

# SPECIAL Director's Message



## Oregon Housing and Community Services

March 27, 2020

Dear Partners,

We are all scrambling in response to COVID-19 to ensure our friends and neighbors can stay healthy. This is like nothing we have seen in our lifetime. New information is emerging at a rapid pace and we are doing our best to address personal health while working to ensure safety for those we serve.

OHCS has established guidance and an informational websites to reference as we navigate this crisis together. OHCS operations and some services have been impacted, as detailed in this message. We appreciate your partnership as we strive to provide essential services to the most vulnerable populations.

### **Public Guidance**

Governor Brown issued the [Stay Home, Save Lives Executive Order \(20-12\)](#) for the state. We have received numerous questions from our business partners about how the new Executive Order 20-12 applies to your organizations. The Executive Order lists specific types of businesses that are required to close their doors. At a high level, please be aware that any entity that provides for basic human needs is not subject to the order; and people sleeping outside will not be subject to enforcement based on the order. However, these organizations, are expected to practice appropriate social distancing measures and to adopt teleworking practices to the extent possible. Clarifying guidance, on Executive Order 20-12, for social service organizations and those experiencing homelessness can be found [here](#). We recognize the scope of this pandemic and the response needed is unprecedented.

We urge you to review and follow guidance provided by these agencies:

- [Centers for Disease Control and Prevention](#) – The CDC is the ultimate authority providing guidance and factual information on COVID-19.
- [Oregon Health Authority](#) (OHA) – serves as the lead agency for the public health response. The Office of Emergency Management (OEM) coordinates and supports state and local recovery efforts through the [Emergency Coordination Center](#) (ECC).
- [Oregon Occupational Safety and Health](#) – (OSHA) provides COVID-19 planning guidance based on traditional infection prevention and industrial hygiene practices. It focuses on the need for employers to implement engineering, administrative, and work practice controls and personal protective equipment (PPE), as well as considerations for doing so. [COVID-19 Job Site Practices](#) are available online.



## **Services Impacted by COVID-19 Health Crisis**

OHCS has prioritized operational modifications, in an effort to prevent the spread of the COVID-19 virus. Much like your agencies and so many across the nation, our agency is open but no longer permitted to accommodate face-to-face interactions with the public. Services across our divisions have been impacted.

We are working closely with the National Council of State Housing Agencies (NCSHA) to elevate and track the federal response. This includes receiving feedback from Housing and Urban Development, US Treasury, IRS and Health and Human Services on key program regulations, waivers and the like – and some statutory items NCSHA is working hard to push in a relief package that is being negotiated in Congress.

Some staff are essential to have on site at the OHCS office in order to access critical files and system access to keep services in place for our communities. These office staff are maintaining social distancing and other staff (non-essential to in office operations) are working remotely whenever possible. OHCS is following [CDC guidance](#) on health and safety for workplace operations. Additionally, our offices have closed to the public.

We hope you have seen the numerous Technical Advisories that have been sent out with updates on our program administration, deadline extensions and other significant administrative and regulatory flexibilities we have put in place to help our business partners address the crisis. This information is all located on the [COVID-19 Response](#) landing page on our website, and we will publish updates as they are available.

### **Weekly OHCS Statewide Communications Network Calls on COVID 19**

In order to provide the most up to date information from across OHCS related to COVID 19, the Public Affairs Division is hosting weekly Statewide Communications Network calls. **These calls will take place every Wednesday from 2pm-3pm for the foreseeable future. You can join by dialing 877-273-4202, Room code #: 8568528.**

## **Impacts to OHCS Divisions**

### **Affordable Rental Housing Division**

Affordable Rental Housing staff and leadership continue to respond to inquiries coming from partners and stakeholders. We continue to update our interim policies and procedures, as we are aware of situations that require accommodation.

