

Meeting Notes - March 24, 2016

Mission	Federal, state, local, and non-governmental leadership working together to improve housing and economic opportunities for the agriculture workforce.
Meeting Location	Oregon Housing and Community Services 725 Summer St., NE Ste. B, Salem, OR 10:00-12:00 PM, Meeting Room 124B
Facilitator	Theresa Wingard, Planning and Policy Analyst, OHCS
Introductions	<p>New Attendees: Alexander Tyler/OFB, Alan Martinez/OED</p> <p>Members Present: Karen Shawcross/Advocate, Amanda Dalton/Columbia Fruit & Blue Mountain Growers, John Wright/OHCS, Daniel Quinones/Worksource Oregon, Fernando Gutierrez/OED, Ann Blaker/Bienestar, Brett Sheehan/CASA, Maralea Lutino/FHDC, Katherine Walker/DOA, Jenny Dresler/OFB, Margaret Van Vliet/OHCS, Alison McIntosh/OHCS, Shelly Wilkins-Ehenger/Housing Authority of Marion County</p>
OHCS Update	<p>Margaret Van Vliet/Director:</p> <p>Changes to Task Forces and Advisory Bodies for OHCS: Part of our agenda four years ago was to really think about how to redesign the agency and its policy structure so that we have a continuum of housing policy. We had as many as 10 statutorily named advisory bodies; an Ending Homelessness Advisory Committee, the Interagency Council on Hunger and Homelessness, the Farmworker Housing Facilitation Team (now AWHFT), the Advisory Committee on Energy, the State Housing Council, and a number of others. It was a somewhat chaotic system of giving policy guidance and receiving good community input that would shape OHCS programs. All of the advisory bodies arose for good reason. Our hope is that with consolidating our policy advisory structure that we have a better ability to weave together all the different parts we need for a strong housing policy for the state of Oregon. There is enough separate work of the AWHFT that touches a lot of other areas, including employment and Ag that we didn't feel disbanding this group, and folding its work completely into that Council made sense. We want to find ways, and the right opportunities, for your work to be shared with the Housing Stability Council so that you're not doing your work in isolation and that your good advice and perspective can inform their overall work.</p> <p>Housing Stability Council A bill passed in the 2015 session made changes to the advisory bodies. It vested most of the policy guidance work to the Housing Council, now the Housing Stability Council</p>

(HSC). We believe that the name change and some added duties really capture the idea of one central body looking out across the whole continuum of housing. The Housing Stability Council is a nine member body with the members appointed by the Governor, and confirmed by the State Senate. Currently there are seven members. We expect Governor Brown will make two new appointments as early as next month for confirmation by the Senate in May. It's a positive step that the Council is looking at all kinds of policy areas and is being briefed on the variety of OHCS programs. Our programs work on homelessness problems, provide energy bill payment assistance to low income families, weatherize people's homes, and provide housing finance. OHCS also does things in the home ownership arena and in the foreclosure avoidance arena. We have a lot of different programs that stretch across the continuum. We want to be in a place where we, and the Council, keep our eye on that continuum and how they fit together and what investments we should be making to address the housing problem.

The work of the Council is open to the public, and meets once a month at OHCS. They will, however, be on the road a few times this year. You can view the Council's calendar on the OHCS website.

Housing Stability Council:

<http://www.oregon.gov/ohcs/OSHC/Pages/index.aspx>

OHCS Redesign:

We went through a pretty major transition; a reorganization of the agency, but really more of a refocus of our role. We feel really good about the progress we've made in clarifying our role, in supporting staff to do their best work, in cleaning up some of the administrative and kind of policy and programmatic things that were creating a lot of extra work for us, and confusion for our partners. We feel like we've made really good progress and are looking forward to continuing to refine things. We think we're doing really good work, and we're excited about what's possible in the future of a kind of reintegrated agency.

Discussion:

Q: Is the Housing Stability Council a rulemaking body?

