

HOUSING and COMMUNITY SERVICES, OREGON

Annual Performance Progress Report (APPR) for Fiscal Year (2009-2010)

Proposed KPM's for Biennium (2011-2013)

Original Submission Date: 2010

Finalize Date: 8/5/2010

2009-2010 KPM #	2009-2010 Approved Key Performance Measures (KPMs)
	Construction Costs – Cost per square foot for housing units developed through Grant and Tax Credit programs.
1 a	Affordable Home Ownership Percent of residential loans closed that provide homeownership to individuals at A) 100% applicable median income and below.
1 b	Affordable Home Ownership – Percent of residential loans closed that provide homeownership to individuals at B) 90% applicable median income and below.
1 c	Affordable Home Ownership – Percent of residential loans closed that provide homeownership to individuals at C) 80% applicable median income and below.
3	Reducing Homelessness – Percent of households that entered a housing program in either a homeless or at-risk status that exited to a stable housing situation.
4	Affordable Rental Housing through Bonds – Percent of housing units developed through the issuance of tax-exempt bonds that provide affordable rental opportunities for individuals at 60% or below area median income.
5 a	Affordable Rental Housing through Grants – Percent of housing units developed through the Department’s Consolidated Funding Cycle and other processes that provide affordable rental opportunities for individuals at A) 60% area median income and below.
5 b	Affordable Rental Housing through Grants – Percent of housing units developed through the Department’s Consolidated Funding Cycle and other processes that provide affordable rental opportunities for individuals at B) 50% area median income and below.
5 c	Affordable Rental Housing through Grants – Percent of housing units developed through the Department’s Consolidated Funding Cycle and other processes that provide affordable rental opportunities for individuals at C) 40% area median income and below.
5 d	Affordable Rental Housing through Grants – Percent of housing units developed through the Department’s Consolidated Funding Cycle and other processes that provide affordable rental opportunities for individuals at D) 30% area median income and below.
6	Increasing Energy Savings – For all funds invested, the percent of energy savings generated from the Department’s Energy Conservation Helping Oregonians (ECHO) weatherization program.
7	Increasing Housing for Special Needs Individuals – Percent of housing units developed that provide rental opportunities for the elderly and individuals with special needs.
8	Agency Customer Service – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: timeliness, accuracy, helpfulness, expertise, availability of information, overall.

2009-2010 KPM #	2009-2010 Approved Key Performance Measures (KPMs)
9	Percent of pounds in donated food distributed through Oregon Food Bank that are processed or repackaged bulk food purchased through the General Fund Food Program.

New Delete	Proposed Key Performance Measures (KPM's) for Biennium 2011-2013
NEW	<p>Title: Affordable Home Ownership Percent of households at or below the state's median income served by our single family programs matches or exceeds Oregon's households at or below median income.</p> <p>Rationale: The original measure measured the percent of residential loans provided to individuals at 100%, 90%, and 80% of area median income. The new measure collapses these into one measure comparing incomes to Oregon's median income. This change is being proposed to consolidate the measures making it easier to assess our progress. This change is also being proposed in response to changing housing market conditions and program changes that allow some loans to be made to individuals slightly above the state's median income.</p>
NEW	<p>Title: Reducing Homelessness – Percent of homeless persons entering permanent housing with stays of six months or longer. .</p> <p>Rationale: The existing KPM measures homeless or at-risk households that exit to a stable housing situation. The proposed KPM modifies this by concentrating on individuals moving into permanent housing, rather than just stable housing, situations and sets a goal of 80%. This result is congruent with the goals in the Governor's 10 Year Plan to End Homelessness.</p>
NEW	<p>Title: Affordable Rental Housing through Bonds, Grants, and Tax Credits – Percent of housing units funded with grants, tax credits, and bonds, excluding market rate housing units, will be affordable to households earning less than 60% of the area median income.</p> <p>Rationale: The proposed measure replaces two former KPMs, one for affordable rental housing units developed through bonds and the other for units developed through grants. It adds units developed iwth tax credits and simplifies reporting by looking at all units serving households under 60% of area median income together rather than breaking them into several sub-reporting categories. The goal is that 85% of the units developed through all of these programs will be affordable to households earning less than 60% of area median income.</p>
NEW	<p>Title: Low Income Energy Assistance -- Mitigate household energy crises through prevention of disconnection of home energy services for at least 80% of the cases.</p> <p>Rationale: This is a new measure to cover our low income home energy assistance program (LIHEAP).</p>
NEW	<p>Title: Increasing Housing for Special Needs Individuals – Percent of affordable rental housing units developed that provide rental opportunities for the low-income elderly or individuals with special needs compared to the percent of the state's population that are low-income elderly or individuals with special needs.</p> <p>Rationale: The current measure measures the percent of units developed for the low-income elderly or individuals with special needs but does not compare this to Oregon's population characteristics. The proposed measure adds this population comparison. The goal is based on a five-year rolling average of the units developed by the department.</p>

New Delete	Proposed Key Performance Measures (KPM's) for Biennium 2011-2013
DELETE	<p>Title: Affordable Home Ownership Percent of residential loans closed that provide homeownership to individuals at A) 100% applicable median income and below.</p> <p>Rationale:</p>
DELETE	<p>Title: Affordable Home Ownership – Percent of residential loans closed that provide homeownership to individuals at B) 90% applicable median income and below.</p> <p>Rationale: Sub-goal of current KPM that would be unnecessary with the proposed replacement.</p>
DELETE	<p>Title: Affordable Home Ownership – Percent of residential loans closed that provide homeownership to individuals at C) 80% applicable median income and below.</p> <p>Rationale: Sub-goal of current KPM that would be unnecessary with the proposed replacement.</p>
DELETE	<p>Title: Reducing Homelessness – Percent of households that entered a housing program in either a homeless or at-risk status that exited to a stable housing situation.</p> <p>Rationale:</p>
DELETE	<p>Title: Affordable Rental Housing through Bonds – Percent of housing units developed through the issuance of tax-exempt bonds that provide affordable rental opportunities for individuals at 60% or below area median income.</p> <p>Rationale:</p>
DELETE	<p>Title: Affordable Rental Housing through Grants – Percent of housing units developed through the Department’s Consolidated Funding Cycle and other processes that provide affordable rental opportunities for individuals at A) 60% area median income and below.</p> <p>Rationale: Combined with the proposed affordable rental housing KPM.</p>
DELETE	<p>Title: Affordable Rental Housing through Grants – Percent of housing units developed through the Department’s Consolidated Funding Cycle and other processes that provide affordable rental opportunities for individuals at B) 50% area median income and below.</p> <p>Rationale: Combined with the proposed affordable rental housing KPM.</p>
DELETE	<p>Title: Affordable Rental Housing through Grants – Percent of housing units developed through the Department’s Consolidated Funding Cycle and other processes that provide affordable rental opportunities for individuals at C) 40% area median income and below.</p> <p>Rationale: Combined with the proposed affordable rental housing KPM.</p>

New Delete	Proposed Key Performance Measures (KPM's) for Biennium 2011-2013
DELETE	<p>Title: Affordable Rental Housing through Grants – Percent of housing units developed through the Department’s Consolidated Funding Cycle and other processes that provide affordable rental opportunities for individuals at D) 30% area median income and below.</p> <p>Rationale: Combined with the proposed affordable rental housing KPM.</p>
DELETE	<p>Title: Increasing Housing for Special Needs Individuals – Percent of housing units developed that provide rental opportunities for the elderly and individuals with special needs.</p> <p>Rationale:</p>