The safety of our affordable rental housing tenants, partners, service providers and staff are of the utmost importance. With the revised measures in place, OHCS will continue to work with investment and development partners for the production of affordable housing currently in the pipeline, and for those planning to apply for resources. Some OHCS staff are working from our offices and others are set up to telecommute. The current circumstances may cause some delayed responses but we are committed to working with our partners.

- For new construction, we expect that project sponsors and their development team, including general contractors and their subcontractors, will continue construction and development. This includes the coordination of lease with their management agents with social measuring practices in place.



- For compliance as well as acquisition and rehab with tenants onsite, the priority is to keep residents safe, stable, minimize displacement and relocation.
- We have uploaded the [COVID-19 Job Site Practices](#) to help address questions related to projects currently under construction on our website.

To support this work OHCS Affordable Rental Housing Division is doing the following:

- **Survey:** The Division sent a survey out to our development partners that have transactions in our pipeline and those that submitted a pre-application to any of the open NOFAs to compile information about construction delays, financing closing delays, ability to move forward on new transactions, concerns about financial gaps that may arise during this time of COVID-19. We want to hear from you, so please respond to the [survey by Monday, March 30<sup>th</sup> at 5pm](#).
- **Partner call:** We will host a Partner Call on Monday, March 30<sup>th</sup> to get a sense of impacts on the affordable rental housing industry, project underwriting, construction delays, tax credit pricing, etc. We will also field questions related to the eviction moratorium, and rent increase policy. **This call will be held on Monday, March 30<sup>th</sup> from 3-4pm. To join us for this conversation, please call: 1-877-273-4202, conference room 4460912. If you have questions that you would like to provide in advance please email them to [ARH.HCS@oregon.gov](mailto:ARH.HCS@oregon.gov)**

See the **Future Communication Protocols** section below for more information about what to expect moving forward.

#### Evictions due to COVID-19

- You may have heard that over the weekend, Governor Brown rolled out [Executive Order 20-11](#), establishing for a short-term moratorium on evictions due to nonpayment of rent related to impacts of the COVID-19 health crisis. We are working closely with the Governor's Office, and the Governor has tasked OHCS to work with the lending industry. We are charged with finding ways to mitigate the potential harm to multifamily properties that will experience a loss of income that may be beyond available project reserves.
- OHCS participated in a conference call with a multitude of affordable rental housing lenders, Oregon Bankers Association, Credit Union Association, and the Oregon Department of Consumer and Business Services to talk about the impacts of the eviction moratorium and will continue this dialogue in the coming weeks and months.

#### HUD Project-Based Contract Administration Compliance

- In-person Management Occupancy Reviews (MOR) and file reviews have been suspended per HUD guidance.
- OHCS will continue to work with properties to close remaining MORs; please work closely with your HCA compliance officer and notify them of any issues meeting the required deadlines.
- Electronic signatures are allowable; please visit this [Technical Advisory](#) for more information.

#### OHCS Portfolio Compliance Inspections

- OHCS has currently suspended in person file and physical inspections through April 30, 2020. Electronic file inspections will continue as usual to the extent that established practices allow this to happen.



- We encourage all management entities to work toward the adoption of practices that allow this work to happen electronically with maintained social distance. For more information, visit the [Technical Advisory](#) posted on our website.

#### **OHCS Portfolio Annual Income Recertifications for LIHTC:**

- OHCS will allow a 60-day delay on Annual Income Recertifications (through May 17<sup>th</sup>), in order to allow property management to implement practices for meeting this requirement in a way that limits the need for personal contact. Management entities must submit an explanation of this delay in recertification and bring all units into compliance following this 60-day period.
- This does not apply to initial income certifications, which are expected to be done as required per program regulations.

#### **OHCS Portfolio Financial Reporting**

- We have updated financial submission guidelines to establish statewide financial measures that can be utilized to help ensure successful property operations. Project financial submission extended deadline for July 15, 2020 to coincide with the new IRS tax deadline. We will continue to monitor the situation and make changes as needed. More information is available on our website [here](#).

