



OHCS Draft 2023 Legislative Agenda Stakeholder Survey Results

Background

In early May, OHCS released its draft 2023 legislative agenda [online](#) and through webinars focused on the agency's three primary programmatic areas: Affordable Rental Housing, Homeownership, and Housing Stabilization. Following the webinars, the agency invited stakeholders to participate in a survey to:

- Gauge levels of support for the draft agenda overall,
- Gather specific feedback on the proposed legislative concepts and policy option packages (POPs or investment requests), and
- Identify stakeholders that are working on similar or complementary efforts for future collaboration.

OHCS will use the survey results to refine the legislative concepts and investment requests before submitting the agency's request budget at the end of the summer. In addition, the feedback received, and connections made through the survey will be valuable as the agency moves into the legislative session in 2023. If funds are approved, OHCS will again work with our partners as resources are programmed and deployed.

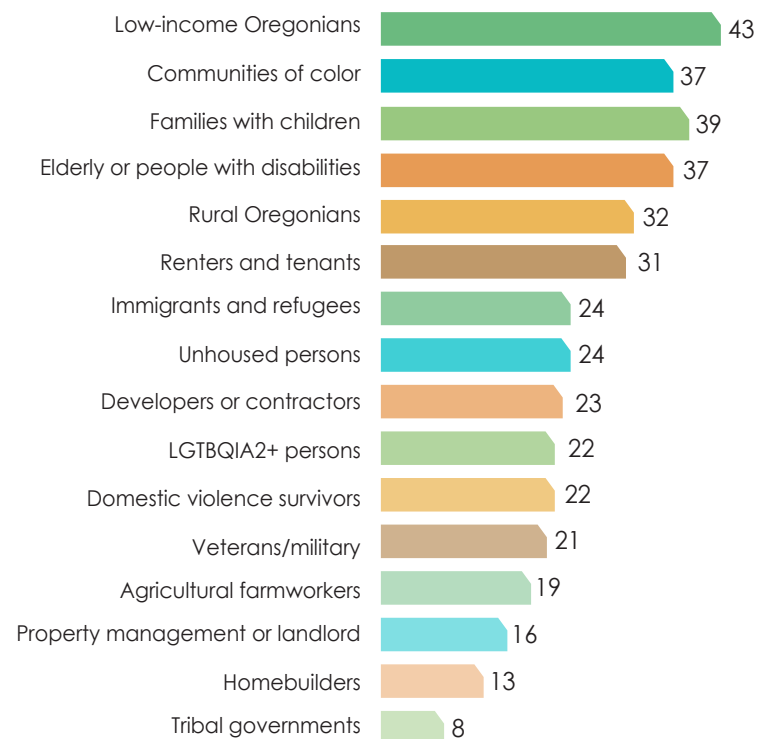
Survey respondents*

Over 150 people started the survey, and we received 56 complete responses. Only one partial response has been included in this analysis, as the other incomplete surveys only contained their name and organization information. Nearly all respondents, except for five, represented an organization. The chart to the right includes the populations served or represented by survey respondents. Additionally, 50% of the participating organizations self-identified as part of the Housing Alliance Coalition.

*Respondents could self-select multiple communities represented in their work.

Communities served and/or represented in survey respondent's work

Respondents could self-select multiple communities



The Big Picture: Overall Investments

“Preservation of expiring rent restricted properties. If we cannot save the existing portfolio across the state, then we are not making real progress with new construction.”

“Today’s new development is tomorrow’s preservation requirement.”

“Funding for rural housing services infrastructure is often insufficient to site, staff, and support quality local programs and services. Many rural communities perceive OHCS’ efforts as prioritizing the City of Portland’s (or Multnomah County’s) concerns and requests over all other local jurisdictions.”

“We recommend more investments to develop new homeownership opportunities so that the supply issues the state is facing can be addressed. The racial gaps in homeownership are a central issue in the state’s conversation about equity, so we should be funding the work addresses this issue head on.”

View from the ground: Recommendations for OHCS leadership

Given recent unprecedented housing resources and the increased attention to Oregon’s long-standing housing crisis, we asked respondents to elevate the most critical housing matters they see from their vantage point. The analysis of responses identified the following themes.