A: The Housing Stability Council is not a rulemaking body; however, we want them to have a more active role. We may invite the members to serve on rule making advisory committees or comment on rules before we publish them. They are not rule making in the traditional sense, but we want them to advise us.

Q: What is the best way for this team to work with the Council?

A: What makes sense is to have staff and a member or two from this group come to a meeting to provide a briefing on your work, what your membership is, and what your charter is. We can get a time on the schedule sometime this year.

	<p>Q: We are all here for the migrant and seasonal farmworkers, but seasonal farmworkers are well taken care of for housing. The problem is the need for the migrants that show up during the season, that’s where the lack of housing is. People are renting garages or finding housing where they can. This affects the agriculture employer base not just the population; the workers are not returning because the housing is limited, or the housing they do get is substandard.</p> <p>A: Our funding sources are really particular, and none of them work very well for what you’re talking about. It’s a particularly challenging issue, but we ought to look at it and ask what could we potentially change to do a better job of addressing that need? There are so many more needs for housing, and for particular populations, and particular communities, than we can fund. Our hope is that, with the new Housing Stability Council good policy oversight, and really thoughtful data driven planning, we can have some good conversations about those trade-offs and are able to say what the State of Oregon should invest its dollars in, where are the biggest needs, and try and be really targeted about the needs.</p> <p>We’ll also want to be strategic about what kind of ask we put forward to the legislature. The agency is limited by what the Governor approves, but this group is likely not tied to the same degree. This is a place for us to shine a light on the issue, have some good conversations about the challenges and the opportunities, and know that solving any of these is likely going to take new resources, or shifting resources away from something somebody else holds dear.</p> <p>Q: Who sits on the Housing Stability Council?</p> <p>A:</p> <ul style="list-style-type: none"> • Aubre Dickson/Chair/Banker with Key Bank (Chair) • Mayra Arreola, United Way Community/Community Collaborations and Investment Strategy • Marissa Madrigal/Chief Operating Officer for Multnomah County • Tammy Baney/Deschutes County Commissioner • Val Valfre/ED of the Housing Authority of Washington County, • Mike Fieldman/ED of the United Community Action Network in Douglas and Josephine Counties • Zee Koza/ED of non-profit mental health facility for adults with developmental disabilities in LaGrande <p>It’s a really good group with many different perspectives.</p>
<p>Legislative Update</p>	<p>Alison McIntosh, OHCS Government and Communications Liaison:</p> <p>Last session OHCS received 40 million dollars in general obligation bonds, creating the</p>

Local Innovation and Fast Track (LIFT) Housing Program for new affordable housing for families.

SB1582: This session the Governor introduced SB 1582, which gives OHCS funds to hire staff and sideboards for how the LIFT Housing Program should look. It adds responsibility for the HSC to provide direction on how OHCS should prioritize needs and geographies. The source of funding requires that the housing be owned or operated by the State. There should be a solicitation process for these funds sometime this summer.

There was a package of four housing bills that moved together through the process:

HB 4143: This bill provides increased protections for tenants: It provides for no rent increase in the first year of tenancy for tenants with a month to month lease. After one year a landlord must give a 90 day notice rather than just 30 days for rent increases. This bill also provides a technical fix for an egress issue, and increased fines for violating a no smoking policy more than once.

HB 4079: This bill directs the Department of Land Conservation and Development (DLCD) to operate two pilot programs for local jurisdictions who want to expand urban growth boundaries, specifically for the purpose of building affordable housing. It excludes a lot of the counties where there is farmland. The bill excluded Marion, Polk, Yamhill, the Portland Metro counties, and part of Jefferson County. DLCD will be starting the process to do research and write rules soon.

