

STATE OF OREGON
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
PERFORMANCE EVALUATION REPORT

Grant #B-04-DC-41-001
for the period
January 1, 2010 to December 31, 2010

Prepared By:
Oregon Business Development Department
Infrastructure Finance Authority

2004 ACTIVITY REPORT

Narrative for Accomplishments

Instructions for the 1994 PER (CPD-94-23) require states to report accomplishment measures (e.g., persons benefited) only for activities that address the Low- and Moderate-Income national objective. Proposed Accomplishments are reported for each funded activity that addresses the Low-and-Moderate-Income national objective. Actual Accomplishments are reported for Administratively Closed and Closed projects.

Accomplishments for activities that meet the Slum and Blight or Urgent Need national objectives are to be reported in a separate narrative.

Slum and Blight - There was one 2004 award for a slum and blight project made to the City of Roseburg for the clearance and demolition of a downtown building, project number P04016. The total award was \$175,463 of which \$15,000 was for local administration. In 2006 the award was increased by \$124,537 for a total of \$300,000. This project is split funded between 2004 and 2006 funds.

Urgent Need -There were no projects awarded that meet the urgent need national objective.

Homelessness, Chronic Homelessness and Persons with Special Needs

In accordance with CPD Notice 07-06, a summary of the CDBG funds used to address homelessness, chronic homelessness and persons with special needs is provided below. FFY 2004 funds were utilized as follows:

C07030 – Klamath County – Phoenix Place Mental Health Treatment Center. The recipient combined their local match of \$774,616 with \$800,000 of CDBG funds from the following fiscal years allocations:

- 2004 - \$407,169.07
- 2007 – \$298,706
- 2007 Program Income – \$94,124.93

This facility is anticipated to serve 641 persons, of which 404 persons will be low and moderate income during their first year of operation.

C03033 – Marion County – Rock West Mental Health. The recipient combined their local match of \$346,699 with \$600,000 of CDBG funds from the following fiscal years allocations:

- 2003 – \$171,000
- 2004 – \$429,000

This facility is anticipated to serve 109 persons, of which all 109 will be low and moderate income during their first year of operation.

C09003 – City of Roseburg – Homeless Shelter. The recipient combined their local match of \$728,000 with \$800,000 of CDBG funds from the following fiscal years allocations:

- 2005 –\$738,759.73
- 2007 Program Income – \$773.68
- 2008 Program Income - \$60,466.61

This facility is anticipated to create 6 beds which will serve 70 persons, of which all 70 will be low and moderate income during their first year of operation.

Part II Narrative Requirements

A. Statutory Requirements of Section 104(e)

1. Assess the relationship of the use of funds to the state's objective. Explain the nature of and reasons for any changes in the program objectives.

The state obligated its Program Year 2004 funds for activities in accordance, as much as possible, with the targets set in the 2004 Annual Action Plan for the Oregon Consolidated Plan, as amended.

CATEGORY	FUNDING TARGETS- \$ AMOUNT	FUNDING TARGETS %	ACTUAL FUNDING- \$ AMOUNT*	ACTUAL FUNDING- %
Community Facilities	5,157,730	32.0%	2,152,771.00	13.1%
Sub Grant to OHCS:				
Housing Rehabilitation	3,411,939	21.0%	3,786,474.00	23.4%
Housing Centers	450,000	3.0%	117,833.00	0.7%
Public Works	5,157,730	32.0%	3,341,027.73	21.0%
Microenterprise Assistance	300,000	2.0%	263,483.00	1.6%
Economic Development	1,608,600	10%	0	0%
Totals	\$16,085,999	100.0%	\$9,661,588.73	60.0%

* As of December 31, 2004 \$6,424,410.27 of the 2004 program Year funds were unobligated to recipients. In addition, Oregon Housing and Community Services overspent their allocation by \$42,368. The unobligated funds are reserved for pending projects in the Community Facilities and Public Works Categories to be awarded within the 15 month Timely Distribution period under the 2005 Method of Distribution.