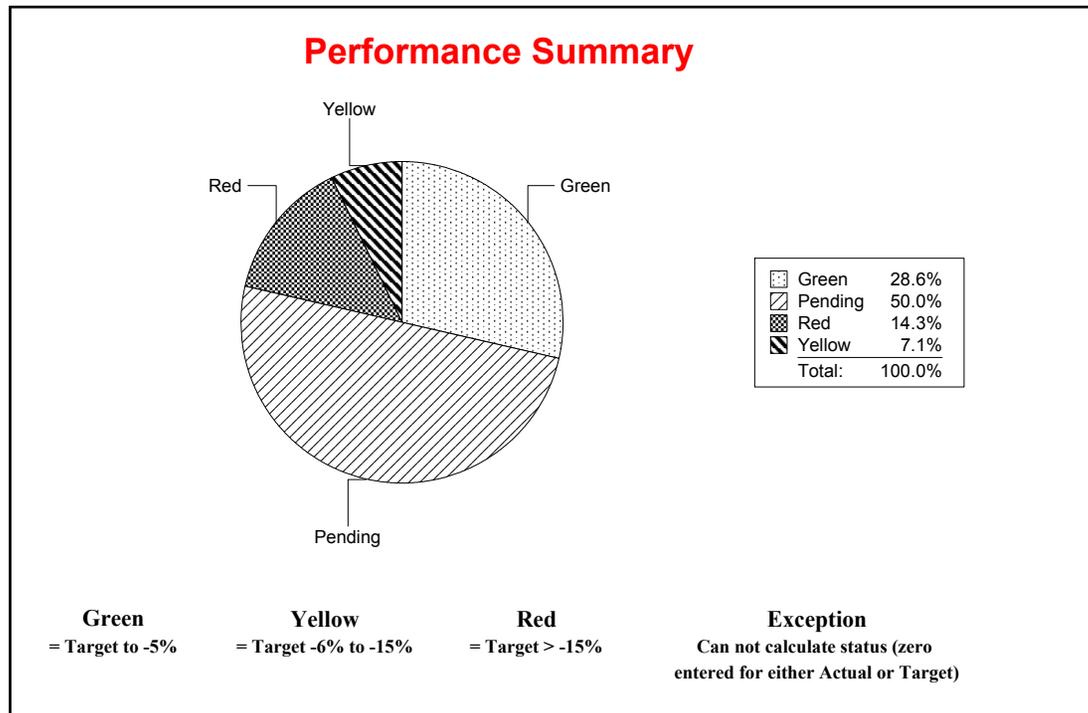
Agency Mission: Provide leadership that enables Oregonians to gain housing, become self-sufficient, and achieve prosperity.

Contact: Bill Carpenter

Contact Phone: 503-986-2128

Alternate: Rick Crager

Alternate Phone: 503-986-2076



1. SCOPE OF REPORT

Oregon Housing and Community Services Key Performance Measures represent the majority of all agency programs. The Department has approximately 64 programs/funding streams that work collectively to address issues of affordable homeownership and rental housing; energy and weatherization assistance; self sufficiency (including homeless, food, and rental assistance programs), and capacity building. OHCS's nine KPMs provide a comprehensive evaluation in each of these areas.

2. THE OREGON CONTEXT

OHCS provides a continuum of services to low-income Oregonians from homeless assistance to homeownership. As part of its long term goals, it is the Departments intent to serve low income citizens (100% Area Median Income and below) with the services that are necessary to move them along the continuum of services and ultimately to self-sufficiency. There are several Oregon Benchmarks in which the Departments KPMs are linked. OBM #55 Homelessness: Number of Oregonians that are homeless on any given night (per 10,000). OBM #57 Hunger: As a percent of the U.S. , percent of Oregon households with limited or uncertain access to enough food for all household members to live a healthy and active life: a. food insecurity with hunger; b. food insecurity. OBM #73 Homeownership: Percent of households that are owner occupied. OBM #74 - Affordable Housing: Percent of Oregon households below median income spending 30% or more of their income on housing (including utilities) a. renters; b. owners. OHCS works with a variety of other state and local partners in developing solutions for low-income Oregonians that effectively move them to self-sufficiency.

3. PERFORMANCE SUMMARY

KPM Progress Summary Key Performance Measures (KPMs) with Page References # of KPMs KPMs MAKING PROGRESS At or trending toward target achievement: Construction Costs (pages 11-12), Affordable Home Ownership (pages 13-18), Affordable Rental Housing through Bonds (pages 21-22), Increasing Energy Savings (pages 31-32), Housing for Special Needs Individuals (pages 33-34). KPMs NOT MAKING PROGRESS Not at or trending toward target achievement: Affordable Rental Housing through Grants (pages 23-30). KPMs - PROGRESS UNCLEAR Target not yet set: Reducing Homelessness (pages 19-20), Food Insecurity (pages 34-35), Increasing Agency Customer Service (pages 35-36). 1. Total Number of Key Performance Measures (KPMs), 9.

4. CHALLENGES

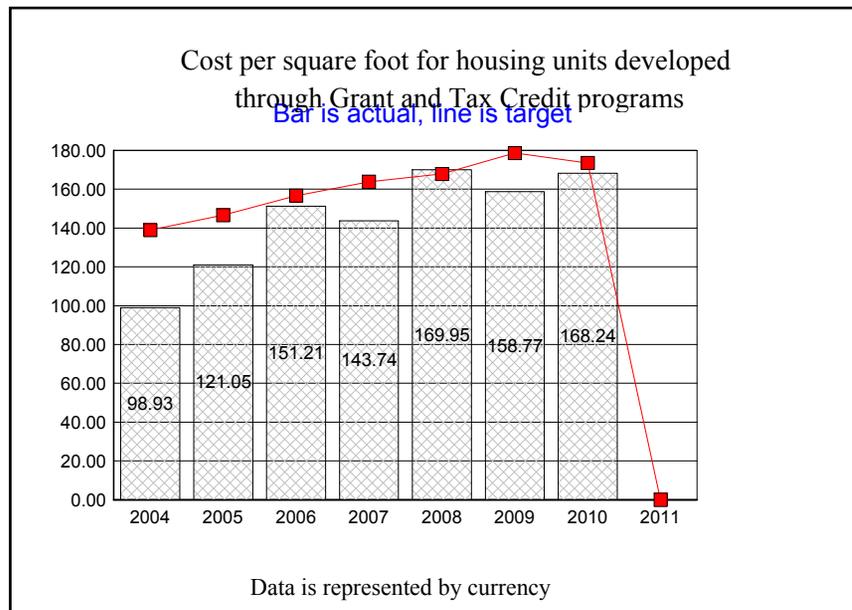
Many of the challenges OHCS faces are related to the housing market as well as resource availability. The financial and housing markets are in turmoil, and foreclosures are at an all time high. Trying to develop or create affordable housing for low-income Oregonians in this market often requires increased resources to either get the project built or purchase the home. As long as these costs continue to rise while resources remain stable, OHCSs ability to create affordable housing will obviously diminish.

5. RESOURCES AND EFFICIENCY

Oregon Housing and Community Services annual budget (based on its 2009-11 biennial budget) is approximately \$1.14 billion. The majority of this budget (approximately 60.1%) is related to the origination of mortgage loans and the subsequent payment of debt services. The Department's budget contains about 7.3% of state General Fund and about 1% of Lottery Funds. Approximately 18% of the Departments resources is from Federal Funds that support a variety of anti-poverty programs, Section 8 rental assistance, and funding to support the development of very low income housing. The Department also receives about 13.7% of Other Funds for energy and weatherization assistance, manufactured dwelling park landlord and tenant mediation, and rental assistance. The Department uses its biennial customer service performance measure to evaluate its efficiency as well as effectiveness in providing service opportunities for low-income Oregonians. The remaining eight performance measures measure the Departments effectiveness in reaching program goals within its continuum of services. The following questions indicate how performance measures and data are

used for management and accountability purposes. **INCLUSIVITY** Describe the involvement of the following groups in the development of the agency's performance measures. **Staff:** The specific program staff linked to each KPM helped in the development of each measurement. **Elected Officials:** There was no elected official involvement in the development of these measures. **Stakeholders:** There were some stakeholders involved in the development of the Food Insecurity KPM. **Citizens:** There was no citizen involvement in the development of these measures. **MANAGING FOR RESULTS** How is performance measures used for management of the agency? What changes have been made in the past year? With the measurements that have been established, the Department is able to make decisions about specific program focus. As necessary, management can make adjustments to how resources are used to impact those areas most in need. The Department includes its measurements related to housing development in applications for the Consolidated Funding Cycle. This communicates the Department's expectations to potential developers. **STAFF TRAINING** What training has staff had in the past year on the practical value and use of performance measures? The Department has put specific managers and/or staff in charge of each of the OHCS Performance Measures. Managers provide information and education to staff on the results of the performance measures. **COMMUNICATING RESULTS** How does the agency communicate performance results to each of the following audiences and for what purpose? **Staff:** Every employee is provided a copy of this annual report to see how their programs performed. **Elected Officials:** Information is provided through the department's web site and in our budget document. **Stakeholders:** Information is provided through the department's web site. **Citizens:** Information is provided through the department's web site.