1. Flexible funding and capacity building

While the Training and Technical Assistance (T&TA) survey will provide more detail about what organizations specifically need, longer-term and more flexible funding was a key theme from our partners in this survey. Respondents were clear that they need flexible funds and long-term funding, coupled with regular support or engagement from OHCS to develop solutions appropriate to local needs.

2. Cost escalations in the development of housing

Several respondents shared that rising construction costs, inflation, rising interest rates, zoning, and the overall land cost make building housing, particularly affordable housing, challenging. Partners suggested increasing investment in the Land Acquisition Program.

3. Support for LIFT Rental and Homeownership

Respondents mentioned the LIFT program throughout the survey, and many comments in the homeownership section expressed concern about not including LIFT Homeownership in the budget request. A few comments noted the intersection between pairing LIFT to leverage capped federal resources (Private Activity Bonds).

4. Maintaining housing stability for renters

Respondents were excited to see proposed investment in long-term rental assistance. They also emphasized the great need for additional investment in Permanent Supportive Housing (PSH) and resources for long-term funds that will allow organizations the capacity to provide support services. These investments would ensure ongoing stability for those in shelter or PSH.

5. Preservation of existing affordable housing

Oregon’s lack of overall housing inventory is widely acknowledged. Many respondents pointed out that preserving current affordable housing must happen in parallel with new housing investments if Oregon is to make meaningful gains. There were some specific comments around requiring permanent affordability, but most preservation comments were in support of additional preservation as a tool for housing stability.

6. Support for rural communities

Rural communities continue to experience unique challenges accessing funds, resources, and labor for building. The organizations working in rural communities noted that the cost of land or materials often outpaces wage growth and job availability in rural areas.

Striking the Right Balance

We asked respondents to indicate whether the draft agenda strikes the right balance of meeting the foreseeable needs of Oregonians across the housing continuum in the next biennium, while taking into consideration the full agenda.

64% of respondents said we were striking a good or okay balance with our 2023 legislative agenda. Respondents could select between 1-5, and the average score was 3.1.



To strike a better balance, respondents recommended increasing investments in:

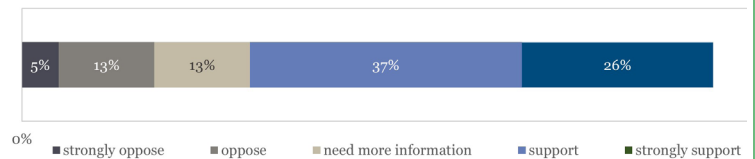
1. New homeownership opportunities
2. Land Acquisition Program and other initiatives that help developers and housing providers compensate for rising costs.
3. Investment in homeownership development, generally, including strengthening LIFT program funding.
4. Partners want more coordination with one another. They would like OHCS to act as a convening agency, and want to provide feedback on OHCS programs early and often.

In considering the overall draft agenda, we received many responses focusing on homeownership - many indicated the need to increase investments in down payment assistance, LIFT, and funds to develop new homeownership opportunities.

In contrast, other respondents suggested investing less in homeownership and redirecting those funds to shelter, eviction prevention, or land acquisition. A handful mentioned increasing investments in Permanent Supportive Housing and long-term funding. Several people mentioned increasing eviction prevention resources and long-term rent assistance. Consistent with the “view from the ground” question, folks want more investments in rural areas for rural organizations to build capacity and/or build more housing.

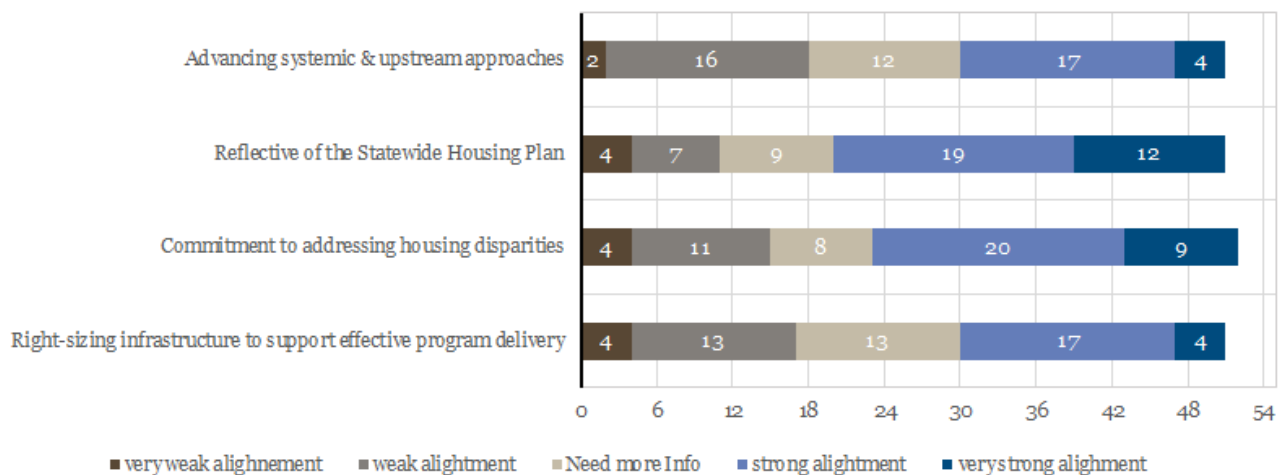
Over 60% of survey respondents support OHCS’ Draft 2023 Legislative Agenda