2. Indication of how the state would change the program as a result of its experience.

Due to the reduction in the number of eligible communities to receive block grant funds on an areas wide basis, based upon the 2000 census data, the state has had difficulty obligating the funds to recipients. To make the program less restrictive and hopefully more accessible the proposed Method of Distribution for 2005 Community Development Block Grant funds has some significant changes from the 2004 program year.

- A. The application threshold requirement that projects need to be listed in the top ten prioritized projects on the local governments needs and issues priority list was eliminated.
- B. The financial review requirement was eliminated for water and wastewater preliminary engineering/planning grants and a \$150,000 maximum grant limit was applied.

- C. The public works project maximum grant limit was increased from \$750,000 to \$1,000,000. The maximum grant per residential connection was increased to \$20,000.
 - D. The requirement for public works projects to be necessary to achieve compliance with the safe Drinking Water Act or Clean Water Act has been modified. From January 1 – June 30 the Department will only accept applications from projects necessary to achieve compliance. From July 1 – December 31 the Department will accept applications for projects that are not needed to achieve compliance.
 - E. Adult learning centers were added as eligible facilities to be funded under the community/public facilities category.
 - F. The community/public facility maximum grant limits were increased from \$300,000 and \$600,000 to \$500,000 and \$800,000, respectfully.
 - G. The economic development section now allows for the establishment of economic development revolving loan funds. The 2005 Method of Distribution was amended to do this. The thirty-day public comment period started January 14, 2005 and ended February 14, 2005.
3. Evaluate the extent to which the program benefited low- and moderate-income persons. For the selected benefit period (2003-2004-2005), 99.44% of the state's CDBG funds were obligated to activities benefiting low- and moderate-income persons. Of the funds obligated under the state's 2004 program, 99.06% of the project funds benefit low and moderate income persons.

B. Summary of Activities and Results from Technical Assistance Funding

The state's 2004 program included the use of CDBG funds for the technical assistance allowed by Section 811 of the Housing and Community Development Act of 1992. As of December 31, 2010, all of the \$166,865 1% funds from the 2004 allocation had been obligated and expended.

- 1. Fair Housing Training. A technical assistance grant was awarded to the Oregon Fair Housing Council to support workshops designated to educate communities and landlords on fair housing issues and requirements.
- 2. Fair Housing Posters and Brochures. The state printed updated fair housing posters and brochures and distributed them to the Fair Housing Council of Oregon and city and county grant recipients.
- 3. Grant Recipient Technical Assistance Materials. The state completed a comprehensive update of the December 2007 edition of the Grant management/technical assistance handbook. The technical assistance project included printing of hard copies, distribution by mail of hard copies, and generation of an electronic version of the handbook for web posting. This handbook is distributed to all grantees as a source of technical assistance in

- complying with all the Community Development Block Grant program requirements.
4. Northwest Economic Development Sponsorship and Course. A grant was provided to the Washington State Community Trade and Economic Development Department for 2007 training scholarships. The scholarships are offered to rural Oregon community representatives who want to attend this training.
 5. Northwest Community Development Institute. A grant was provided to the Northwest Community Development Institute for 2007 training and scholarships. This effort helps to train rural community development professional in Oregon, Idaho and Washington.
 6. Rural Development Initiatives. A grant was provided to Rural Development Initiatives for 2009 training and scholarships. This training helps to train rural Oregon community development professionals, community development practices.
 7. CDBG Workshops. The Department held a one-day Grant Management Handbook workshop in Salem, OR on February 12, 2008. The Department also held a half-day workshop in Salem, OR on February 13, 2008 with concurrent “Applicants” and “Labor Standards” sessions. Approximately 90 persons participated in the workshops on both days THIS WILL BE REPORTED IN THE 2008 PER NARRATIVE AS AN ACCOMPLISHMENT FOR 2008. The funds were also used to provide attendance scholarships for very low income communities and counties.
 8. CDBG Technical Assistance Set-Aside. During 2007 the State set aside \$100,000 of the CDBG 1% funds to develop, during 2008, a CDBG Technical Assistance program to assist grant recipients with the completion of their projects.
 9. State Administration. Starting in FY 2004, states may expend up to \$100,000 + 3% of their annual allocation on state administrative costs. In 2006 the state reserved the right to use the flexibility. All CDBG 1% funds used for state administration will be matched 1:1 with funds from the Departments Special Public Works Fund.

