

Permanent Supportive Housing (PSH)

Program Factsheet

<p>Program Summary</p>	<p>Permanent Supportive Housing (PSH) is a best practice and proven strategy to successfully house people experiencing chronic homelessness. Members of these households often have complex needs including mental illness, substance use, and chronic physical difficulties alongside of their experience of long-term homelessness. The OHCS PSH Program combines three elements: the development of permanently affordable housing, comprehensive tenancy support services, and project-based rental assistance. OHCS-funded PSH must be affordable to households with extremely low incomes and must provide pre-tenancy services, housing retention support and other wraparound services. PSH services are designed to effectively support communities' most vulnerable populations in reaching long-term housing success. PSH is a key resource for people who, without support in their tenancy, may not be successful in maintaining stable housing and who, without housing, may not be as successful in utilizing services to achieve and maintain recovery, health, and wellness.</p>
<p>Background</p>	<p>In 2019, the Oregon Legislature authorized and committed general obligation Article XI-Q bonds and State General Funds to fund permanent supportive housing projects. The funds are for development of PSH units (capital financing) and for on-going operations (rent assistance and tenancy support services). This funding allows Oregon Housing and Community Services (OHCS) and its partners to add to the supply of affordable housing for households experiencing chronic homelessness.</p>
<p>Eligibility/Project Requirements</p>	<ul style="list-style-type: none"> • The capital funding source requires the State of Oregon to loan the funds and hold an appropriate operational interest in the Project. This is satisfied in part, by an Operating Agreement, Declaration of Restrictive Covenants, and a Project Management Agreement. • To apply for funds through the PSH NOFA, project teams must have attended and completed the annual Oregon Supportive Housing Institute, a technical assistance and training institute conducted by OHCS' partner and contractor, Corporation for Supportive Housing. • PSH Capital funds are for the creation of permanent supportive housing rental units via new construction, rehabilitation, or acquisition/rehabilitation. • The affordability period for PSH projects is a minimum of 30 years from the end of the year that the Project is placed in service. The loan may be repaid at the end of the affordability period, or if at the end of the 30 year affordability period, the owner chooses to extend the affordability period for another 30 years, the loan is considered satisfied and no repayment is required. • All units funded with PSH Capital funds will be restricted at 60% AMI rents.



	<ul style="list-style-type: none"> • Tenants must be earning at or below 60% AMI at the time of initial lease. • PSH tenants must be assessed as chronically homeless by their Continuum of Care and developments must utilize their region's Coordinated Entry system to fill PSH units. • PSH tenants cannot be asked to pay more than 27% of their income towards rent, therefore project-based rental assistance is required for all PSH projects. • All funded Projects must provide on-site comprehensive tenancy support services, which must be voluntary and adhere to Housing First guidelines.
<p>PSH Services and Project-Based Rental Assistance</p>	<ul style="list-style-type: none"> • The Oregon Legislature has provided resources for project-based rental assistance (PBRA). The funding source for these resources are considered "current service level" funding and are expected to be renewed every biennium. For the purposes of financial modeling, applicants should assume that these project-based rents will reimburse up to 60% AMI rents and will subsidize the gap between tenant income-based rent and 60% rents, even if tenant incomes are as low as \$0. Guidelines for the Project-Based Rental Assistance Program can be found on, here: PSH-Rent-Assistance-Framework.pdf (oregon.gov) • The Oregon Legislature has provided resources for PSH Services Funding. The funding source for these resources are considered "current service level" funding and expected to be renewed every biennium. PSH services are designed to effectively support communities' most vulnerable populations in reaching long-term housing success. Rooted in the Housing First philosophy, tenancy support services are voluntary and resident-led (meaning PSH residents direct their own path to housing stability), and residents are not required to engage in any service (e.g. substance use treatment, health care, mental health, etc.) to access or maintain their housing. PSH Services funding is capped at \$10,000 per unit per year for PSH projects. Guidelines for the PSH Services Program can be found here: PSH-Services-Framework-2.0.pdf (oregon.gov)
<p>Fund Availability</p>	<p>Applications for PSH program funding, including PSH PBRA and Services Funding, are accepted as part of the department's Notice of Funding Availability (NOFA) application process. Please contact OHCS for more information regarding the NOFA process and timing for the PSH NOFA. PSH Program PBRA and Services Funding are also offered in 9% LIHTC, Veterans GHAP, and Small Projects NOFAs.</p>
<p>Learn More</p>	<p>Visit webpage for full program details at: https://www.oregon.gov/ohcs/development/Pages/permanent-supportive-housing.aspx</p>
<p>For more information, please contact:</p>	<p>Contact: Dana Schultz, Program Analyst Phone: (971)272-5579 E-mail: dana.schultz@oregon.gov</p>