Indicate your overall level of support for our 2023 Agency Budget



Just over 50% of respondents think our agenda closely aligns with our Statewide Housing Plan and shows a commitment to addressing housing disparities.

Considering the agenda overall, please indicate how aligned you think this agenda is with each of the following guiding principles



Agencywide Investments

Most of the agencywide feedback came at the beginning of the survey with a few questions about the general housing needs that leadership should be aware of. The need for training and technical assistance funding, particularly long-term funding, was common throughout the survey.

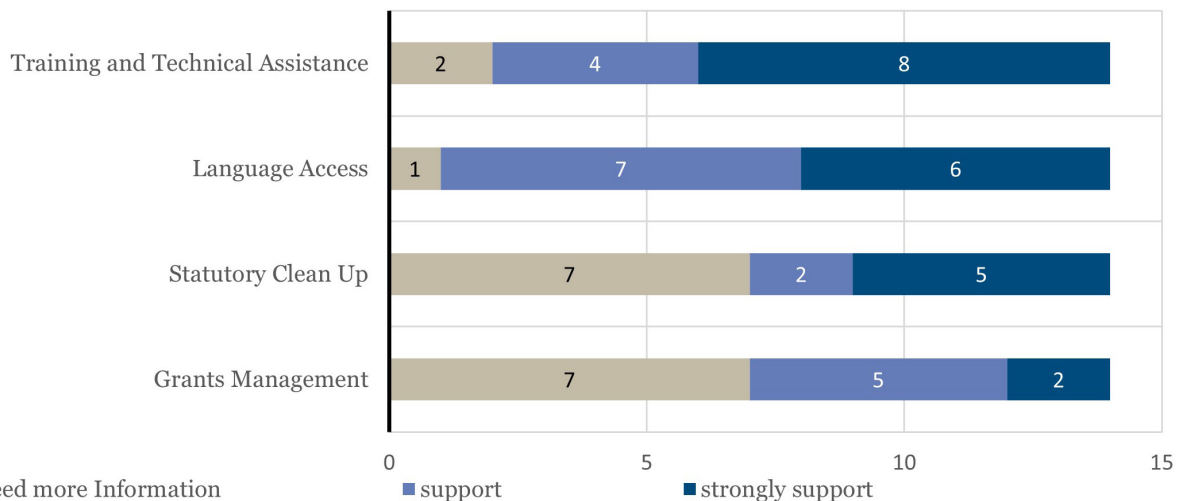
The themes for agency-wide policies aligns with the requests for all other sections at the agency. Our partners clearly want to see us prioritize:

- **Affordability for housing**
Whether developers, housing providers, renters, or those hoping to purchase a home, partners want solutions to the affordability crisis that plagues everyone across the housing continuum.
- **Longevity and sustainability**
Our partners want us to ensure our programs are sustainable for the long-term and can be administered with thoughtful care and evaluated for efficacy over time.
- **Community engagement and racial equity**
Partners want to be engaged early and often. Whether it's to help design a program or provide feedback on the specifics of a bill that will impact them, our partners are eager to be creative thought partners.

“We recognize it is too early to see details for these concepts, but the details are where partners will have specific feedback. Obviously, we understand a statutory cleanup bill is needed, but advocates and partners must see specific details (i.e., language changes) to be able to provide substantive feedback. Ample time will be needed to digest proposed changes and understand the proposed scope and feedback. We would strongly encourage OHCS not to wait too long to share specific language.”