SB1533: This bill had two pieces. Both pieces would have to be decided at the local level. The first piece lifted the statewide ban on inclusionary zoning (IZ). Inclusionary zoning is a policy that a new development must include some units as affordable. In this instance, it has to be multi-family housing, have more than 20 units, and be rental or ownership. The city cannot require the developer to include more than 20 percent of the units as affordable. In exchange for the IZ requirement, the city must offer an incentive like a waiver of a systems development charge, a tax exemption, a density bonus, or something else of value. There is a list of options they can choose from. They can only make it mandatory for housing that is at 80 percent AMI and above. This is not very low income; more workforce housing.

The other half of the bill is the imposition of a construction excise tax. A statewide ban on imposing construction excise taxes of all kinds that scheduled to sunset in 2018. This bill lifts the pre-emption early. It says you can impose construction excise taxes for industrial commercial and residential. It doesn't set any rules around the industrial and commercial sides, but for residential if you're going to impose a construction excise tax on residential housing there's a maximum amount, and that has to go to fund affordable housing. Some of the money can be used to fund those developer incentives if you

choose to use inclusionary zoning. Some of it can be used generally for affordable housing in your community, and 15 percent will go to OHCS to help provide down payment assistance. The bill doesn't go into effect for a while yet, and then there's another six month period before they can actually impose those requirements. We have a little while to see how cities develop those; who choose to adopt them, and who doesn't.

The final bill in the housing package was SB 1573, which related to voter approved annexation issues.

Q: All four of these bills passed?

A: Yes.

Q: When does the ban for lifting the preemption on inclusionary zoning take place?

A: The bill goes into effect on June 2, 2016, and the bill states that no jurisdiction can adopt an inclusionary zoning policy until 180 days after the bill goes into effect. The earliest a jurisdiction could adopt an inclusionary zoning policy would be the very end of November, 2016.

HB 4081: This bill extended the sunset on a property tax exemption. There are many property tax exemptions which can be adopted by local jurisdictions for affordable housing. Some communities have not passed local option exemptions, and some affordable housing developers have qualified under the general non-profit charitable exemption. In 2014 the legislature passed a bill grandfathering in properties who have claimed the non-profit charitable exemption until 2018 while stakeholders figured out a better solution. In 2016, the Legislature extended this sunset date until 2022. The Department received an additional \$10 million in emergency rent assistance which needs to be spent before the end of this biennium, June 30th of 2017. We also received 2.5 million dollars more to preserve existing affordable rental housing (preservation) and some money to continue the foreclosure avoidance program.

Q: How is that accessed?

A: There was 2.5 million dollars in the 2015 session and then 2.5 million dollars in the 2016 session. We'll have five million dollars total. The bonds will be sold next spring. There will be a solicitation this summer.

Q: Is the five million dollars part of SB 1582?

A: No, that's totally separate.

Q: How big is the pot of money for the summer NOFA?

A: There's 40 million dollars to build new affordable housing for families, last year the legislature gave us 20 million dollars to build housing for people with mental health or

addictions disorders, there's all the regular federal funds, and then there's the five million of preservation.

Q: Do you think those will all come out of the same NOFA or different NOFAs?

A: I think it will be different NOFAs. The source of the LIFT money is general obligation bonds that are repaid by the state. Those bonds come with a constitutional requirement that the State play an ownership or operating role, so that's not going to look like tax credits or other sources of money.

Q: So the 40 million won't be tax credits?

A: It is possible that you could pair 4% with that if the state had an operating role. We don't want to add the 9% to it because it gets really complicated. We went through a subcommittee process with subject matter experts who came up with recommendations. They made a recommendation that went to the HSC in February. That memo is on the website. The webpage includes all of minutes and meeting documents.

Local Innovation and Fast Track (LIFT) Housing Program

<http://www.oregon.gov/ohcs/Pages/lift-housing-development-program.aspx>

SB 1593: This bill did not pass, and it did not get a hearing. It was introduced by Senator Courtney. It would have expanded the purposes that we could use the Agriculture workforce Housing Tax Credit to include operating expenses for agriculture workforce housing. It did not expand the amount of money that would be available overall for the credit. OHCS is neutral on all legislation until the Governor's office directs otherwise, but there would be a lot to figure out in how the Department would administer this bill if this is what the Legislature directs us to do.

