

Economic and Community Development

HOUSING AND COMMUNITY SERVICES DEPARTMENT

	1999-2001 Actuals	2001-03 Legislatively Adopted at Close of Session	2001-03 Legislatively Approved through Fifth Special Session	2003-05 Governor's Balanced
General Fund	\$16,142,879	\$13,920,056	\$7,306,450	\$12,728,518
Lottery Funds	0	2,492,073	2,164,495	5,714,677
Other Funds	33,409,639	86,083,224	92,840,504	96,967,293
Federal Funds	71,032,405	76,601,117	76,788,695	106,037,908
Other Funds (Nonlimited)	1,104,145,593	599,861,599	1,024,861,599	1,070,121,963
Federal Funds (Nonlimited)	60,035,725	153,000,000	153,000,000	94,117,000
Total Funds	\$1,284,766,241	\$931,958,069	\$1,356,961,743	\$1,385,687,359
Positions	134	141	146	156
Full-time Equivalent	122.94	139.21	141.49	152.34

Overview

The Housing and Community Services Department is Oregon's low-income housing finance agency. The agency assists in the financing of both single-family homes and the new construction or rehabilitation of multi-family affordable housing developments. The agency also administers federal and state programs to alleviate homelessness and poverty. A seven-member State Housing Council, appointed by the Governor, guides the agency.

The agency plays a critical role in maintaining and improving the quality of life. It coordinates agency resources with other state and local resources to solve community problems. It also works with private community-based agencies to help needy people. It is often difficult for families with an income below 80 percent of median income to buy a home. The agency helps these families with low interest rate loans, tax credits, and subsidy grants. For families with an income below 60 percent of median income, the agency helps develop low-income housing projects. It provides below-market interest rate loans and tax credits. It also processes federal rent subsidies.

The agency also has special programs for the elderly and the disabled. It finances multi-family housing, group care homes, residential care facilities, assisted living facilities, and congregate facilities.

Community service programs provide basic safety net services. These programs provide resources to shelter the homeless, and help the homeless obtain affordable housing. They also provide energy cost subsidies, home weatherization services, and food to the poor.

The agency administers the Mobile Home Ombudsman program. This program helps mobile home park tenants and landlords resolve concerns about their parks and living situations.

Economic and Community Development

Balanced Budget

The Governor's balanced budget is \$1.39 billion total funds. This is two percent higher than the 2001-03 Legislatively Approved Budget through the Fifth Special Session. The balanced budget adds 7.00 full-time equivalent permanent positions and 1.00 full-time equivalent limited-duration position, continues 17.71 full-time equivalent limited-duration positions, and reclassifies upwards four positions based on expanded duties.

Limited expenditures have increased by twenty percent for the following major reasons:

- General Fund shows an increase of 74 percent. This is mainly due to the restoration of the one-time \$6 million General Fund reduction taken during the 2002 Second Special Session from the Emergency Housing Assistance and Housing Development and Guarantee Account programs.

The balanced budget also reduces funding for affordable housing by \$1.36 million due to General Fund constraints, resulting in the loss of about \$33 million of leveraged resources, and elimination of about 378 affordable rental housing units.

- There is an increase in Lottery Funds for debt service payments on the Lottery-backed revenue bond proceeds for the Community Incentive Fund, which was approved by the 2001 Legislature.
- There is an increase in Other Funds mainly because of the shifting of Emergency Housing Account expenditures from Nonlimited to Limited, funding to enable the agency to relocate, and additional resources for the agency to deal with the increasing workload, including the addition of 5.80 full-time equivalent permanent positions and 1.00 full-time equivalent limited-duration position, continuation of 17.21 limited-duration positions, and upward reclassification of four positions based on expanded duties.
- There is an increase in Federal Funds mainly because of the availability of additional federal resources for distribution to non-governmental entities for low-income energy assistance, community development, low-income weatherization assistance, homelessness, and AmeriCorps programs. Federal Funds have also been added to establish 1.20 full-time equivalent permanent positions, and to continue one 0.50 full-time equivalent limited-duration position.

Revenue

The agency operates mainly with Other Fund revenues from the sale or repayment of bonds. It also receives public utilities fees, investment income, grants, loan repayments, loan commitment fees, and revenue from other state agencies. Nonlimited expenditure authority is used for bond-related costs and proceeds.

General Fund finances the state homeless, emergency housing, and food programs.

The agency receives Federal Fund revenues from a variety of federal sources. The balanced budget assumes the agency will receive Federal Funds from the HOME Investment Partnership Program, Section 8 Rent Subsidy program, Community Services Block Grant, Low-Income Energy Assistance Program, Emergency Shelter Grant, Department of Energy Weatherization, U.S. Department of Agriculture Food and Rural Housing Preservation

Economic and Community Development

programs, and Supplemental Assistance for Facilities that Aid the Homeless. The agency uses Nonlimited expenditure authority for Section 8 rent subsidy payments.