KPM #	Construction Costs – Cost per square foot for housing units developed through Grant and Tax Credit programs.	2008
Goal	Maintain a cost per square foot that is no more than 5% above the RSMeans average.	
Oregon Context	N/A	
Data Source	OHCS DISH application and current RSMeans data.	
Owner	Housing Resources Section Manager David Summers (503) 986-2073	



1. OUR STRATEGY

The Department’s strategy is to work with its partners to address the costs of construction and keep them in line with national averages.

2. ABOUT THE TARGETS

For units built through the Department's Grant and Tax Credit programs (Consolidated Funding Cycle), the target is to ensure that our construction cost per square foot is no more than 5% over that of RS Means.

3. HOW WE ARE DOING

This measure was requested by the Legislature in a budget note to our 2007-09 budget. In general, the department's cost per square foot tracks the RSMeans average. In Fiscal Year 2010, the cost of \$168.24 per square foot was below the RSMeans goal of \$173.42.

4. HOW WE COMPARE

This measure is unique to Oregon.

5. FACTORS AFFECTING RESULTS

The recession, coupled with reduced construction activity, has had a moderating impact on construction costs.

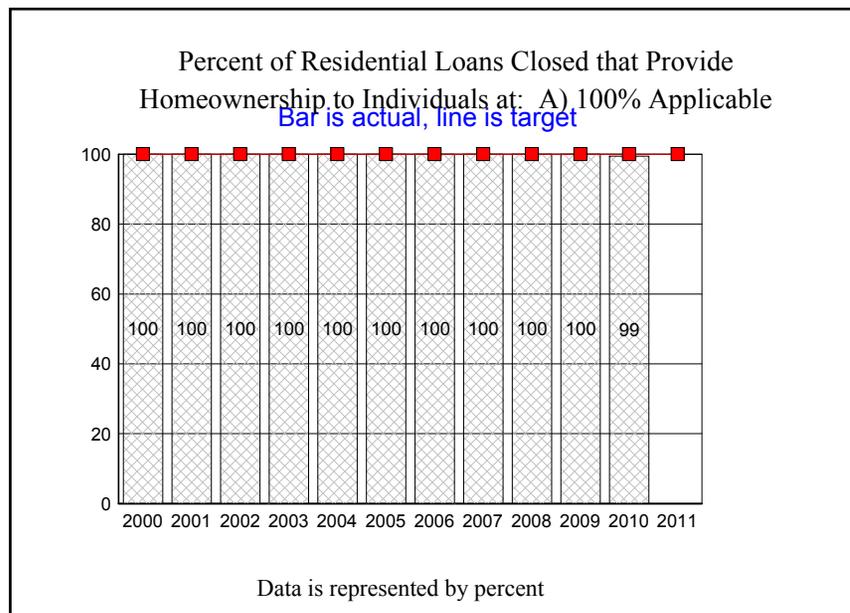
6. WHAT NEEDS TO BE DONE

OHCS will need to continue to work with its partners to reduce construction costs for housing units.

7. ABOUT THE DATA

OHCS cost per square foot data comes from our Data Information System for Housing. RSMeans is North America's leading supplier of construction cost information. A product line of Reed Construction Data, RSMeans provides accurate and up-to-date cost information that helps owners, developers, architects, engineers, contractors and others to carefully and precisely project and control the cost of both new building construction and renovation projects. (See: [http://www.rsmeans.com/.](http://www.rsmeans.com/))

KPM #1a	Affordable Home Ownership Percent of residential loans closed that provide homeownership to individuals at A) 100% applicable median income and below.	2001
Goal	Homeownership: Increase homeownership opportunities for low-income Oregonians.	
Oregon Context	OBM #73 Homeownership: Percent of households that are owner occupied.	
Data Source	OHCS Loan Information Processing System	
Owner	Single Family Section Manager Roberto Franco 503.986.6732.	



1. OUR STRATEGY

OHCS's strategy is to provide homeownership opportunities to individuals that are at 100% of area median income and below with a heavy emphasis on those that are at 80% and below. The Department works with approximately 20 banks that assist in marketing the program and originating loans.

2. ABOUT THE TARGETS

The target is to always provide 100% of these loans to Oregonians that are at 100% of area median income or below. OHCS continues to focus on targeting 70% of its loan production to those that are at 80% area median income and below.

3. HOW WE ARE DOING

In 2010, the percent of loans provided for low-income Oregonians at 100% area median income and below was 99.4%. There were only 171 total loans - a very low volume. The trend in serving individuals at both 90% area median income and below and 80% area median income and below has been declining since 2004.

4. HOW WE COMPARE

Other Housing Finance Agencies around the nation are also having problems with bond financing for this kind of program.

5. FACTORS AFFECTING RESULTS

Given the turmoil in the credit and housing markets, it is an increased challenge to finance homes that are affordable for low-income citizens. The department's volume of single family loans has declined markedly. Underwriting standards have become tighter, favoring mortgages to those with higher incomes.

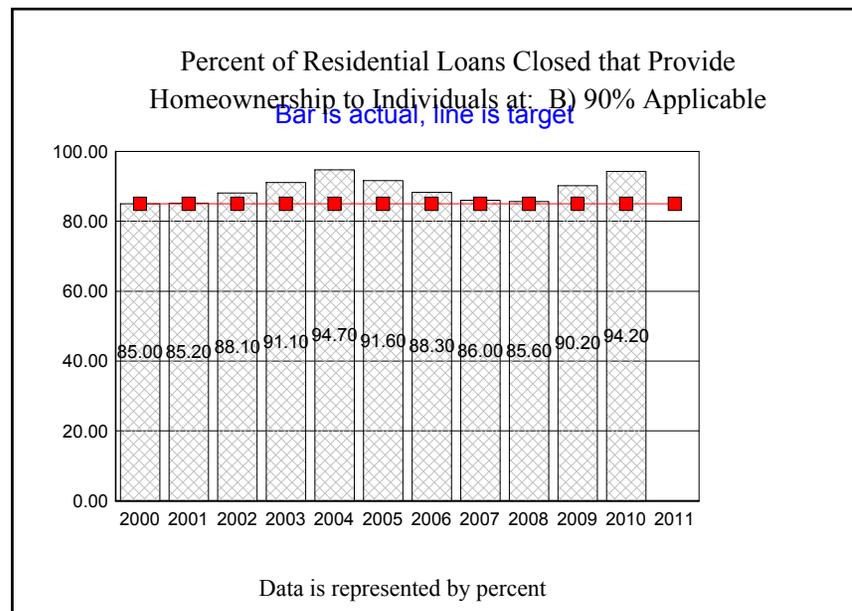
6. WHAT NEEDS TO BE DONE

OHCS will need to identify resources that increase down payment assistance in order to make loans affordable to the lowest income Oregonians. Without this subsidy, homeownership will continue to be out of reach for some low-income Oregonians.

7. ABOUT THE DATA

Data is provided for the fiscal year from the Department's Loan Information Processing System. This data very reliable as it is reconciled with bank servicers on a monthly basis

KPM #1b	Affordable Home Ownership – Percent of residential loans closed that provide homeownership to individuals at B) 90% applicable median income and below.	2001
Goal	Homeownership: Increase homeownership opportunities for low-income Oregonians.	
Oregon Context	OBM #73 Homeownership: Percent of households that are owner occupied.	
Data Source	OHCS Loan Information Processing System	
Owner	Single Family Section Manager Roberto Franco 503.986.6732	



1. OUR STRATEGY

OHCS's strategy is to provide homeownership opportunities to individuals that are at 100% of area median income and below with a heavy emphasis on those that are at 80% and below. The Department works with approximately 20 banks that assist in marketing the program and originating loans.

2. ABOUT THE TARGETS

The target is to always provide 100% of these loans to Oregonians that are at 100% of area median income or below. OHCS continues to focus on targeting 70% of its loan production to those that are at 80% area median income and below.

3. HOW WE ARE DOING

In 2010, the percent of loans provided for low-income Oregonians at 90% area median income and below was 94.2%, above the goal of 85%. There were only 171 total loans - a very low volume. The trend in serving individuals at both 90% area median income and below and 80% area median income and below has been declining since 2004.

4. HOW WE COMPARE

Other Housing Finance Agencies around the nation are also having problems with bond financing for this kind of program.

5. FACTORS AFFECTING RESULTS

Given the turmoil in the credit and housing markets, it is an increased challenge to finance homes that are affordable for low-income citizens. The department's volume of single family loans has declined markedly. Underwriting standards have become tighter, favoring mortgages to those with higher incomes.