Q: Could you expand on what you mean by items you would need to figure out?

A: The eligible costs you could receive credit for would include operating costs. Operating costs could be electricity, gas, oil, water, sewer repair, and maintenance as necessary to operate the agricultural workforce housing. The person who is eligible to receive the tax credit must be the owner of the housing for which the credit is claimed. Some developers may not qualify because they may not have a tax liability they are looking to offset, and it doesn't have a provision for transfer, so my assumption is it would only be for the on-farm side. With the system we have now, people apply for credits maybe a year before the project is built and then there's this long process of certification and a final awarding of credits after the project closes. We would need to figure out, for example, if we would set aside a portion of the credit to pay for operating costs, if we would expand the credit to help pay for this. Right now, the credit is fully utilized. We would need to figure out what sort of documentation we would request, and how would we get it. And, how we would certify to the Department of Revenue that

Agriculture Workforce Housing Facilitation Team

	<p>these credits were going to the correct tax payer. There's also behind the scenes work that would need to be done.</p> <p>Q: Do we have a timeline on when we might see the various NOFAs? A: The federal ones will be May or June. Due date is 90 days after that. A: The Director's March 14th message is a good place to read about the status of the QAP, the LIFT money, and the additional emergency housing and homeless assistance that came through the legislative session.</p> <p>Link to March 14th Director's message: http://www.oregon.gov/ohcs/DO/messages/2016/03-14-2016-Directors-Message.pdf</p> <p>To sign up for our emails click on the button at the bottom of the page that says "Join our E News List": http://www.oregon.gov/ohcs/Pages/agency-news-room.aspx</p>
<p>Needs and Research Sub-Committee</p>	<p>Karen Shawcross/Citizen Advocate: This subcommittee is doing a review of the Agriculture Workforce Housing webpage, hosted by OHCS, to determine how this team might contribute to it, and improve it. They did an in depth review of every section of the website, and developed recommendations on new resources and ways to reorganize the information. They were pleased that the information was organized very well, with templates for each section, and a consistent look and feel. They met with Megan Bolton, OHCS Research Analyst, to review their recommendations. A follow-up meeting is scheduled for the end of April. Megan was researching additional resources and planned to connect with Theresa W. and Suzanne Harris, OHCS webmaster, to discuss recommendations the committee made for additions to the homepage.</p> <p>Roberto Jimenez had a conversation with Intel about crop mapping. This team will connect with him to determine whether, or how, this group will engage in a conversation with Intel.</p> <p>Marc Overbeck is no longer able to be a committee member, so we'd like to have anyone who wants to, join us.</p>
<p>Alignment and Streamlining Sub-Committee</p>	<p>No report: No committee members present.</p>
<p>Information Sharing</p>	<p>Theresa W.: The new Agriculture Workforce Tax Credit Program Manager, Teresa Pumala, will attend the May meeting. She will be able to answer loan questions and program questions. John Wright will no longer be managing this program, but will focus his work on the NOFAs.</p>

Janet Darling/USDA accepted a position with Washington RD Multi Family Housing March 7th.

Fernando G: Shared a map of agricultural employers in the state who are registered and pay into the Employment Department system, and includes the names of the workforce boards. The Employment Departments tracks these employers and the number of employees they employ. There are hundreds of other Ag employers, and farm labor contractors, that don't hire enough workers to require them to pay into the system.

Q: What is the estimated versus employed?

A: The top number in every county is the number of Ag employers (Est.) and the bottom number is the number of employees (Emp.)

A: This map does not take into consideration the number of farmworkers who are placed here through farm labor contractors. H2A workers aren't included in the number either.