Part III Compliance with Applicable Civil Rights Laws

A. Applicant and Beneficiary Ethnicity/Race Information

In accordance with the 1994 PER instructions, the state will provide data on all applicants and beneficiaries in projects funded from each grant allocation. Information must be reported for each project activity and must indicate the number of persons benefiting by ethnicity and racial groups as defined by U.S. Census. The ethnicity and racial group categories from the 2000 Census were expanded from the required data that needs to be collected under the 1994 PER instructions. Once, Housing and Urban Development amends the 1994 PER instruction to require the addition of this revised ethnicity and racial group information collected during the

2000 census it will be included in the PER report for all projects administratively closed after the date of Housing and Urban Developments revised PER instruction.

RACE GROUP	Total from FY 2004 Grant	Total from Program Income	Combined Total
White not Hispanic	32,058	0	32,058
Hispanic	3,532	0	3,532
American Indian/Alaskan Native	611	0	611
Black not Hispanic	184	0	184
Asian and Pacific Islander	260	0	260
TOTAL	36,645	0	36,645

Ethnicity/Race data is tabulated for all administratively closed or closed projects in the non-entitlement areas of the state using FY 2004 funds. Eight (8) projects funded in whole or in part with 2004 grant funds were administratively closed during the reporting period ending December 31, 2010, creating 57 projects either administratively closed or closed. When these projects are administratively closed, the ethnicity/race data will be reported in successive year's PERs 2004 Grant Year Activity Reports as indicated in the table above for each project and totaled for all projects funded with 2004 grant year funds.

B. Summary of state's reviews of recipient's civil rights performance

The State reviews the civil rights performance of its 2004 recipients as part of its regular monitoring procedures. These include either an on-site review or an internal file/ desk audit of all projects. A standardized monitoring checklist is used for this process. 2004 grant year recipients monitored during the reporting period generally complied with the civil rights performance requirements for Community Development Block Grant recipients. There are no findings or corrective/remedial actions to report.

C. State and local efforts, actions and results in affirmatively furthering fair housing.

Three state agencies administer programs that serve to further fair housing for Oregon's people.

The Oregon Business Development Department (OBDD), which administers Community Development Block Grant funds for the state's non-metropolitan cities and counties, educates its recipients about their fair housing responsibilities in several ways including: 1) presentations at workshops, 2) an updated comprehensive Grant

Management Handbook, 3) provision of informational handouts, posters, and brochures, and individual technical assistance, as needed or requested, and 4) sending recipients notices of workshops or conferences which address fair housing issues.

The Oregon Housing and Community Services Department (OHCS) is active in the promotion of fair housing. They operate many programs, including HOME. Owners of projects assisted by OHCS are required to develop marketing plans that include outreach activities targeted to minorities and other protected classes. The first component of the fair housing planning process is to review impediments to fair housing choice in the public and private sectors. A copy of the study was included with the 1997 Annual Performance Report. OHCS is in the process of updating the Analysis of Impediments to Fair Housing in order to revise the Action Plan to Affirmatively Further Fair Housing for incorporation into the next five year Consolidated Plan for Oregon.

The Bureau of Labor and Industries Civil Rights Division (BOLI) is responsible for investigation and resolution of fair housing complaints are handled in Oregon. BOLI processes all cases involving alleged discrimination based on race/color, religion, sex, physical or mental handicap, marital status, and national origin. The agency does not investigate situations involving discrimination based on family status but does assist individuals to file complaints with HUD.

Local fair housing efforts of state recipients using 2004 funds include but are not limited to: publicizing fair housing laws, participating in local fair housing events, displaying posters, distributing brochures, and being a participating sponsor of the Fair Housing Council of Oregon display and training sessions.