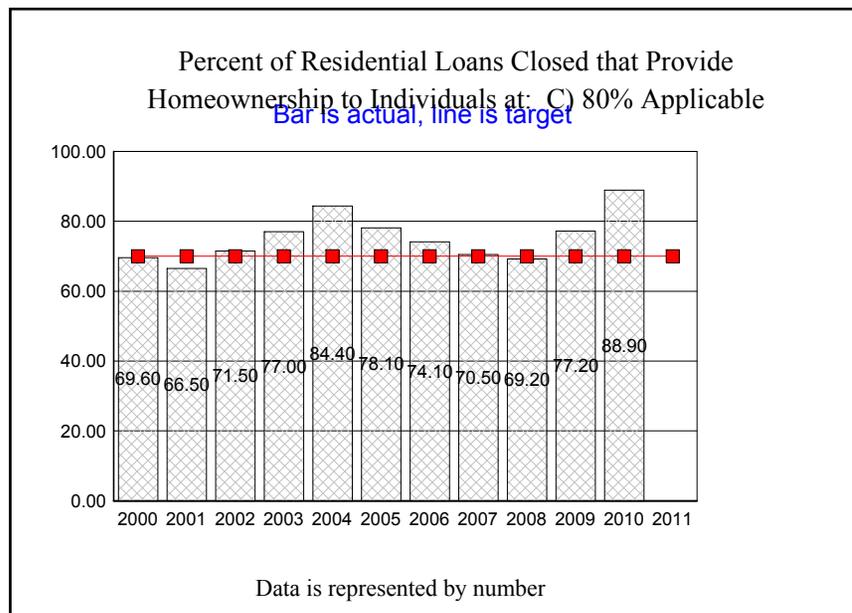
6. WHAT NEEDS TO BE DONE

OHCS will need to identify resources that increase down payment assistance in order to make loans affordable to the lowest income Oregonians. Without this subsidy, homeownership will continue to be out of reach for some low-income Oregonians.

7. ABOUT THE DATA

Data is provided for the fiscal year from the Department's Loan Information Processing System. This data is very reliable as it is reconciled with bank servicers on a monthly basis.

KPM #1c	Affordable Home Ownership – Percent of residential loans closed that provide homeownership to individuals at C) 80% applicable median income and below.	2001
Goal	Homeownership: Increase homeownership opportunities for low-income Oregonians.	
Oregon Context	OBM #73 Homeownership: Percent of households that are owner occupied.	
Data Source	OHCS Loan Information Processing System	
Owner	Single Family Section Manager Roberto Franco 503.986.6732	



1. OUR STRATEGY

OHCS's strategy is to provide homeownership opportunities to individuals that are at 100% of area median income and below with a heavy emphasis on those that are at 80% and below. The Department works with approximately 20 banks that assist in marketing the program and originating loans.

2. ABOUT THE TARGETS

The target is to always provide 100% of these loans to Oregonians that are at 100% of area median income or below. OHCS continues to focus on targeting 70% of its loan production to those that are at 80% area median income and below.

3. HOW WE ARE DOING

In 2010, the percent of loans provided for low-income Oregonians at 80% area median income and below was 88.9%, above the target of 70%. There were only 171 total loans - a very low volume. The trend in serving individuals at both 90% area median income and below and 80% area median income and below has been declining since 2004.

4. HOW WE COMPARE

Other Housing Finance Agencies around the nation are also having problems with bond financing for this kind of program.

5. FACTORS AFFECTING RESULTS

Given the turmoil in the credit and housing markets, it is an increased challenge to finance homes that are affordable for low-income citizens. The department's volume of single family loans has declined markedly. Underwriting standards have become tighter, favoring mortgages to those with higher incomes.

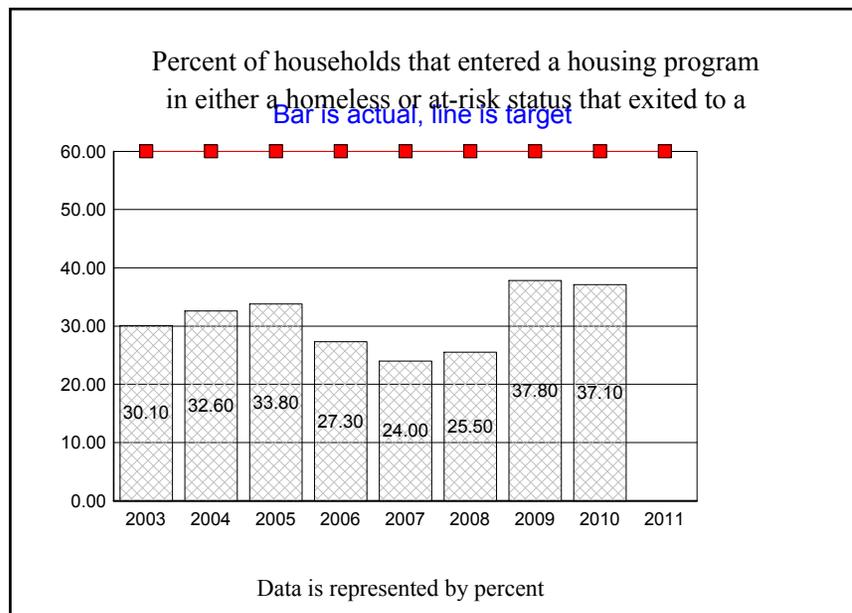
6. WHAT NEEDS TO BE DONE

OHCS will need to identify resources that increase down payment assistance in order to make loans affordable to the lowest income Oregonians. Without this subsidy, homeownership will continue to be out of reach for some low-income Oregonians.

7. ABOUT THE DATA

Data is provided for the fiscal year from the Department's Loan Information Processing System. This data is very reliable as it is reconciled with bank servicers on a monthly basis

KPM #3	Reducing Homelessness – Percent of households that entered a housing program in either a homeless or at-risk status that exited to a stable housing situation.	2001
Goal	Housing Insecurity And Homelessness: Reduce housing insecurity and homelessness in Oregon.	
Oregon Context	OBM #56 Homelessness: Number of Oregonians that are homeless on any given night (per 10,000).	
Data Source	OHCS Community Services Block Grant Report and Annual Homeless Assessment Report	
Owner	Community Services Section Manager Alan Kramer (503) 986-0966	



1. OUR STRATEGY

OHCSs strategy is ensure that homeless households or those at-risk of becoming homeless that are participating in the Departments homeless programs are successfully exiting the program into a stable and permanent housing situation.

2. ABOUT THE TARGETS

The target is currently to ensure that 60% of the individuals entering the OHCS homeless programs are exiting in stable housing. This is a very aggressive target.

3. HOW WE ARE DOING

In 2010, 37.1% of the households that entered in a OHCS homeless program exited into a stable housing situation. This is an improvement over the long-term trend.

4. HOW WE COMPARE

This progress is consistent with those other states that have started an intensive permanent housing strategy for the homeless.

5. FACTORS AFFECTING RESULTS

In order to effectively stabilize individuals that have been homeless, there needs to be a program that permanently houses this population and provides the appropriate intensive services. This type of housing is expensive and requires a continuing commitment on the part of the state to invest in this type of housing. The benefits that will be achieved through this type of housing will far exceed the cost.

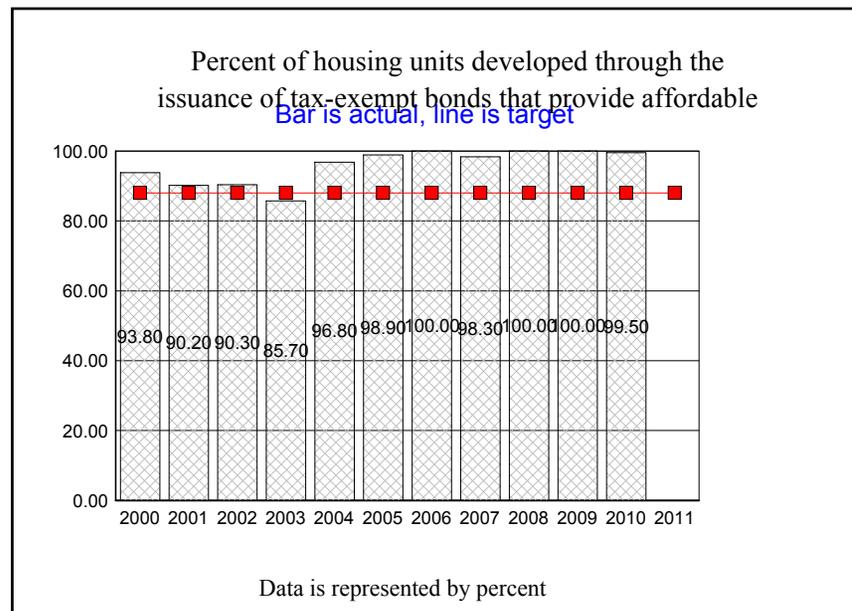
6. WHAT NEEDS TO BE DONE

In July 2008, the Ending Homelessness Advisory Council (EHAC), a statewide working group of experts and community representatives, completed work on the Governors 10-year plan to end homelessness. EHAC will also collaborate with community leaders to help implement local plans.

