

SPECIAL Director's Message



Oregon Housing and Community Services

May 11, 2020

Dear Partners and Stakeholders,

The Governor's Office has asked state agencies to send over proposed scenarios for cuts to General Fund programs for the 2019-2021 biennium. Reduction plans will give the Governor a series of options to consider during these uncertain times. A few points of clarification around the data:

- One currently vacant position is proposed to be cut. No other staff position cuts are proposed because those positions are directly associated with fixed costs of program delivery. Additionally, the vast majority of OHCS positions aren't paid for by General Fund dollars.
- Any cuts to OHCS programs are difficult to make during a time when Oregonians are facing increased need for critical services as a result of the COVID-19 pandemic. The lion share of OHCS's proposed cuts came from a new program. Although we would strongly prefer to retain this funding, OHCS prioritizes funding directly related to COVID response services including rental assistance, sheltering resources and foreclosure avoidance.

The May 20 revenue forecast will help determine whether the state will need to implement this level of cuts. As we learn more about the magnitude and duration of the economic impact resulting from the COVID-19 outbreak we will continue to be responsive in updating our partners about potential revenue impacts. OHCS will continue to prioritize funding directly related to COVID response including rental assistance, sheltering resources and foreclosure avoidance. In any scenario, Oregon Housing and Community Services will work to respond to the diverse needs of community stakeholders while continuing to prioritize critical poverty prevention programs and services to assist Oregonians during these unprecedented times.



Reductions to General Fund Appropriations

OHCS chose to propose cuts to the following programs thus preserving funding for COVID-19 response services

Program Area	Total Amount in Budget	8.5% Required Cut
Housing Choice Landlord Guarantee Program	310,920	35,687
Greater Oregon Housing Accelerator	5,000,000	5,000,000
Total - Agency Discretion	59,243,374	5,035,687

OHCS was required to propose 8.5% reductions to the following programs

Rapid Re-Housing, Umatilla Flood Relief	1,500,000	127,500
Rental Market Resources	3,000,000	255,000
Affordable Housing, Umatilla Flood Relief	2,000,000	170,000
Manufactured Home Park Infrastructure	3,000,000	255,000
Manufactured Home Park Preservation	9,500,000	807,500
Manufactured Home Replacement & Decommissioning	2,500,000	212,500
Manufactured Home Park, Umatilla Flood Relief	4,000,000	340,000
Regional Housing Needs Assessment (HB 2003)	655,274	55,698
Total - No Agency Discretion	26,155,274	2,223,198
Total Cuts	85,398,648	7,258,885

Best Regards,



Margaret Solle Salazar, Executive Director