In 2004, the Oregon Business Development Department and Oregon Housing & Community Services continued their contracts with the Oregon Fair Housing Council (FHCO) (July 1, 2003-June 30, 2004) and July 1 – December 31) established to provide activities to assist the State to implement the State's Fair Housing Plan. Each agency contributed \$25,000 to FHCO to continue fair housing activities beginning July 1, 2004 through December 31, 2004 period. These activities include conducting the annual statewide Fair Housing poster contest involving elementary schools; publishing a Fair Housing newsletter; providing fair housing advice and information to service agencies and local government; conducting public outreach to inform residents about fair housing rights and responsibilities; collecting complaints and providing information to individuals facing housing discrimination; and displaying the Fair Housing exhibit around the state.

D. Summary of State and Recipient Actions to Use Minority and Women-Owned Businesses in Carrying out CDBG-funded Activities

The state encourages grantees to make contracts awarded under CDBG grants available to minority and women-owned businesses. Through the Grant Management Handbook and training given to recipients, the state describes the various ways that contracting opportunities can be made available to minority and women-owned businesses. Some examples include dividing larger contracts into smaller portions

that can be bid on by smaller firms, or directly soliciting proposals or bids from lists of certified minority and women-owned businesses.

The Grant Management Handbook (revised March 2010 and February 2011) provides forms that grant recipients use to collect and report their efforts to the state. The state will report in future PERs, for each allocation, on the use of minority and women-owned businesses, and on Section 3 activities by its recipients.

E. Equal Employment Opportunity Data for the Oregon Business Development Department

The Oregon Business Development Department maintains the employment data required by the Equal Employment Opportunity Commission (EEOC) on an EEO-4 form. The form is not included in this report but is available from the department.

Part IV Additional Requirements for the Consolidated Annual Performance Report (CAPER) End of Program Year Reporting.

A. Assessment of the Consolidated Plan Strategic Vision and the Three-to Five Year Goals and Objectives

The following is intended to report on the results of the state's work to address Strategies of the 2001-2005 Consolidated Plan. Only those strategies and performance measures that impact the CDBG program are included in this section. The other strategies and measures will be reported on elsewhere in the CAPER.

Strategy One: Promote an adequate supply of quality, affordable, appropriate rental housing for very low-, low- and moderate-income individuals and families, including persons with special housing needs.

Performance measurement: Assist in the development of approximately five annual rental housing (50 total units) projects targeted toward households at 80% or below the Median Family Income through the investment of CDBG funds for off-site infrastructure improvements.

Results: In 2004, no CDBG Off-site infrastructure projects were funded. The projects brought forward in 2004 did not meet the criteria for funding.

Strategy 2: Maintain and preserve in good condition the supply of affordable housing units.

Performance Measurement: Assist approximately 6-8 communities to carry out housing rehabilitation projects targeted to families at 80% or below Median Family Income. Use OHCS funding to augment the CDBG funds and develop regional housing centers to serve people in rural communities.

Results: Ten (10) Regional Housing Rehabilitation Programs were funded in 2004 for single-family home rehabilitation projects within the lead applicant's jurisdiction. Each Regional Program consists of at least three city and/or county jurisdictions.

These Programs are expected to fund rehabilitation of 201 single-family homes within the lead applicant's jurisdiction as indicated below:

Grant Number	Recipient	Number of Units
HR401	Baker County	20
HR402	Coos County	19
HR403	Detroit	19
HR404	Douglas County	29
HR405	Harrisburg	20
HR406	Jackson County	15
HR410	Lane County	15
HR407	Lincoln County	22
HR408	Pendleton	21
HR409	Vernonia	21
	TOTAL	201

Results: In 2004, Four (4) Regional Housing Centers were funded to provide Information and Referral Public Services regarding affordable housing programs serving the low/mod income population of the jurisdictions participating in each Regional Housing Center Program. These Centers are expected to serve 4,175 low and moderate income clients as indicated below:

Grant Number	Recipient	Number of LMI
HC405	Douglas County	450
HC407	Lake County	450
HC403	Coos County	475
HC409	Yamhill County	2,850
TOTAL		4,175

Strategy 4: Support and facilitate an active and effective regional Continuum of Care planning and delivery system focusing on a comprehensive approach to housing and service delivery to people who are homeless and near homeless.