7. ABOUT THE DATA

Data is provided through the annual community services block grant report and the annual homeless statistical report. The data compares the number of individuals treated with some form of emergency shelter or transitional housing opportunity, to the number of individuals who exited programs in permanent housing. The quality of this data requires careful reporting by community partners. Please note that this data is reported on a calendar year basis.

KPM #4	Affordable Rental Housing through Bonds – Percent of housing units developed through the issuance of tax-exempt bonds that provide affordable rental opportunities for individuals at 60% or below area median income.	2001
Goal	Housing Insecurity And Homelessness: Reduce housing insecurity and homelessness in Oregon.	
Oregon Context	OBM #74a - Affordable Housing: Percent of Oregon households below median income spending 30% or more of their income on housing (including utilities) a. renters.	
Data Source	OHCS Loan Information Processing System	
Owner	Multifamily Housing Section Manager David Summers 503.986.2073	



1. OUR STRATEGY

OHCS's strategy is to provide affordable rental housing opportunities for individuals at 60% area median income and below. The Department works with a variety of affordable housing developers to create affordable housing projects across Oregon. These developers include housing authorities,

community development corporations, non-profits organizations, and private housing developers.

2. ABOUT THE TARGETS

The target is to provide 88% of the units developed in the Department's bond programs for individuals at or below 60% area median income.

3. HOW WE ARE DOING

In 2010, the percent of units developed through the OHCS bond programs for low-income Oregonians at 60% area median income or below was 99.5%. This measure continues to be above the target.

4. HOW WE COMPARE

Other Housing Finance Agencies around the nation are also struggling with this kind of development due to poor financial market conditions.

5. FACTORS AFFECTING RESULTS

While the total number of multifamily units produced has declined due to turmoil in the financial markets, the Department has consistently created affordability for low-income Oregonians.

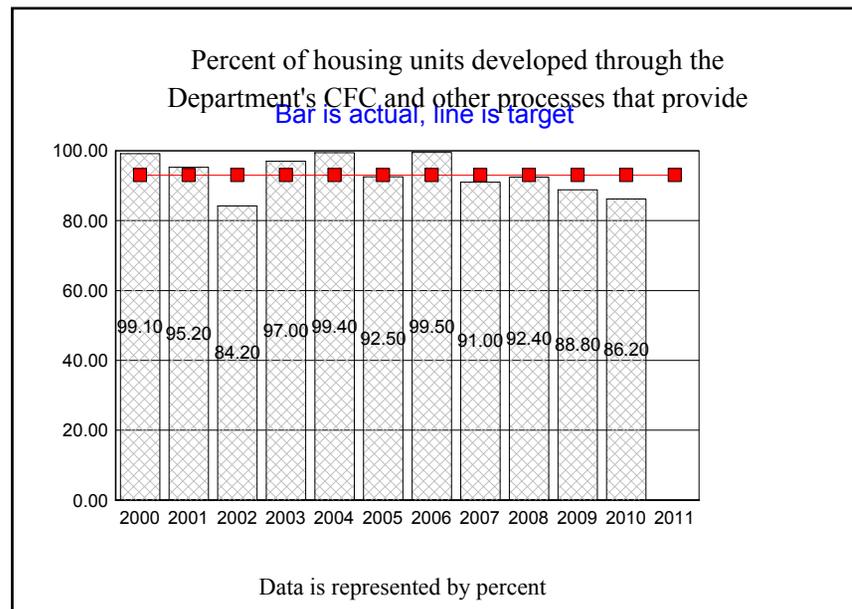
6. WHAT NEEDS TO BE DONE

Finding investors is the key to being able to produce more units. OHCS will continue to work with its architects and partners to apply value engineering where possible in hopes of maintaining its existing level of affordability.

7. ABOUT THE DATA

Data is provided for the fiscal year from the Department's Loan Information Processing System. This data is very reliable as it is reconciled with bank servicers on a monthly basis.

KPM #5a	Affordable Rental Housing through Grants – Percent of housing units developed through the Department’s Consolidated Funding Cycle and other processes that provide affordable rental opportunities for individuals at A) 60% area median income and below.	2001
Goal	Housing Insecurity And Homelessness: Reduce housing insecurity and homelessness in Oregon.	
Oregon Context	OBM #74a - Affordable Housing: Percent of Oregon households below median income spending 30% or more of their income on housing (including utilities) a. renters.	
Data Source	OHCS Data Information System for Housing	
Owner	Multifamily Housing Section Manager David Summers 503.986.2073	



1. OUR STRATEGY

OHCS's strategy is to provide homeownership opportunities to individuals that are between 0% and 60% of area median income. The Department

works with a variety of affordable housing developers to create affordable housing projects across Oregon. These developers include housing authorities, community development corporations, non-profits organizations, and private housing developers.

2. ABOUT THE TARGETS

The target is to provide 93% of the units developed in the Department's grant and tax-credit programs for individuals at or below 60% area median income.

3. HOW WE ARE DOING

In 2010, OHCS did not meet its goals for this measure achieving 86.2%, well below the goal of 93%. Historically, the Department has done a very good job in meeting its goals of housing affordability through the use of grants and tax credits.

4. HOW WE COMPARE

Other Housing Finance Agencies around the nation are also struggling with this kind of development due to poor financial market conditions.

5. FACTORS AFFECTING RESULTS

With an increased focus on workforce housing, there will be more production for individuals at a higher level of income. As the financial markets and economy continue to be moribund, it has become more and more difficult to reach the lowest income Oregonians. This trend is reflected in this data.

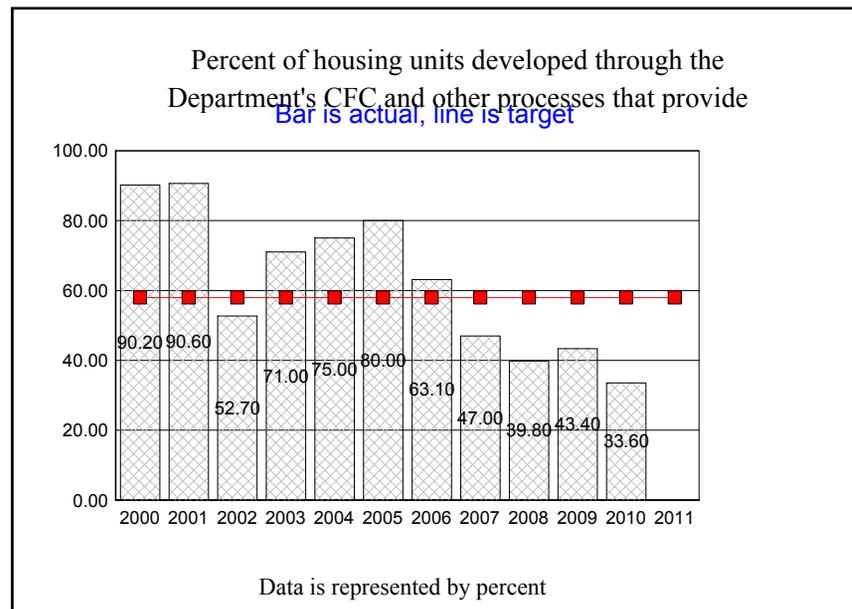
6. WHAT NEEDS TO BE DONE

OHCS will need to identify additional resources and identify other partners that are able to bring resources to the project for development.

7. ABOUT THE DATA

Data is provided on a fiscal year basis from the Department's Data Information System for Housing. This data is very reliable as it is reconciled with additional data captured in Excel spreadsheets.

