direct and effective delivery system of food and nutrition education to its members.

Low-Income Home Weatherization

Funds from the U.S. Department of Energy Weatherization Assistance Program are used in conjunction with other funds from the U.S. Department of Health & Human Services, utility companies, Bonneville Power Administration, and Low-Income Home Energy Assistance Program funds to perform cost effective weatherization measures on houses occupied by low-income families. Weatherization services include energy saving modification of heating systems; anti-infiltration measures; water heating efficiency improvements; insulation for attics, heating ducts, floors, exterior walls; and/or storm windows to eligible low-income families. This program is available to both homeowners and renters. Through weatherization, fuel consumption is reduced and health and safety repairs are made resulting in lower heating bills and long term preservation of the affordable housing.

OHCS does not currently contract with any of Oregon's nine federally recognized tribes to provide weatherization services on tribal lands. All Native Americans residing in Oregon, regardless of tribal enrollment are eligible to receive weatherization services through OHCS programs. The Confederated Tribes of Grand Ronde, Burns Paiute Tribe, and The Confederated Tribes of Umatilla Indian Reservation conduct weatherization activities in conjunction with their local community action agency partners.

Weatherization Training and Technical Assistance

OHCS currently offers weatherization training in cooperation with Oregon Energy Coordinators Association (OECA) for all local weatherization service providers including tribal staff members. The Residential Energy Analyst Program is sponsored by OHCS. Staff members of The Klamath Tribes, The Confederated Tribes of Siletz, and The Confederated Tribes of Grand Ronde have received training and certification through this program.

Low-Income Energy Bill Payment Assistance

OHCS administers funds from the U.S. Department of Health and Human Services (HHS) through the Low-Income Home Energy Assistance Program (LIHEAP) provide energy assistance payments to vendors (i.e.: utilities and heating oil companies) to help low-income households pay winter energy bills. These funds also provide energy education, energy conservation activities, and outreach support designed to assure that eligible households are made aware of the assistance available.

The Klamath Tribes, Cow Creek Band of Umpqua Tribe of Indians, Confederated Tribes of Grand Ronde, Confederated Tribes of Warm Springs, Confederated Tribes of Siletz, and the Confederated Tribes of Coos, Lower Umpqua, and Siuslaw Indians have administered LIHEAP programs for several years now. Each tribe applies for direct funding through HHS to administer the LIHEAP funds for tribal members.

OHCS has program management and tribal liaison staff time available to provide general and technical assistance to tribal staff. Tribal staff is also invited to trainings offered to all OHCS partners as learning opportunities.

Examples:

The Klamath Tribe directly contracts with the federal government to receive LIHEAP funding. Assisting Klamath Tribes' program, OHCS provides, at no charge, access to a proprietary software system called OPUS which functions to create energy payments for clients, and manage the payment process for their fiscal department, and generate reports for the energy vendors and other functions. OHCS Housing Stabilization Division and the Information Services Section have maintained this relationship for the last two decades and have added features to the software, at no charge, to allow for custom tailoring of the system to meet the specific needs of the Tribe.

General OPUS support is provided on an on-going basis for tribal LIHEAP staff that may need or want technical guidance on program delivery and tracking components. Annually, OHCS staff sets up the software for the next year's matrix for the Tribe at the same time they create the state wide matrix. OPUS helpdesk provides assistance during the year for special issues or data requests.

In addition to general support, tribal program staff members have attended energy assistance training, networking opportunities, and business meetings with other statewide energy assistance providers.

Cow Creek Band of Umpqua Tribe of Indians also contracts directly with the federal government to administer the LIHEAP. In support of Cow Creek Band of Umpqua Tribe of Indians administering LIHEAP,

OHCS Housing Stabilization Division and Information Services Section worked with the Tribe to provide free access to the OPUS system to support the Tribe's energy assistance programs in 2015.

The OHCS Helpdesk and IT staff performed an on-site conversion of their manual system to the automated OPUS software and created user accounts and Cow Creek programs in the system for tribal staff. In addition, OHCS staff provided a 2-day training of tribal staff in using the software and accessing the system. OPUS Helpdesk provided follow up support of the training to resolve special issues and reinforce initial training.

2016 Tribal Priorities

OHCS is engaged in internal and external discussions around equity, and our relationship with Oregon's federally recognized tribes. This is important to ensure we are making policy and funding decisions that reverse trends of disparate impact. Our goal is to have a better understanding of the key housing issues and opportunities faced by Tribes and work collaboratively to address needs. 2016 Priority actions include:

- Provide stronger linkages between OHCS and SB 770 clusters
- Improve connections between culturally specific service agencies & housing providers
- Implement a Fair Housing Action Plan to address disparities experienced by Native American communities

Conclusion

Oregon Housing and Community Services is committed to meaningful engagement with Oregon's federally recognized tribes to ensure our service delivery model is meeting the needs of tribal members. We will continue seeking opportunities to collaborate on improving policies and programs across agencies to support better outcomes for tribal members.

For more information please contact Kim Travis, Tribal Liaison at 503-428-3843 or Kim.Travis@oregon.gov.