Performance Measurement: Fund a maximum of 10 projects per year, (for example: homeless facilities, Headstart, senior centers, transitional facilities, facilities for abused children or severely disabled adults) that serve persons at 80% or less of Median Family Income.

Results: 5 projects were funded in 2004 that help carry out this strategy.

Grant Number/Recipient	Facility / Project Type	Number
C04017 North Bend	Medical Clinic Services	1
C04010 Columbia Co.	Family Resource Center	1
C04012 Tillamook	Domestic Violence Shelter	1
C03033 Marion Co.	Mentally Handicapped Training/Shelter	1
C04008 Newberg	Child Development Centers-Headstart	1
	Total	5

Strategy 5: Identify and address the barriers to affordable rental housing, support services, and shelters.

Objective 1 Performance Measurement: Statewide Fair Housing Plan published separately by spring 2002.

Objective 2 Performance Measurement: Support fair housing education and outreach activities that increase compliance with all aspects of existing law through continued sponsorship of regional fair housing workshops and the annual Fair Housing Conference as outlined in the Fair Housing Action Plan.

Performance Measurement: Increase the collaboration on fair housing issues between the housing industry organization, OHCS, OBDD, and fair housing advocacy groups as outlined in the Fair Housing Action Plan.

Results: In 2004, OBDD continued to support fair housing activities by providing funds to the Fair Housing Council of Oregon (FHCO) (see description of work in Part III.C. of this 2004 report), printing fair housing brochures and providing them to CDBG recipients and the Fair Housing Council, and requiring grant recipients to take actions to further fair housing in rural communities.

Strategy 8: Support community infrastructure planning and project development to accommodate sustainable economic growth and non-housing community development.

Performance Measurement: Reinforce development of well-planned projects in approximately 20 communities per year for project development, through the application process, workshops, and technical assistance.

Performance Measurement: Assisting or making 10 CDBG awards per year to improve primarily water and sewer systems that bring systems into compliance to correct health hazards and/or enhance community economic development.

Results:

In 2004, the department processed 61 infrastructure project intakes from cities, counties, water and sewer districts. Of these project intakes 34 were developed and funded by department funds. Of these 34 projects 21 were funded with other department funds (non-CDBG).

In 2004, (13) CDBG awards were made to city and county jurisdictions. The following table illustrates the (3) downtown revitalization projects, (5) wastewater projects, (4) microenterprise projects and (1) water system project.

Grant Number	Recipient	Project Type
P04018	Albany	Downtown Revitalization
P04014	Aumsville	Downtown Revitalization
P04016	Roseburg	Downtown Revitalization
P03032	Butte Falls	Wastewater Project
P04011	Brownsville	Wastewater Project
P04009	Clatsop County	Wastewater Project
P04005	Glendale	Wastewater Project
P04020	Yoncalla	Wastewater Project
M04001	Grants Pass	Microenterprise
M04013	Lincoln County	Microenterprise
M04015	Philomath	Microenterprise
M04021	Roseburg	Microenterprise
P04019	Lane County	Water Project

Strategy 9: Actively seek opportunities to use state investments to help people achieve a higher quality of life and to help communities achieve a higher level of livability and sustainability.

Performance Measurement: Continue holding “One Stop” meetings to coordinate state, federal, and local funding strategies for specific infrastructure and community development projects. Begin holding as many of these meetings at the regional level as possible, rather than solely in Salem. The measure will be a report on the number of meetings held.”

Results: During 2004, monthly “one stop” meetings were held in Salem to discuss projects with 24 communities along with other state and federal funders. These

meetings were held with cities, counties, special districts and economic development organization and were attended by many community officials and staff. Meetings were held in Salem due to restrictions placed on state department travel budgets because of state budget problems. In 2001, the department had initiated efforts to conduct most “one-stops” in communities through out the state. In the future when state budget problems are resolved, it is hoped to be able to resume “one-stop” meetings around the state since they were received well by local partners.

Performance Measurement: Where possible, standardize funding program policies and application forms to improve the accessibility of state and federal funding programs to users. The measure will be a report on the specific actions taken.