Agencywide POPs

14 respondents



Affordable Rental Housing Division: stakeholder feedback



Concern for rising costs of developing affordable rental units is a clear theme in this year's survey. It is present in the overall questions and specific questions for the Affordable Rental Housing (ARH) POPs. Permanent Supportive Housing and the Preservation Package received the greatest support from our partners, and a good number of stakeholders are working on similar concepts. The PAB legislative concept, CARE (Co-location of Affordable Rental Housing and Early Care & Education), and Family Self Sufficiency for Section 8 tenants had the most questions and lower support. Twenty-four individuals commented on these investment requests.

1. Development Costs

Rural communities have trouble attracting developers. Construction and land costs are escalating beyond what developers can afford, and market-rate salaries are not competitive enough to attract staff. Even so, many folks support the Land Acquisition Program and want to see even more investment to address the ever-rising cost of purchasing land and development.

2. Private Activity Bonds and Low Income Housing Tax Credits (LIHTC)

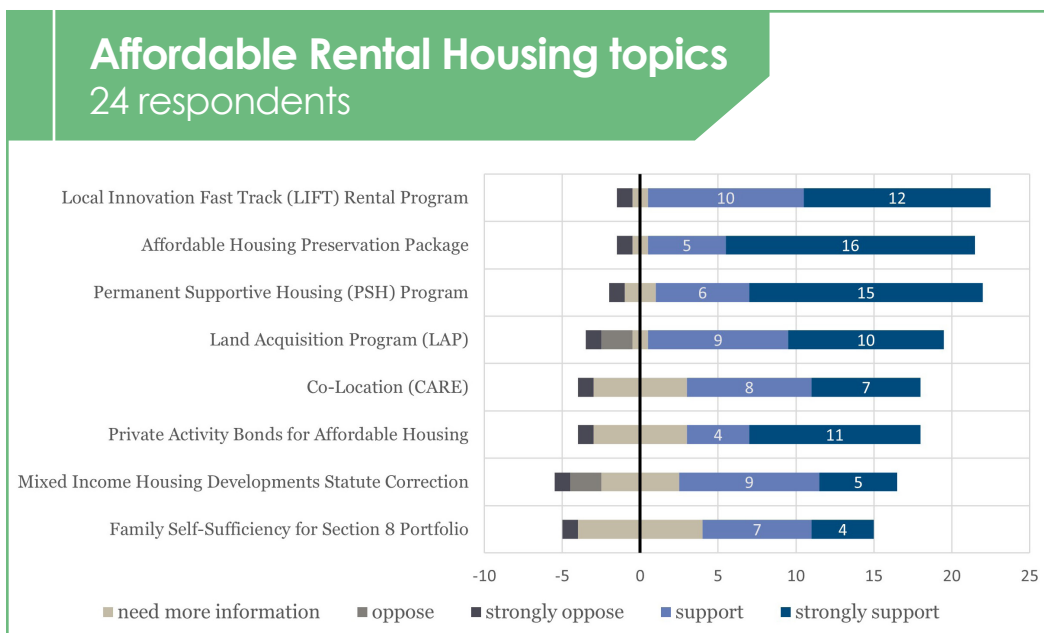
Commenters mentioned the need for more coordination, better alignment with local funding processes, and transparency and clarity around the PAB prioritization, availability, and allocation. This section had specific comments around LIHTC and PAB application burdens, suggestions around program design, differing incentives, 4% LIHTC being competitive, and how we deploy our resources.

3. Long-term preservation

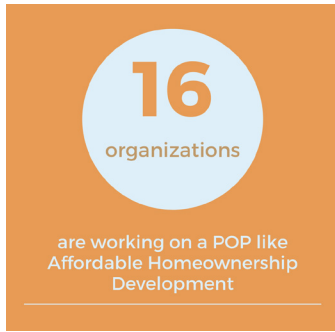
There is concern about the longevity of program administration and funding allocation. This theme is present here and across the agency - whether it is around environmental sustainability, preservation of affordable units into the future, or long-term funding for PSH. This agency request focuses on durability and longevity; our partners want to see that play out in the future.

