

# Government-to-Government Report

December 2022



## Summary

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

This report includes an overview of the department, an update since the last Government to Government Report was prepared, a description of key agency services, and 2023 priorities for improved engagement of Tribal communities and partnership with Tribal governments.

I look forward to engaging with the Legislative Commission on Indian Services, and Tribal Leadership in 2023, and welcome your thoughts throughout the year.

Sincerely,



Andrea Bell, Executive Director



# Oregon Housing and Community Services

Oregon Housing and Community Services is the state's housing finance agency, and intentionally focuses on housing and community services allows the agency to serve Oregonians across the housing continuum. This includes preventing homelessness, reducing energy burden, providing housing stability support, innovative affordable housing financing and preservation, reducing the racial wealth gap through homeownership and strengthen build community resiliency before and after an emergency event. The criticality of Oregon's housing crisis requires OHCS to be more than a housing finance agency, but also a model of how government agency sets an inclusive vision supported by a course of action that address some of our states steepest housing issues. In.

OHCS delivers these programs primarily through grants, contracts and loan agreements with local partners and community-based providers and has limited direct contact with low-income families and individuals that benefit from our programs. OHCS has committed to a long-term community engagement strategy, including tribal engagement. OHCS administers resources for the development and reservation of multifamily housing through an annual Notice of Funding Availability (NOFA). Oregon Administrative Rules Chapter 813, Division 230 and Oregon Revised Statutes 458.505 stipulates that anti-poverty funds, administered by OHCS, shall be distributed to established Community Action Agencies across the state. These funds include rental assistance, homeless, low-income energy assistance, weatherization, Community Services Block Grant, and other funding as it becomes available to OHCS.



OHCS's sources of funds are varied and include federal and state resources which have complex regulatory compliance requirements, which, historically, have been barriers to many communities. Therefore stewardship, compliance monitoring, and asset management are all critical functions played by OHCS staff, in addition to capacity building for those wanting access to said resources.

OHCS is governed by the Oregon Housing Stability Council. Established in 1971 by the Oregon Legislature, the Housing Council is charged with meeting the tremendous need for the provision of affordable housing for lower income Oregonians. The Council consists of nine members appointed by the Governor, subject to confirmation by the Senate.

Pursuant to ORS 456.555 (5)(a)(b)(c), the Housing Stability Council, with the advice of the Director, sets policy and approves or disapproves rules and standards for programs, and approves or disapproves loans and grants, and carries out the provisions of ORS 456.561 and ORS 456.571.

Housing Stability Councilors:

- Council Chair Claire Hall, Lincoln County Commissioner
- Councilmember Javier Mena, Affordable Housing Manager at the City of Beaverton
- Councilmember Sami Jo Difuntorum, Siletz Tribal Housing Executive Director
- Councilmember Barb Higinbothum, Community in Action Executive Director
- Councilmember Mary Ferrell, Maslow Project Executive Director
- Councilmember Mary Li, Multnomah Idea Lab Director



- Councilmember Gerard Sandoval, PhD University of Oregon Associate Professor
- Councilmember Sharon Nickleberry Rogers, CPA, Financial Analyst – City of Portland

## Statewide Housing Plan Implementation

In February 2019, the Housing Stability Council adopted the Statewide Housing Plan. The Statewide Housing Plan is a 5-year strategic plan for the agency, with 6 key priorities:

Equity and Racial Justice Priority - *Advance equity and racial justice by identifying and addressing institutional and systemic barriers that have created and perpetuated patterns of disparity in housing and economic prosperity.*

Homelessness Priority – *Build a coordinated and concerted statewide effort to prevent and end homelessness, with a focus on ending unsheltered homelessness of Oregon’s children and veterans.*

Permanent Supportive Housing Priority - *Invest in permanent supportive housing, a proven strategy to reduce chronic homelessness and reduce barriers to housing stability.*

Affordable Rental Housing Priority – *Work to close the affordable rental housing gap and reduce housing cost burden for low-income Oregonians.*

Rural Priority – *Change the way OHCS does business in small towns and rural communities to be responsive to the unique housing and service needs and unlock opportunities for housing development.*



Homeownership Priority – *Provide more low- and moderate-income Oregonians with the tools to successfully achieve and maintain homeownership, particularly in communities of color.*

### **2022 Statewide Housing Plan Updates:**

In 2022 OHCS made historic strides in accomplishing its Statewide Housing Plan.