**Required Construction Progress Site Inspections:** These inspections are conducted at active construction sites with HOME and Housing Trust Fund funding or where OHCS is the primary funder. Please contact Kevin Burgee with any questions or concerns: [Kevin.Burgee@oregon.gov](mailto:Kevin.Burgee@oregon.gov)

- Until further notice from the Department, interiors of occupied dwelling units are not to be included in the inspections.
- Other areas of the construction that may be of concern may be exempted if the project owner or the OHCS Inspector deem the proposed area to pose an unreasonable risk of COVID-19 exposure to themselves or others.
- We have uploaded the [COVID-19 Job Site Practices](#) to help address questions related to projects currently under construction on our website.

**HOME/HTF Inspections for Award Closeout:** These inspections are conducted at construction completion to begin close out of the funding award. Please contact Kevin Burgee with any questions or concerns: [Kevin.Burgee@oregon.gov](mailto:Kevin.Burgee@oregon.gov)

- OHCS hereby suspends conducting any additional inspections until further notice.

**HOME/HTF File Monitoring for Award Closeout:** These monitoring s are conducted to close out the funding award. Please contact Kevin Burgee with any questions or concerns:

[Kevin.Burgee@oregon.gov](mailto:Kevin.Burgee@oregon.gov)

- Until further notice, all closeout file monitoring will be completed as desktop reviews (files sent to OHCS).

#### **2020 Funding Solicitations Update**

OHCS has extended the deadlines for NOFA submissions. We heard from project sponsors and development teams that are focusing to respond to the COVID-19 crisis, implementing new protocols and educating residents.

- The 9% LIHTC, HOME and GAP NOFA due dates have been delayed from April 24, 2020 to May 22, 2020. Given scheduled bond sales to fund identified projects: 2020-2 LIFT Rental and 2020-3 LIFT Homeownership NOFA will still be due on April 24<sup>th</sup> 2020.
- Capital Needs Assessments (CNA) accompanying current NOFA applications as well as non-competitive funding applications normally require interior unit inspections per OHCS'



Core Development Manual. These interior unit inspections may be omitted at the time of application for any occupied units (vacant units should still be inspected).

- OHCS will not be conducting site visits in advance of funding reservation. In lieu of these visits, OHCS will rely on the site review checklist form required as part of the pre-application for funding and will include any site visit requirements that are deemed necessary as a condition of reservation.

### **Future Communication Protocols**

In an attempt to keep our partners and stakeholders informed and provide opportunities to receive feedback, the Affordable Rental Housing Division will be putting the following communication protocols in place:

- We will host separate conference calls once a month with our developer stakeholders; owners and management agent stakeholders; lender community; and investor community. We will be putting together a schedule, so please be on the lookout for a notice.
- Staff will be drafting responses to FAQs that will be coming in through an OHCS COVID-19 mailbox and distributed weekly. The OHCS COVID-19 FAQ email address is [HCS.COVID-19FAQ@OREGON.GOV](mailto:HCS.COVID-19FAQ@OREGON.GOV).
- We will be participating in the weekly Statewide Communications Network Call to provide any updates and seek input on the impacts of the health crisis.
- Staff will be updating our Interim COVID-19 policy direction Technical Advisories on a regular basis as needed.
- You may also see surveys from the division in an attempt to continue to collect data on the impacts of the COVID-19 pandemic on the affordable rental housing industry.

## **Housing Stabilization Division**

We know many partners and community leaders are stepping up to assist the homeless population during the crisis. Please note a new grant opportunity from the National Health Care for the Homeless Council and Kaiser Permanente. These [Immediate Impact Grants](#) can provide resources to those serving people experiencing homelessness in the midst of this pandemic.