Results: The Oregon Business Development Department continued to use a standard application form and staff recommendation form originally developed in 2001 for the Community Development Block Grant Program as well as several other funding programs: Safe Drinking Water (federal), Special Public Works Fund (state), Water/Wastewater Financing (state), Port Revolving Loan Fund and Port Planning & Marketing Grants (state), Brownfields Redevelopment Fund (state), and Old Growth Diversification. The new form eliminates the need for applicants to fill out separate forms to request funds from different programs.

Performance Measurement: Increase the number of documents and forms available through agency websites, to give citizens and communities easier access to information. The measure will be a report on the specific actions taken.

Results: Beginning in 2002, the Oregon CDBG program began the use electronic forms for applicant and subrecipient use. Although not yet available on the department’s website, electronic fillable application forms and cash reimbursement request forms were made available. As in the past, the proposed 2004 CDBG Program Guidelines were placed on the web site and were replaced with the final 2004 CDBG Program Guidelines after approval by federal Department of Housing and Urban Development. Similarly, the proposed and final 2004 CDBG Program Guidelines were also placed on the department’s website. During 2005, the Department plans to work on placing the CDBG Grant Management Handbook on the website.

In 2003, the Oregon Business Development Department continued to develop a new project application and management database, called PRISM. However this data base is no longer being pursued and will be replaced with a new data base called EPIC. The system will eventually enable applicants to prepare and submit most of their funding requests electronically and to check the status of their funding requests. At the same time, the system will provide a consistent source of information for department performance reports.

Strategy 10: Help enhance and strengthen local government capacity and that of other community groups to develop creative ways to identify, address, and manage community development projects and maximize the use of resources available to the community.

Performance Measurement: Invest state resources, including CDBG funds, in leadership training, skill building, and capacity building for local and regional organizations. The measure will be a report on the actions taken or awards made to local communities for capacity building.

Results: Two grant awards were made in the 2004 program period that clearly support local capacity and leadership building. The awards were from Community Development Block Grant Technical Assistance for Capacity Building to support attendance at community development workshops and to assist communities to meet their obligations to affirmatively further fair housing:

Grant recipient	Project Name	Grant amount/Source
Washington State Community, Trade, and Economic Development Dep't.	Scholarships for the Northwest Economic Development Course	\$5,000 (CDBG 1%)
Fair Housing Council of Oregon	Fair Housing Action Plan	\$25,000 (CDBG 1%)

In addition to the above grants, the Oregon Business Development Department operates a Competitive Community Assistance program to provide funding for a variety of activities to increase local capacity development, decision-making and project implementation. For the 2003-2005 biennium, \$600,000 is available to fund task orders requested by local communities to use contractors, selected through a competitive RFP process, to help local leaders solve locally identified problems or capitalize on locally-identified opportunities.

Performance Measurement: Use the state's Regional Community Solutions Teams to work with local officials to develop coordinated solutions to local or regional problems. These teams will be involved in helping local official find the resources to build livable communities.

Results: In 2001, By Executive Order, previous Governor Kitzhaber created the Community Solutions Team (CST) comprised of the directors of the five CST agencies: Land Conservation and Development, Oregon Housing & Community Services, Oregon Department of Transportation, Department of Environmental Quality, and Oregon Business Development Department. The Governor also created regional CST teams throughout the state composed of staff from each of the five CST agencies. The regional CST teams met at least once a month to coordinate major projects and discuss specific community projects. Team members often successfully worked together to resolve issues stemming from conflict of agency programs or regulations in a local project or situation.

In 2003, the Oregon Legislature created the Governor's Economic Revitalization Team (GERT) consisting of the previous five CST agency directors plus the directors of Oregon Department of Agriculture and Division of State Lands and authorized the staffing out of the Governor's Office. Oregon's new Governor Ted Kulongoski committed to maintaining and enhancing the collaborative approach to problem

solving previously implemented by the CST program and transferred existing CST staff to the new GERT Office.

More information about Oregon's Economic Revitalization Team, including updates on regional GERT team activities can be viewed at www.gert.oregon.gov/.