- OHCS signed onto the House America initiative and committed to re-housing 3,500 people by the year's end. With the work of local partners, more than 4,300 Oregonians were successfully re-housed.
- OHCS surpassed our statewide goal of developing 1,000 permanent supportive homes within five years, with 1,255 homes in the development pipeline.
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- The agency is on track to meet its homelessness priority of 85% of households stabilized in housing for six months or longer after receiving homeless services.
- 1,568 Oregonians purchased a home through OHCS programs. Homebuyers of color utilizing the Oregon Bond Residential Loan Program increased from 22% to 30%.
- OHCS served more than 65,000 Oregon households through Emergency Rental Assistance Program resources, totaling more than \$425,000,000 million in relief payments.
- Surpassing the rural housing goal of funding 3,612 affordable homes in rural Oregon, thanks to our partners and multiple innovative funding approaches such as Oregon's Local Innovative Fast Track (LIFT) funds. Despite surpassing this goal ahead of schedule, we recognize the great need for housing in rural Oregon remains and we will continue working with partners to make strides in creating new homes.
- Funding the development or preservation of 25,000 homes within five years -- triple the agency's previous work. Today the agency is on track to meet the goal with 21,000 homes in the



development pipeline.

## Agency Firsts

In 2022 OHCS reached three major milestones for the first time in agency history, with regards to tribal participation, sovereignty and barrier reduction. For the first time in agency history OHCS now has master grant agreements with all 9 Federally recognized tribes of Oregon. Another milestone is contracts with the tribes no longer infringe on tribal sovereignty. Previously tribes were asked to waive limited sovereign immunity in contracts and now that is no longer the case. Finally, OHCS programs have begun to honor tribal NICRAs (Negotiated Indirect Cost-Rate Agreements). NICRAs are negotiated between the tribes and the federal government. By honoring these NICRAs OHCS is more likely to have tribes participate in funding opportunities.

## 2022 Legislative Highlights

### [2023-25 Agency Request Budget](#)

#### **Training & Technical Assistance - \$17.85 million, General Fund**

Response to the COVID-19 pandemic has shown the need to improve community organizations' ability to deliver needed assistance to Oregonians of different backgrounds from across the state. OHCS is requesting nearly \$20 million to enhance the translation of program information and expand partnerships with community-based organizations and Tribal entities to address Oregon's housing crisis effectively. These resources will increase our ability to support these organizations and develop and fund language access needs, training opportunities, and technical assistance.

- OHCS will provide grants to support:



- Grant writing skill building to expand knowledge of fiscal and contracting requirements, reporting, ongoing fund management, bookkeeping strategies for multiple government grants, etc.
- Equity and racial justice training, including community engagement, language access.
- General nonprofit organizational capacity building to allow for strategic planning, succession planning, data collection and analysis, etc.
- Direct allocation to the nine federally recognized Tribes to honor Tribal self-determination and to support maximum participation and collaboration.
- Multi-year grants contracts to support building the organizational infrastructure and capacity of organizations led by Black, Indigenous, Latino/a/x, Asian American and Pacific Islander people, and/or rural and very rural serving organizations. This would include specific educational opportunities and learning cohorts.
- Through a third party, identify and address internal capacity barriers to supporting small community providers. Capacity building investments will support the development of long last organizational strategies, systems, and structures in order to increase in readiness to receive OHCS resources for culturally specific and/or rural serving organizations. This investment includes four strategies. Oregon's Statewide Housing Plan called for centering racial justice and changing the way we do business in rural communities. OHCS has made progress where we can, and legislative investments are needed to realize the goals of this current Plan.

## KEY PROGRAM HIGHLIGHTS

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, Continuums of Care, Community Action Agencies, and many more.

### **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 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 at the beginning of each calendar year.

The LIHTC program requires each state housing finance agency to have a Qualified Allocation Plan (QAP) to establish the eligibility criteria and scoring process for awarding 4% and 9% federal tax credits to housing properties. The QAP was adopted by Housing Stability Council in October 2020. In 2021 the QAP was updated to allow for a funding preference for those areas of the state impacted by the Federally Declared Disaster.

