



## Oregon Housing and Community Services

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Victor Merced  
Director

Date: February 14, 2011  
To: Employees and Partners of Oregon Housing and  
Community Services  
From: Victor Merced  
Re: Director's Bulletin – Legislative updates, OHCS receives Gold Star Certificate,  
Downpayment Assistance Program awards funds, NSP3 public comment period  
open, Wells Fargo holds mortgage assistance workshop

### **Legislative Updates**

Last Thursday, we presented our updates on the Oregon Homeownership Stabilization Initiative Mortgage Payment Assistance Program to the Ways and Means Transportation and Economic Development subcommittee.

We informed the committee that we notified nearly 6,000 Oregonians, every eligible applicant, that their applications for mortgage help were ready to go to underwriting. That process may take several weeks and we have told homeowners to continue to make their mortgage payments until they have completed loan documents.

We are scheduled to present our agency budget before Ways and Means March 28, 29 and 30. March 30 is also scheduled for public testimony on our agency. We will present an overview of our agency budget and highlight our accomplishments. We plan to show how Oregon's investment into our agency has helped bolster local economies and protect vulnerable populations by helping to stabilize the housing market through foreclosure prevention and mitigation, preservation activities and homeownership support.

Our plan will also detail our strategies for meeting the need for quality, affordable rental housing, as well as using housing as a platform for improving the quality of life, especially for those who are experiencing hunger and homelessness.

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We will explain how building inclusive sustainable communities that include rural innovations and locally driven economic development affirmatively furthers OHCS's mission to "engage all Oregonians to gain housing, become self-sufficient, and achieve prosperity."

In sum, we want to ensure the committee understands the various strategies the agency has used to transform the way it does business.

The presentations will be at 8:30 am in H-174 of the State Capitol. Stay tuned for further details.

Earlier in the week on February 2, OHCS Deputy Director Rick Cramer testified before the Senate Committee on Health Care, Human Services and Rural Health Policy on Senate Bill 151. SB 151 expands and clarifies OHCS's authority regarding the use of funds in the Housing Development and Guarantee Account. Funds in that account are awarded as grants or loans to help finance the construction and rehabilitation of housing for low- and very low-income Oregonians, create homeownership opportunities for low- to moderate-income families and provide support to partners working on hunger, homelessness and poverty in communities across the state.

The law requires that the interest rate on loans given under that program be equal to the rate paid on US Treasury long-term obligations, which creates a significant detriment to developments that serve very low-income families. Furthermore, it prevents the department from revolving loan funds within this account for future affordable housing development. The bill allows OHCS to make zero percent or low interest loans and to set interest rates that reflect the individual needs of the development and the populations it will house. Senate Bill 151 passed the Senate unanimously last Thursday and now moves to the House.



**OHCS receives Gold Star Certificate**

OHCS has been awarded the State Controller's Gold Star Certificate for FY 2010 for our fiscal staff's accountability and credibility in financial reporting. The Gold Star is awarded to agencies that provide accurate and complete fiscal year end information in a timely manner. Financial Reporting Coordinator Roger Schmidt was particularly singled out for working with the State Controller to ensure successful reporting. Congratulations to Roger and the rest of the fiscal staff for this achievement.

**Roger Schmidt**

**Downpayment Assistance Program awards**

We've awarded \$725,325 to nine organizations for providing downpayment assistance to first-time homebuyers. The awards are funded by the document recording fee, which we use to expand the state's supply of homeownership housing for low- and very low-income families and individuals, with particular focus on underserved populations.

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The newly awarded funds will allow the organizations to continue or expand their existing downpayment assistance programs. The programs give qualified buyers who have completed a homebuyer education program up to \$5,000 for a downpayment and/or closing costs. The assistance may not fix our fragile housing market, but it will provide affordable housing for many families, which is at the heart of OHCS's mission.

Award recipients include the following: Portland Housing Center, Proud Ground, Willamette Neighborhood Housing Services, Native American Youth and Family Center, Umpqua Community Development Corporation, Oregon Bankers Association, Asian & Pacific Islander Community Improvement Association, Neighborhood Economic Development Corporation (serving Lane, Marion and Polk counties), and Habitat for Humanity of Oregon.

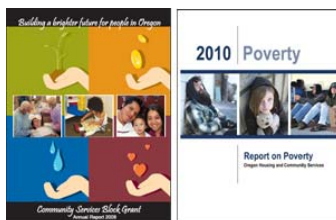
### **Public Comment period open on NSP 3**

OHCS has prepared its Substantial Amendment (draft application) for funding approval for Neighborhood Stabilization Program 3 (NSP3) funding. The Substantial Amendment is posted on the OHCS website at <http://tinyurl.com/46kt3xz> and public comments will be accepted in writing until Tuesday February 22.

The Substantial Amendment must be submitted by March 1 for HUD review and approval. If HUD approves the application, Oregon may receive up to \$5 million to create affordable housing.

The department encourages comments from local developers and service providers and particularly those residents living in specific targeted areas where NSP funds are proposed to be used, minorities, non-English speaking people and people with disabilities. Program information is available in alternative languages and formats upon request.

Please forward written comments or questions to Rich Malloy at OHCS, 725 Summer St. NE Suite B, Salem, OR 97301 or e-mail [Rich.Malloy@hcs.state.or.us](mailto:Rich.Malloy@hcs.state.or.us).



### **Community Service Block Grant and Poverty Reports now available**

Our FY 2010 CSBG and Poverty Reports are now online. CSBG report:

[http://www.ohcs.oregon.gov/OHCS/pdfs/2009\\_CSBG\\_Report.pdf](http://www.ohcs.oregon.gov/OHCS/pdfs/2009_CSBG_Report.pdf)

Poverty Report with breakdown by county:

[http://www.oregon.gov/OHCS/RA\\_Poverty\\_Reports.shtml](http://www.oregon.gov/OHCS/RA_Poverty_Reports.shtml)

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**Wells Fargo to host workshop for Oregon customers facing mortgage trouble**

Wells Fargo will hold its first free home preservation workshop for Oregonians on February 23 and 24 in Portland. Customers of Wells Fargo Home Mortgage, Wells Fargo Financial, Wachovia Mortgage and Wells Fargo Home Equity who are facing payment challenges can meet one-on-one with home preservation specialists in private settings to discuss their financial circumstances and home payment options. Borrowers may be eligible to receive a decision on a loan modification, or other option, on the spot. Bilingual team members will be on hand to assist customers in their language of preference.

The workshops will take place from 9 am to 7 pm on February 23 and 24 in Hall E at the Oregon Convention Center, 777 NE Martin Luther King, Jr. Blvd. Parking is free for registered attendees.

Those interested in attending either day should sign up no later than February 21 at [www.wfhmevents.com/leadingthewayhome](http://www.wfhmevents.com/leadingthewayhome). More information: (800) 405-8067.

*“If you have an opportunity to use your voice you should use it.”*

-Samuel L. Jackson

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