Q: When you talk about employers of a certain size that don't pay into the system, what is that definition?

A: Employers who pay \$10,000 quarterly on wages, based on full time employees who are paid minimum wage. Fernando can get a breakdown for the team. The map gives you a feel for the proportions, even if the numbers are low. The numbers on the map are close to those in the Alice Larson Study, showing that her study was fairly accurate.

We are receiving more requests for H2A workers. Using these workers benefits the employer because they have a known workforce, and this workforce is less likely to object to housing and worker concerns because they may be nervous about being sent back. If an employer does not have enough workers they will look to the H2A program for more workers. It's very costly for the employer. The rules require that the employer give preference to local workers. H2A workers earn \$12.69 per hour while in state workers earn only \$9.25. H2A workers are not allowed to live in Rural Development financed housing because the employers are already required to provide services and housing for these workers. H2A workers are most commonly used in Hood River, the Valley, Oregon City, Albany, and Eastern Oregon.

Agriculture worker jobs are not being marketed to students as a good career direction. There are really good jobs in this area, but they are not being recognized.

There are over 300 registered contractors in Oregon. The end of March, Daniel Quinones, Worksource Oregon, will be provide a workshop in Woodburn for contractors. This workshop is to provide information on what's happening in Oregon, minimum wage standards, and answer questions that are arising.

Theresa W: Shared 2009 history on AWHTC provided by Roberto Jimenez. Washington

County is not listed on the report. Roberto may know why as he was involved when this spreadsheet was developed.

John W: Shared graphs that show the status of the tax credit program allocations. This year, \$7,250,000 in tax credits allocated to the AWHTC program, with a \$750,000 soft set aside for on-farm projects. On farm projects use the \$750,000 first. By June first, any remaining soft set aside rolls over into the total allocation which can be used for other projects that are not on farm. Right now we have a total award out of \$288,948 tax credits. Some are on farm and some are off farm. There is almost two million in reserve and a little over two million allocated. The spreadsheet includes the current projects with approved eligible costs, those that are reserved, and those awarded tax credits. It also shows the type of agriculture workforce housing; labor camp, on farm and off farm. Let us know if there is other information you would like to see tracked. We'd also like to track the barriers that we are seeing in order to help guide the application process. We want to collect historical data but also information that can be useful when going before the legislature.

Discussion:

Would like someone to do an outreach event to Ag employers to let them know about the moneys that are available to them.

- This is really the role of someone like the Farm Bureau, or Amanda Dalton.
- OSHA enforces, so maybe when there's an issue they should be sending out a packet.
- While there are credits available, there are some pretty significant capital costs.

Q: Don't the tax credits go pretty quickly; it's not a huge bucket.

A: The credits are not going as quickly this year.

A: Brett from CASA noted that the ballot measure, IP28, could be part of the reason. CASA has seen a number investors back off.

Q: Is it general fund, is it federal fund?

A: It's a state credit.

We are starting to get more inquiries about how to use the fund, and some are pretty creative. We're also seeing a lot more call to use them for mixed use or apartments. Once a project is approved for the tax credit, and credits reserved, there are restrictions on that property right away. If the project is approved for 68 units, 68 units have to be Ag workforce, they can't be anything else. If you put an apartment complex in Woodburn and it's all Ag units, and they'll fill them, but you get in other areas and that's not the case. That might be part of what's stopping them from applying.