KPM #5b	Affordable Rental Housing through Grants – Percent of housing units developed through the Department’s Consolidated Funding Cycle and other processes that provide affordable rental opportunities for individuals at B) 50% area median income and below.	2001
Goal	Housing Insecurity And Homelessness: Reduce housing insecurity and homelessness in Oregon.	
Oregon Context	OBM #74a - Affordable Housing: Percent of Oregon households below median income spending 30% or more of their income on housing (including utilities) a. renters.	
Data Source	OHCS Data Information System for Housing	
Owner	Multifamily Housing Section Manager, David Summers 503.986.2073	



1. OUR STRATEGY

OHCS's strategy is to provide homeownership opportunities to individuals that are between 0% and 60% of area median income. The Department

works with a variety of affordable housing developers to create affordable housing projects across Oregon. These developers include housing authorities, community development corporations, non-profits organizations, and private housing developers.

2. ABOUT THE TARGETS

The target is to provide 58% of the units developed in the Department's grant and tax-credit programs for individuals at or below 50% area median income.

3. HOW WE ARE DOING

In 2010, OHCS did not meet its goals for this measure achieving 33.6%, well below the goal of 58%. Historically, the Department has done a very good job in meeting its goals of housing affordability through the use of grants and tax credits.

4. HOW WE COMPARE

Other Housing Finance Agencies around the nation are also struggling with this kind of development due to poor financial market conditions.

5. FACTORS AFFECTING RESULTS

With an increased focus on workforce housing, there will be more production for individuals at a higher level of income. As the financial markets and economy continue to be moribund, it has become more and more difficult to reach the lowest income Oregonians. This trend is reflected in this data.

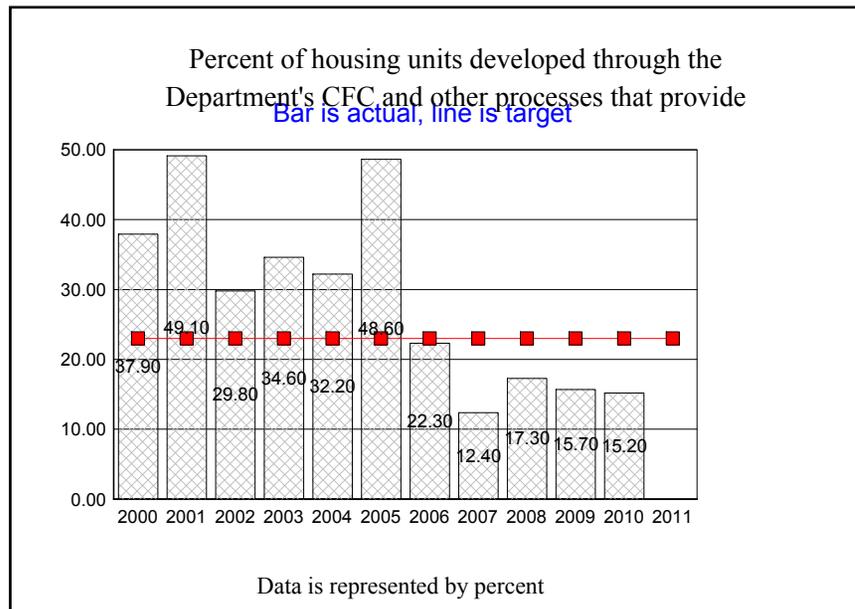
6. WHAT NEEDS TO BE DONE

OHCS will need to identify additional resources and identify other partners that are able to bring resources to the project for development.

7. ABOUT THE DATA

Data is provided on a fiscal year basis from the Department's Data Information System for Housing. This data is very reliable as it is reconciled with additional data captured in Excel spreadsheets.

KPM #5c	Affordable Rental Housing through Grants – Percent of housing units developed through the Department’s Consolidated Funding Cycle and other processes that provide affordable rental opportunities for individuals at C) 40% area median income and below.	2001
Goal	Housing Insecurity And Homelessness: Reduce housing insecurity and homelessness in Oregon.	
Oregon Context	OBM #74a - Affordable Housing: Percent of Oregon households below median income spending 30% or more of their income on housing (including utilities) a. renters.	
Data Source	OHCS Data Information System for Housing	
Owner	Multifamily Housing Section Manager David Summers 503.986.2073	



1. OUR STRATEGY

OHCS's strategy is to provide homeownership opportunities to individuals that are between 0% and 60% of area median income. The Department

works with a variety of affordable housing developers to create affordable housing projects across Oregon. These developers include housing authorities, community development corporations, non-profits organizations, and private housing developers.

2. ABOUT THE TARGETS

The target is to provide 23% of the units developed in the Department's grant and tax-credit programs for individuals at or below 40% area median income.

3. HOW WE ARE DOING

In 2010, OHCS did not meet its goals for this measure achieving 15.2%, below the goal of 23%. Historically, the Department has done a very good job in meeting its goals of housing affordability through the use of grants and tax credits.

4. HOW WE COMPARE

Other Housing Finance Agencies around the nation are also struggling with this kind of development due to poor financial market conditions.

5. FACTORS AFFECTING RESULTS

With an increased focus on workforce housing, there will be more production for individuals at a higher level of income. As the financial markets and economy continue to be moribund, it has become more and more difficult to reach the lowest income Oregonians. This trend is reflected in this data.

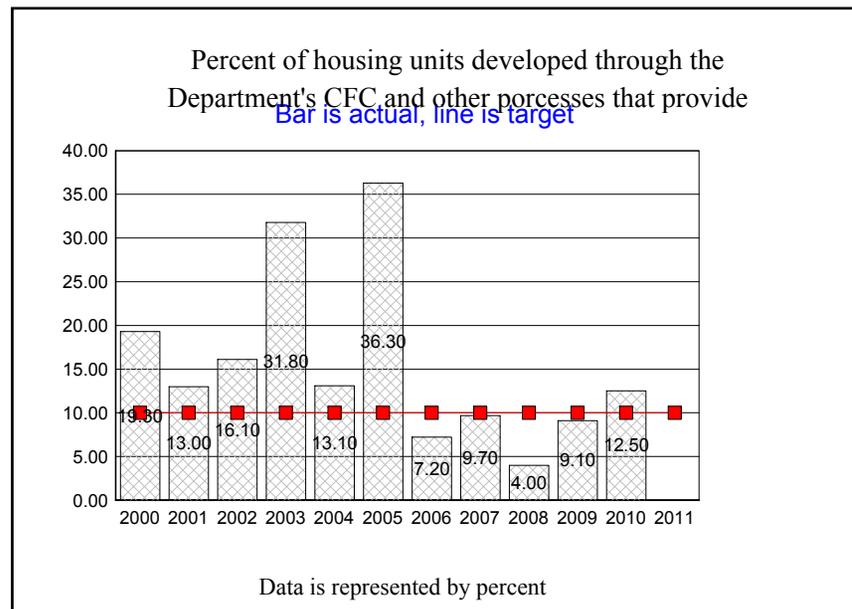
6. WHAT NEEDS TO BE DONE

OHCS will need to identify additional resources and identify other partners that are able to bring resources to the project for development.

7. ABOUT THE DATA

Data is provided on a fiscal year basis from the Department's Data Information System for Housing. This data is very reliable as it is reconciled with additional data captured in Excel spreadsheets.

KPM #5d	Affordable Rental Housing through Grants – Percent of housing units developed through the Department’s Consolidated Funding Cycle and other processes that provide affordable rental opportunities for individuals at D) 30% area median income and below.	2001
Goal	Housing Insecurity And Homelessness: Reduce housing insecurity and homelessness in Oregon.	
Oregon Context	OBM #74a - Affordable Housing: Percent of Oregon households below median income spending 30% or more of their income on housing (including utilities) a. renters.	
Data Source	OHCS Data Information System for Housing	
Owner	Multifamily Housing Section Manager David Summers 503.986.2073	



1. OUR STRATEGY

OHCS's strategy is to provide homeownership opportunities to individuals that are between 0% and 60% of area median income. The Department

works with a variety of affordable housing developers to create affordable housing projects across Oregon. These developers include housing authorities, community development corporations, non-profits organizations, and private housing developers.

2. ABOUT THE TARGETS

The target is to provide 10% of the units developed in the Department's grant and tax-credit programs for individuals at or below 30% area median income.

3. HOW WE ARE DOING

In 2010, OHCS did meet its goals for this measure achieving 12.5%, above the goal of 10%. Historically, the Department has done a very good job in meeting its goals of housing affordability through the use of grants and tax credits.

