



Oregon

Governor Kate Brown

Housing and Community Services

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TO: Claire Seguin, Interim Director
Housing Stability Council Members

FROM: Caleb Yant, Chief Financial Officer

DATE: June 1, 2016

SUBJECT: Budget Process Introduction

I am writing to provide an update regarding the Policy Option Packages (POPs) that OHCS anticipates submitting as part of the Agency Request Budget (ARB). As a reminder, POPs are the avenue by which state agencies can request new funds to begin or augment a program, can request changes in staffing, or can renew expenditure limitation or staffing associated with temporary funding sources. As such, POPs are the most impactful portion of the budget process for this Council to engage in.

This update compliments the memo I provided in April by providing preliminary dollar figures and additional details. The only change from the April memo relates to our single family programs. First, we will be asking for position authority for two employees to help expand the production of the Oregon Bond Loan program (single family mortgage origination program). Second, we will be asking for a continuation of foreclosure counseling funds which we've been receiving since the 2011-13 biennium.

The following chart shows the anticipated staffing and fiscal impact of the different POPs we'll be requesting:



Policy Packages in OHCS 2017-19 Agency Request Budget

Package	General Fund	Other Funds	Federal Funds	Total		Positions	FTE
Augmenting staffing capacity in the following areas:							
Improving data and research capability to be able to respond to significantly increased demand for timely market-based housing data. Research Analyst 2	\$166,680	\$0	\$0	\$166,680		1	1.00
Stronger coordination with Department of Land Conservation and Development to help local governments strengthen their housing planning and zoning, and to implement new legislation that impacts both agencies. Operations and Policy Analyst 4	\$254,278	\$0	\$0	\$254,278		1	1.00
More staffing in multifamily finance to speed up necessary due diligence and underwriting and thus aid production by partners. Loan Specialist 2	\$201,593	\$201,593	\$0	\$403,186		2	2.00
NEW - More staffing in single family to increase lender network, product offerings, and production of the Oregon Bond program. Loan Specialist 1 Program Analyst 4	\$0	\$414,959	\$0	\$414,959		2	2.00
Elderly Rental Assistance: Transfer program from the Department of Revenue to OHCS funded through a permanent general fund appropriation	\$1,500,000	\$1,500,000		\$3,000,000		0	0.00
Oregon Homeownership Stabilization Initiative (OHSI): Restore limited duration positions and expenditure authority needed to deliver the program.	\$0	\$4,742,569	\$0	\$4,742,569		25	21.42
Oregon Volunteers (OV): Working closely with OV commissioners and Governor's office to determine future location.	n/a	n/a	n/a	n/a		0	0.00

Package	General Fund	Other Funds	Federal Funds	Total		Positions	FTE
Continue HUD Section 811: Restore limited duration positions in addition to providing expenditure limitation for rental assistance payments.	\$0	\$0	\$1,008,874	\$1,008,874		2	1.00
LIFT: Continue funding & position authority for limited duration positions. - Program Analyst 4 - Compliance Specialist 3	\$42,467	\$210,730	\$0	\$253,197		2	1.38
Lottery Bonds for Preservation, including the possibility of an explicit carve-out for preservation of mobile home parks.	\$0	\$10,000,000	\$0	\$10,000,000		0	0.00
Oregon Foreclosure Assistance Program: Restore funding for continued foreclosure counseling funds.	\$3,655,531	\$0	\$0	\$3,655,531		0	0.00
Housing Choice Landlord Guarantee Program (HCLGP): Request additional funding to cover the higher utilization of programmatic & administrative funding.	\$1,042,383	\$0	\$0	\$1,042,383		0	0.00
Rent Guarantee Program: Re-establish program that compliments HCLGP by serving non section 8 voucher holders in addition to providing tenant education.	\$1,100,000	\$0	\$0	\$1,100,000		0	0.00
Total 2017-19 Packages:	\$7,962,932	\$17,069,851	\$1,008,874	\$26,041,657		35	29.80

In addition to the POPs mentioned above, there were a few items included in April's memo that can be achieved prior to and outside of the budget process. These include:

- Hiring a limited duration staff member to update or replace aging and outdated internal data tracking systems, bring our systems into conformance with those of our peers in other states and ultimately drive efficiency in our operations
- Establish an equity coordinator position to incorporate culturally responsive measures to our programs

Finally, I want to call your attention to a topic that may result in a significant change between now and the submission of the ARB. OHCS leadership is focusing attention on existing staff capacity in order to deliver its programs as efficiently and effectively as possible. Specific staffing needs exist to aid in the deployment of multifamily program resources and to accelerate the gains towards ensuring all decisions are made based on timely, accurate, and comprehensive data. Some staffing changes can be made outside of the budget process, however there is a potential that these needs could add to what the agency requests through the budget process.

The information in this memo represents our best thinking as of now, but will likely be tweaked as we finalize our planning. Next month will be the last meeting of the Council prior to submission of the ARB. In light of that, I want to ensure all pertinent information is shared to provide an avenue for feedback.

I look forward to any questions, thoughts, or recommendations that you have.

Sincerely,

Caleb Yant
Chief Financial Officer