Under the QAP, tribes have access to a 10% Tribal Lands Set-Aside. This means 10% of the total federal 9% LIHTC allocation for Oregon is prioritized for projects sponsored by tribal governments, tribally designated housing entities or tribal corporate entities on tribal trust land.

### **HOMEOWNERSHIP DEVELOPMENT**

OHCS was awarded general funds in the 2021 & 2022 legislative sessions to provide



funding for developers building affordable homes for purchase that meet the needs of communities underrepresented as homeowners in Oregon. To shape the use of these funds, OHCS consulted with a diverse range of stakeholders, including representatives from Oregon's 9 Federally Recognized Tribes. While homeownership staff and OHCS' Tribal liaison contacted all nine tribes to notify them of the upcoming opportunity, housing leaders representing seven of the tribe opted for individual meetings. During these meetings, they shared information about their Tribe's current homeownership programs, future goals related to homeownership, and provided feedback on a funding structure that would align with their processes and needs. With this feedback in mind, OHCS created a \$5M set-aside grant fund for Tribes with a guarantee that applicants will be awarded up to \$100,000 on a non-competitive basis if they meet certain threshold criteria. Additionally, there are no AMI limits for Tribal funds, and OHCS expanded the allowable use of funds beyond homeownership development to home repair, down payment assistance, and capacity building to ensure that Tribes not yet ready to do development can still access the funds to foster homeownership opportunities for members. OHCS will continue to work with the Tribes to ensure they can access and successfully apply for funds. We hope that this initial grant opportunity opens the door to continue partnerships with the tribes, and a better understanding of how to shape and advocate for homeownership programs and funding that meet their needs.

## **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) to help low-income households pay 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 many years. Each tribe applies for direct funding through HHS to administer the LIHEAP funds and bill assistance for tribal members.

During 2021, OHCS staff continued to provide program and data management support as well as technical assistance to tribal staff. Specifically, OHCS committed staffing resources to provide technical assistance and general information from tribal information requests.

## **HOMEOWNERSHIP ASSISTANCE FUND**

As part of the American Rescue Plan Act of 2021, Oregon has received \$90 million to help eligible homeowners avoid mortgage foreclosures, delinquencies, defaults and displacements. Oregon Housing and Community Services worked to help eligible homeowners, focusing first on homeowners who are the most at-risk of foreclosure or who have the fewest options to prevent losing their housing. Seven Native-American applications were approved and \$208,233.52 was obligated and paid.



## **BY AND FOR INITIATIVE: NATIVE AMERICAN TRIBES OF OREGON**

In 2022 OHCS had the opportunity to do deep program engagement and consultation with its nine Federally recognized tribes of Oregon around homeless services funding. The tribes were able to help with program design and implementation of BAFI-NATO, including allocation formulas, NICRAS (Negotiated Indirect Cost Rate Agreements), and income restrictions. Tribal Community Members are represented in homelessness more than 4x their share of state population. \$9M allocation to OHCS via HB5202 to create or support local existing programs designed to prevent and reduce homelessness in tribal communities. These funds present an opportunity, with targeted funding and creation of this tribal network, to bring homelessness issues and solutions to the forefront

This funding presents the first time all Nine Federally Recognized Tribes of Oregon have participated in an OHCS program in more than 30 years.

## **PROJECT TURNKEY 2.0**

In 2022 OHCS funded Project Turnkey, funding to be used to acquire old hotels, motels, warehouses, etc., and convert them into shelters. This program is administered by the Oregon Community Foundation, which in the summer of 2022 solicited OHCS assistance to engage with tribes and solicit applications from them. OHCS facilitated a series of meetings, and several tribes were able to make successful applications.