4. HOW WE COMPARE

Other Housing Finance Agencies around the nation are also struggling with this kind of development due to poor financial market conditions.

5. FACTORS AFFECTING RESULTS

With an increased focus on workforce housing, there will be more production for individuals at a higher level of income. As the financial markets and economy continue to be moribund, it has become more and more difficult to reach the lowest income Oregonians.

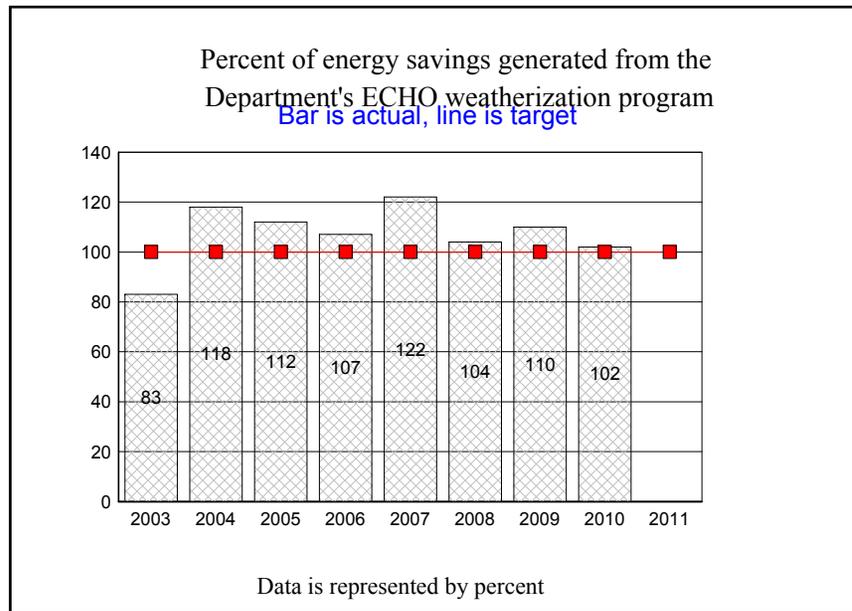
6. WHAT NEEDS TO BE DONE

OHCS will need to identify additional resources and identify other partners that are able to bring resources to the project for development.

7. ABOUT THE DATA

Data is provided on a fiscal year basis from the Department's Data Information System for Housing. This data is very reliable as it is reconciled with additional data captured in Excel spreadsheets.

KPM #6	Increasing Energy Savings – For all funds invested, the percent of energy savings generated from the Department’s Energy Conservation Helping Oregonians (ECHO) weatherization program.	2003
Goal	Self-Sufficiency: Increase self-sufficiency among low-income Oregonians	
Oregon Context	No Specific State Benchmark Agency Goal: To increase energy savings in Oregon	
Data Source	Quarterly Community Action Agency Reports and the Economics of Energy Calculator	
Owner	Community Resources Section Manager Richard Matthews 503.986.2097	



1. OUR STRATEGY

OHCS's strategy is to create energy savings in low-income Oregonians homes to enable them to become more self-sufficient, and have more funds to meet basic needs (food, medical etc).

2. ABOUT THE TARGETS

The target is to create \$1 in energy savings for every \$1 of state investment from the OHCS Energy Conservation Helping Oregonians program. This is represented as 100% of the amounts expended as an energy savings.

3. HOW WE ARE DOING

The Department continues to be successful in the results of this program, achieving a return of 102% in 2010. Other than the first year of implementation, the program has been able to create an excess of 100% savings to the amount of state investment.

4. HOW WE COMPARE

This target is consistent with benchmark expectations in other states.

5. FACTORS AFFECTING RESULTS

Increased costs for weatherization material will continue to impact the results of this performance measurement and have brought down the percentage of savings achieved from those of last year.

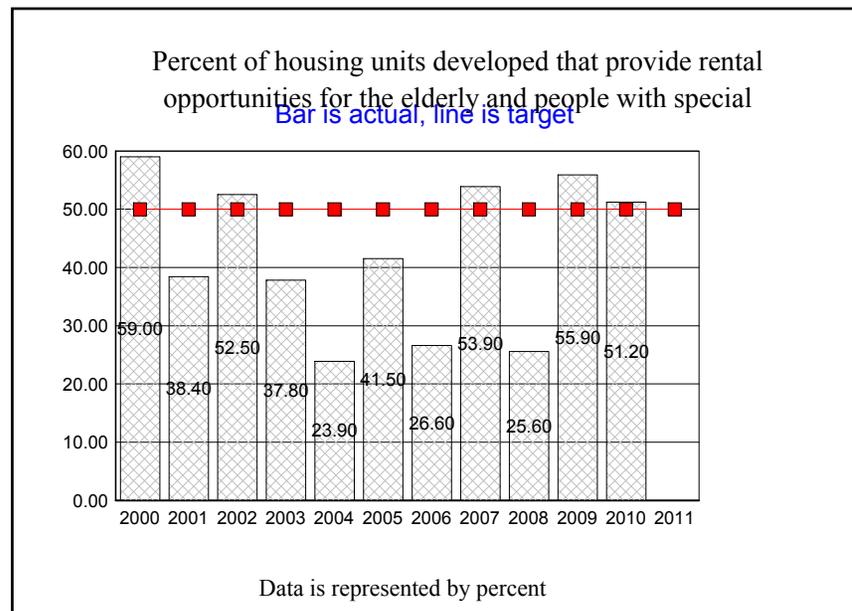
6. WHAT NEEDS TO BE DONE

OHCS will continue providing technical assistance to its partners in an effort to improve efficiency and reduce the costs of weatherization. In addition, new techniques for weatherization will be researched, and where appropriate, implemented to create more energy savings.

7. ABOUT THE DATA

Data is provided on a quarterly basis from Community Action Agencies. The energy savings is reported in kilowatts which is then converted to savings through the use of a nationally recognized Economics of Energy Calculator.

KPM #7	Increasing Housing for Special Needs Individuals – Percent of housing units developed that provide rental opportunities for the elderly and individuals with special needs.	2001
Goal	Self-Sufficiency: Increase self-sufficiency among low-income Oregonians	
Oregon Context	OBM #74a - Affordable Housing: Percent of Oregon households below median income spending 30% or more of their income on housing (including utilities) a. renters.	
Data Source	OHCS Loan Information Processing System and Data Information System for Housing	
Owner	Multifamily Housing Section Manager David Summers 503.986.2073	



1. OUR STRATEGY

OHCS's strategy is to provide affordable housing opportunities for individuals with special needs. These include, but are not limited to: elderly, disabled, homeless, offenders, farm workers, and alcohol and drug rehabilitation. This type of housing is typically designed for individuals with very

low-income and requires the necessary services to meet the needs of the residents.

2. ABOUT THE TARGETS

The target is that 50% of the total multifamily units produced through the OHCS bond, grant and tax credits programs be for individuals with special needs.

3. HOW WE ARE DOING

The Department, in past years, has sometimes met the target specific to special needs housing. This target is relatively aggressive and the results vary from year to year based on the needs of individual communities and the quality of housing applications. In 2010, 51.2% of the multifamily units developed were for individuals with special needs.

4. HOW WE COMPARE

There is no comparable data to this measure. Typically, housing finance agencies targets for these types of populations vary from year to year based on needs and policy priorities.

5. FACTORS AFFECTING RESULTS

Special needs housing will often require intensive services to be provided in order to make the project successful. Many of the barriers that have been associated with creating special needs housing are due to the lack of funding available for services.