Fernando G: It's an issue if they get frustrated with all the paperwork and they've got to

	<p>keep track of all the legal protections and the wage. This year there's going to be an increment of wages here in Oregon and that's going to create a nightmare for the Ag industry. It needs to be simplified. There are a lot of good employers. A lot of the Gorge employers have excellent housing and don't have a problem with returning workers.</p> <p>Q: Would it be helpful to hear from applicants if there are barriers they are running into when applying?</p> <p>A: It's definitely something I can start tracking as I'm hearing them. But, it would also be something I would love to hear about from this group.</p>
<p>Information Sharing</p>	<p>Brett S.: The Farmworker Housing Conference hosted by CASA every two years is scheduled for July 27th-29th in Hood River. Rural Development and HUD will be attending. There will be workshops and on-farm and off-farm housing tours in the Gorge area. Specifics are available on the CASA website. http://www.casaoforegon.org/</p> <p>Brett S.: What's the future of this body, why are we all meeting, are we getting what we want to get out of it, and if not, what should we be doing? We, as the committee members, need to make the meetings more useful. We should start being more proactive about what we want on the agenda, and what we want to accomplish? I downloaded the OAR that outlines the purpose of this meeting. (OAR 456.585(3)). Maybe it would be useful for members to look at it and start thinking about a plan. We can start the discussion today, but it might be a good agenda topic for our next meeting. Maybe we should come up with a plan of what we want to do in the next 18 months? What are the important things we want to talk about, what do we want to do as a committee?</p> <p>Karen S.: A few years ago when we developed a plan we had some goals that we actually met. We need to prepare for a legislative ask, prepare for work with the Housing Council, and prepare for greater advocacy work. We need to think of ways to more creatively use the tax credit around mixed use, and other ways, as well as documenting the need. Those are all things we need to pay attention to, and outline in a plan.</p> <p>Maralea L: The Ag workforce voice is much quieter than the low income housing voice. I think it would be great to form a legislative plan. How can we increase the 20 million dollars specifically for family? How can we get some of that money called out specifically for farmworker housing? Can we do that, if so, how do we go about doing it? Because if we're quiet we're not going to get any attention.</p> <p>Karen S.: One of the things that this group had been talking about for years was asking for a farmworker housing set aside.</p>

John W.: I would like to see some more mixed use.

Maralea L.: One of the challenges of that is documentation. Some of the housing requires documentation. It's harder to mix those populations together.

John W.: Just using the Ag credits locks them into a specific type of housing. If you're using it more creatively, and you're doing it off-farm, it makes a little more sense.

Brett S.: Or the concept of the American dream. You start off doing a lesser skilled farm work and then theoretically you want to move forward and get a better paying job and buy your own house and that sort of thing. For a lot of these programs, if you're living in farmworker housing, you're not eligible any more. That could become problematic potentially.

Maralea L.: Our newest project is in Woodburn, and the hope is that it will be split between farmworker and general low income housing so that the farmworker family can transition out of farmworker into low-income housing. Though it's proven to be an expensive project.

Theresa W.: Does it make sense for an individual to take ownership of the agenda? How do you see that working? I am very open to any ideas or thoughts you have. Maybe Brett could be responsible for developing the next agenda.

Fernando G.: We could take a look at the OARs and then come back to the next meeting and have a discussion.

Maralea L.: Maybe we set up a presentation about the Ag tax credit and then invite employers to come here and learn about it, learn the benefits, and ask questions. Or have employers come and talk more about what other benefits they can pass on to farmworkers.

Kathryn W.: Maybe it's an opportunity for our group to take a look at the tax credit program and review it; is it still current and relevant? It sounds like there are some challenges with it, and we could have some recommendations that could then be directed forward to the Director or to the Housing Stability Council.

Alexander T.: The Farm Bureau would be willing to collaborate through this group to retool HB 1593.

Agriculture Workforce Housing Facilitation Team

Action Items	<p>Karen S.: Follow-up with Roberto Jimenez regarding Intel.</p> <p>Fernando G.: Provide a breakdown of the employers who are required to pay into the system.</p> <p>Brett S.: Develop the agenda for the next meeting.</p>
Next Meeting	Thursday, May, 26, 2016 Oregon Housing and Community Services 10:00a-12:00p, Room 124B
Contact	Theresa Wingard, Planning and Policy Analyst, OHCS (503) 986-0999 theresa.wingard@oregon.gov