## **GHAP CAPACITY BUILDING**

GHAP Capacity Building staff engagement with the Tribal Housing Workgroup in 2022 led to a few immediate action items for the GHAP Capacity Building program. Feedback from the workgroup was integrated into the [2021/22 GHAP Capacity Building Summary](#). Subsequent exploration of GHAP Capacity Building grant history and the program's guiding rules revealed that Tribes (federally recognized tribes in Oregon) were not included in the list of eligible entity types within the [Oregon Administrative Rules \(OARs\) for GHAP Capacity Building funds](#). Additionally, the workgroup expressed a need for resources to support Native-led and Native-centered housing studies and research to gain a clearer picture of homelessness and housing development needs in tribal lands. The GHAP Capacity Building program is in the final stage of a [permanent rules change to the program OARs to add Tribes](#) to the list of entities eligible for GHAP Capacity Building funds. The program is also currently working to develop a standing pool of funds for regional housing studies. Furthermore, the GHAP Capacity Building and Permanent Supportive Housing programs are exploring avenues for Native-led training and technical assistance programs to aid Tribes in developing and operating Permanent Supportive Housing. Program staff will continue to seek guidance and insight from the Tribal Housing Workgroup to identify opportunities and best pathways for use of these funds to build capacity of Native Nations in Oregon to develop and operate affordable rental housing.

## **Development of OHCS' Racial Equity Analysis Tool (REAT)**



Beginning in September 2021 and continuing through 2022 OHCS staff, in partnership and collaboration with one of our equity committees, the Equity Lab, began to develop our Racial Equity Analysis Tool (REAT). The REAT is designed to integrate explicit and intentional consideration of racial equity in our decision-making, including policies, programs, and budgets – it is both a product and a process. OHCS believes the use of the REAT will help us develop strategies and actions that reduce racial inequities and improve success for Tribal communities, Black, Indigenous, Latino/a/x, Asian-American and Pacific Islander (BIPOC) communities in Oregon. As we continue to engage with Tribal partners and build new programs that impact Tribes, we anticipate utilizing the REAT to ensure equitable program building and policy making.

## **SB 770 TRIBAL CLUSTER PARTICIPATION**

### **Tribal Liaison Staff Engagement with Tribes**

During 2022 the OHCS tribal liaison attended meetings of the Legislative Commission on Indian Services (LCIS). This included Health and Human services cluster meetings, economic development cluster meetings, and an OHCS lead tribal housing work group.

The Clusters are helpful networks for learning about tribal priorities and initiatives, as well as distributing information and getting feedback about OHCS funding opportunities. During 2022 information was distributed about legislative allocations



related to new programs and initiatives, along with key initiatives and funding opportunities to implement the Statewide Housing Plan such as Permanent Supportive Housing, new energy assistance programs, and capacity building opportunities.

Tribally Designated Housing Entities (TDHE's) do not attend Cluster meetings, but OHCS staff provides regular communication to TDHE's, and other tribal staff. In addition, OHCS is a supporter of the Northwest Indian Housing Association (NWIHA) and attends regular meetings to understand tribal housing issues and opportunities. OHCS also attends National American Indian Housing Council conferences to learn about new initiatives, policies and practices around tribal housing.

In 2022, OHCS continued to facilitate the tribal housing work group. This group's sole purpose is to identify the housing needs of the tribes, how to lower barriers to housing (on and off reservation) and potentially recommend equitable legislation to LCIS. The working group is made up of tribal leaders, housing directors, OHCS staff, and includes Housing Stability Council Member Sami Jo Difuntorum.

In addition to the input of the tribal leaders, the housing work group provides an opportunity for OHCS program staff to regularly engage with tribal leaders about new OHCS programs or changes to funding. This includes presentations about QAP, changes to the OAHTC and the Supportive Housing Institute.

## TRIBAL ENGAGEMENT GOALS FOR 2023



As OHCS moves into 2023, it will continue to grow its partnership and engagement with the tribes. The highest priorities for 2023 are to continue to lower program barriers for tribes, run deep and fruitful consultations, and leverage OHCS capacity to meet tribal needs. In 2022 OHCS will have allocated \$14 million in non-competitive funds to the tribes for homeownership development and homeless services. This type of program and funding can be the blueprint for successful future engagements.

Another key goal of 2023 is to, through rule changes or legislation, make sure that Tribally Designated Housing Entities (TDHE) are eligible for GHAP capacity building funds. Due to turnover and varying resources of the tribes, many programs and funding streams are realistically unavailable to the tribes. By allowing tribes to either apply for capacity funds or by creating a set aside, the agency hopes to lower historic barrier for tribes. There is a need for outreach and education specifically related to the Low-Income Housing Tax Credit (LIHTC) program and the tribal set-aside. Capacity building funds can help address this need. This will include engaging with each tribe to understand what technical assistance or capacity would be helpful to achieve tribal housing goals.