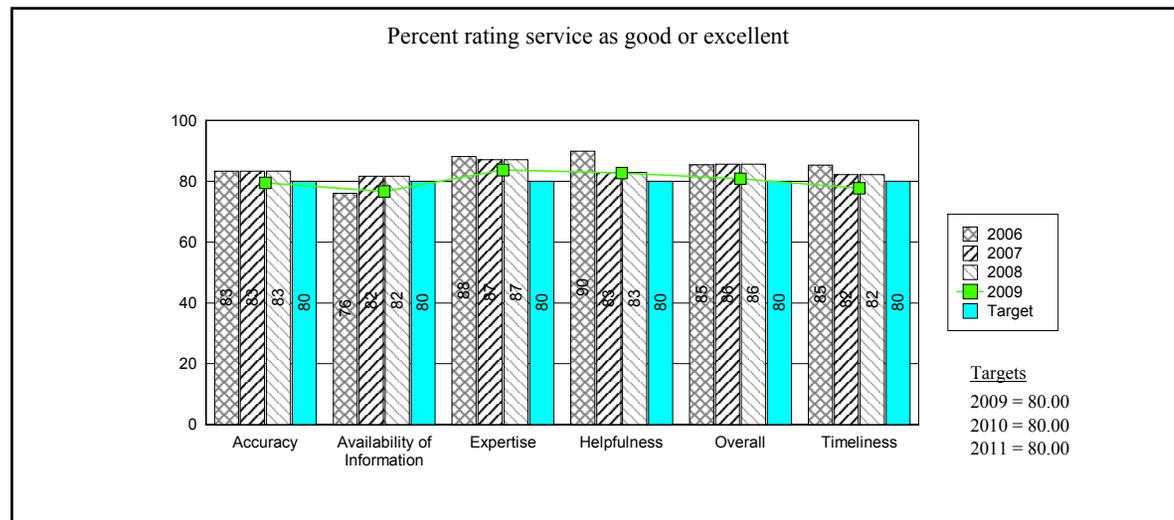
6. WHAT NEEDS TO BE DONE

OHCS has adopted the Housing First model which is used across the nation for serving the homeless. Continued funding and tracking of this pilot program is needed.

7. ABOUT THE DATA

Data is provided on a fiscal year basis from the Department's Loan Information Processing System and Data Information System for Housing. This data is very reliable as it is reconciled with bank servicers and subsidiary systems on a monthly basis.

KPM #8	Agency Customer Service – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: timeliness, accuracy, helpfulness, expertise, availability of information, overall.	2006
Goal	Provide our customers with great customer service.	
Oregon Context	No specific benchmark. Established through the standards provided by the Oregon Progress Board	
Data Source	Biennial External Customer Service Survey	
Owner	Information Services Division Administrator Bill Carpenter 503.986.2128	



1. OUR STRATEGY

OHCS's strategy is to provide good to excellent customer service in the areas of timeliness, accuracy, helpfulness, expertise, and availability of information leading to good to excellent customer service for our overall performance.

2. ABOUT THE TARGETS

The target is to ensure that 80% of the respondents to the Department's customer service survey rate the agency as either good or excellent in overall performance, timeliness, accuracy, helpfulness, expertise, and availability of information.

3. HOW WE ARE DOING

In 2009 we did our third customer service survey and the Department did not meet its target in all categories - scoring above 75% but below 80% in availability of information and timeliness. We met our targets in all other categories. This survey is done biennially; the next new survey will be done in 2011.

4. HOW WE COMPARE

In comparisons to other agency performance, OHCS appears to be at or above the average quality of customer service.

5. FACTORS AFFECTING RESULTS

In 2007, we had significant "survey fatigue" among our customers and so we changed this measure from a yearly survey to a biennial survey. This change improved the survey response rate in 2009.

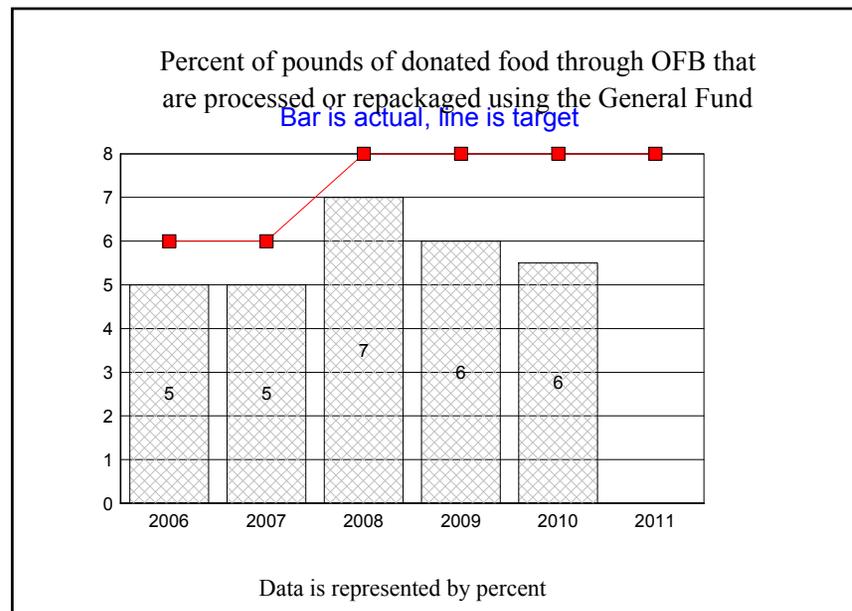
6. WHAT NEEDS TO BE DONE

OHCS continues to work to improve our customers access to Department information via the Internet and to offer very good customer service in all categories.

7. ABOUT THE DATA

This data is collected through an external survey administered on an biennial basis to a statistically valid sample of OHCS's partners and key stakeholders.

KPM #9	Percent of pounds in donated food distributed through Oregon Food Bank that are processed or repackaged bulk food purchased through the General Fund Food Program.	2006
Goal	Self-Sufficiency: Increase self-sufficiency among low-income Oregonians	
Oregon Context	OBM #58 Hunger: As a percent of the U.S., percent of Oregon households with limited or uncertain access to enough food for all household members to live a healthy and active life: a. food insecurity with hunger; b. food insecurity.	
Data Source	Oregon Food Bank	
Owner	Community Services Section Manager Alan Kramer 503.986.0966	



1. OUR STRATEGY

The Department's strategy is to work with its Oregon Food Bank partner and others to address the composition of emergency food boxes and provide families with greater access to healthy and nutritional food.

2. ABOUT THE TARGETS

Through the use of the Department's General Fund Food Program, the target is to ensure that 8% of the processed or repackaged food distributed through the Oregon Food Bank is linked specifically to the General Fund contribution. This target was increased from 6% in 2007.

3. HOW WE ARE DOING

For 2010, the General Fund Food Program contributed 5.5% to the total food that was processed or repackaged through the Oregon Food Bank.

4. HOW WE COMPARE

This measurement is unique to Oregon. Not all states contribute state support to hunger relief efforts.

5. FACTORS AFFECTING RESULTS

As the General Fund contribution remains stable for the program, other contributions, such as from the food industry, make up a larger percentage of the food donations. This increases the base total, causing our fixed contribution to become relatively smaller as a percentage of the total.

6. WHAT NEEDS TO BE DONE

OHCS will need to place an emphasis within its existing program on healthy nutritious food and maximizing its funding to meet the target established. In addition, the Department will need to seek increased funding to support this effort.

7. ABOUT THE DATA

Data is provided on a calendar year basis from the Oregon Food Bank that reports the total amount of processed or repackaged food. In addition, OHCS receives an annual report from the Oregon Food Bank that shows the total pounds of repackaged or processed food that is purchased with the General Fund Food Program. Both sources of data are very reliable due to the Oregon Food Banks excellent system for tracking donated food.

Agency Mission: Provide leadership that enables Oregonians to gain housing, become self-sufficient, and achieve prosperity.

Contact: Bill Carpenter

Contact Phone: 503-986-2128

Alternate: Rick Crager

Alternate Phone: 503-986-2076

The following questions indicate how performance measures and data are used for management and accountability purposes.

1. INCLUSIVITY

- * **Staff:** The specific program staff linked to each KPM helped in the development of each measurement.
- * **Elected Officials:** These measures are reviewed and approved by the Oregon Legislature. There was no additional elected official involvement in the development of these measures.
- * **Stakeholders:** There were some stakeholders involved in the development of the Food Insecurity KPM.
- * **Citizens:** There was no citizen involvement in the development of these measures.

2 MANAGING FOR RESULTS

With the measurements that have been established, the Department is able to make decisions about specific program focus. As necessary, management can make adjustments to how resources are used to impact those areas most in need. The Department includes its measurements related to housing development in applications for the Consolidated Funding Cycle. This communicates the Department's expectations to potential developers. Note that the department has proposed revisions to its performance measurements as part of its 2009-11 Strategic Plan.

3 STAFF TRAINING

The Department has put specific managers and/or staff in charge of each of the OHCS Performance Measures. Managers provide information and education to staff on the results of the performance measures.

4 COMMUNICATING RESULTS

- * **Staff:** Every employee is provided a copy of this annual report to see how their programs performed.
- * **Elected Officials:** Information is provided through the department's web site and in our budget document.
- * **Stakeholders:** Information is provided through the department's web site.
- * **Citizens:** Information is provided through the department's web site.