### **Homeless Services**

OHCS has developed a COVID 19 homeless response plan which includes both prevention and preparedness activities:

- Over \$3 million is being deployed to transition winter shelter to social distancing shelters and hand-washing stations, funds will also be invested in supporting COVID 19 strategies at the local levels. We are working closely with homeless shelter providers to extend funding to assist them to convert, where possible, to social distancing and to add capacity for needed hygiene measures.
- OHCS released COVID-19 [operations guidance for shelter providers](#) and homeless service. This includes clarifying that some OHCS resources can be used for sanitary supplies.
- Emergency Housing Account (EHA) program requirements will also be modified to allow for optimum flexibility and administrative ease. Please watch for a technical advisory.
- Community Action Agencies' Budget Change Requests should be considered so that 2019-21 remaining balances can be optimized to slow the spread in your community. OHCS is working with the Governor's Office, Congress, and the State Legislature to secure additional funding to further support COVID 19 response efforts.



- OHCS is in active communication with other states, taking heed on lessons learned and adapting measures based on the needs of Oregonians.

### **Energy and Weatherization Services**

Energy and Weatherization has created historic levels of flexibility within Oregon Energy Assistance Program (OEAP) to allow for eligibility to be determined via technology rather than requiring in person interactions. We are working with the National Energy Assistance Director's Association and the US Department of Health and Human Services to amend our LIHEAP state plan to increase flexibility during the crisis.

## **Homeownership Division**

OHCS Homeownership Division is watching the COVID-19 economic impact closely. Our programs continue to operate business as usual at this time.

**Partner call:** We will host a Partner Call on Wednesday, April 1<sup>st</sup> to During to discuss programs that can assist consumers during this COVID 19 crisis. We will have a variety of staff on hand to review key topics, provide updates, and answer questions you may have. **This call will be held on Wednesday, April 1<sup>st</sup> from 1-2pm. To join us for this conversation, please Call: 631-992-3444, Conference Room. If you have questions that you would like to provide in advance please email Kim Freeman at [Kim.A.Freeman@oregon.gov](mailto:Kim.A.Freeman@oregon.gov).**

### **Oregon Bond Residential Loan Program**

The financial markets have been a roller coaster over the last few weeks. Despite this turmoil, the Oregon Bond Residential Loan Program remains open for business. If you have questions about our homeownership loan programs, please contact [Christofer.Knight@oregon.gov](mailto:Christofer.Knight@oregon.gov).

### **Foreclosure Prevention**

The Oregon Homeownership Stabilization Initiative (OHSI), seeded following our nation's last financial crisis, is set to wind down soon. We are working with our federal funder, US Treasury, to determine the potential to extend program deadlines. In the midst of this economic crisis we must continue this important resource and prevent home foreclosures. Please visit [OHSI's website](#) for more information.

## **Equity and Racial Justice**

As you know, an integral part of our [Statewide Housing Plan](#) is a commitment to equity and racial justice. OHCS will work with our partners to identify specific challenges and inequities facing communities of color. Sadly, in our nation's history, we have seen too many instances of communities of color being disproportionately impacted by man-made and natural disasters. We are committed to increasing our awareness as we respond to the crisis.

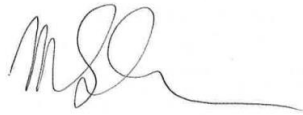
Later this week OHCS will hold a call for the Agricultural Workforce Housing Facilitation Team to discuss the specific impacts on agricultural workers. We welcome any feedback you may have on this or other efforts.

Thank you for remaining firm in your commitment to Oregonians. Many rely on these programs to ensure their safety and well-being of their community. As we move to emphasize prevention and preparedness regarding containment of the COVID-19 virus, please know that you have OHCS'



support in developing alternative practices to delivering services in a way that offers the greatest safety to clients and staff. Please send any COVID 19 related questions through the [OHCS COVID 19 FAQ link](#).

Best Regards,

A handwritten signature in black ink, appearing to read 'MSL', with a long horizontal line extending to the right.

Margaret Solle Salazar, Director