“Construction costs are erratic and unpredictable - combined with rising interest rates and falling tax credit pricing, developers will need more public subsidy than ever before. We appreciate OHCS's nimbleness in allocating MCOF funds - this may need to continue.”

“The first of the three guiding principles includes the words sustainable, resilient, and systemic, which calls for the Dept to institutionalize preservation policies, practices, and funding - after all, every new AH project built becomes tomorrow's preservation need.”



Homeownership Division: stakeholder feedback



Homeownership programs also dominated much of the agency-wide conversation. While LIFT was undoubtedly a big topic, there were other themes, including continued investment in down payment assistance, increased funding for housing counselors, and Individual Development Account (IDA) (although there were a few unsupportive comments on IDAs) and continued concerns around the FLEX lending program. Many partners are working on programs similar to Affordable Homeownership Development. Twenty-five individuals commented on homeownership investment requests.

1. Partners did not support excluding LIFT for Homeownership

Organizations elevated the concern that the new development program would not address racial equity as consistently. There was also concern that the LIFT program would no longer be accessible to homeownership developers.

2. Support for Foreclosure Assistance

Respondents mentioned support for foreclosure assistance and homeowner counseling numerous times. One respondent shared concern about the timing of distributing the current counseling funds, but there is overall support for the investment.

3. Homeownership gap for people of color

Comments primarily related to LIFT and the current understanding that LIFT works well to advance homeownership opportunities for families of color, most of whom live in the metro areas of the state.

4. Concern for long-term sustainability

There is much concern about long-term sustainability, both for OHCS and the programs we administer. There is also concern about whether the homeownership opportunities developed with public funds will remain permanently affordable.

5. Increasing costs of building

Like feedback for affordable rental housing topics, we heard the cost of building, including manufactured housing, has increased significantly in the last few years, which is a significant concern for our partners. Our partners want more investment in affordable homeownership development and manufactured housing.

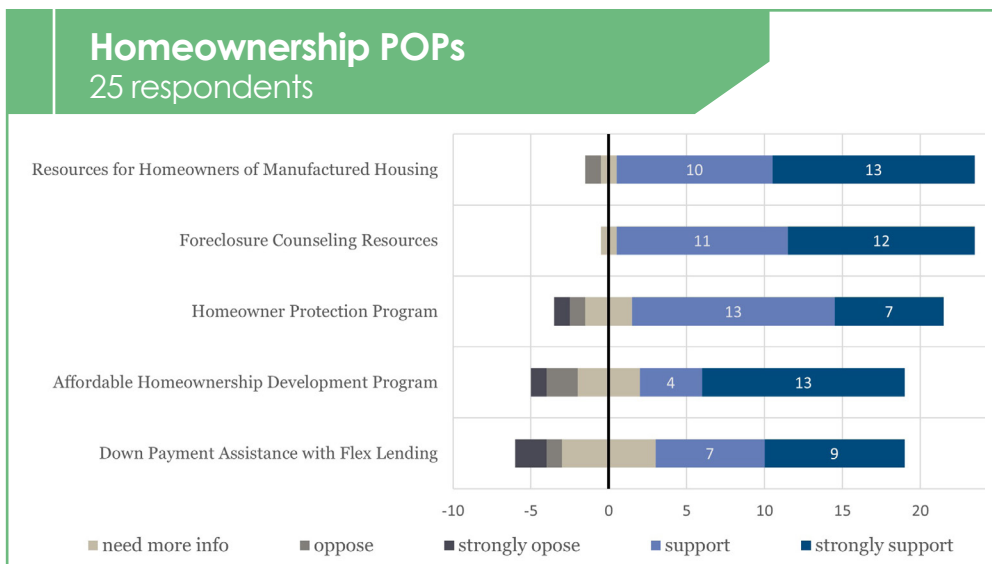
"The announcements of the revolving loan fund and the phasing out of LIFT signals to community-based partners either or both

1) a lack of communication with nonprofit partners and/or

2) a preference to fund projects launched by for-profit entities.

Community-based, nonprofit homeownership development organizations are highly valued partners who can and actively are serving individuals at 30-60% AMI, which are community members that for-profit entities cannot reach.

Leaving these community partners out of the conversation constitutes a disservice not only to these partners, but also to the community members they serve and provide with homeownership opportunities."



Housing Stabilization Division: stakeholder feedback



Almost all the responses in this section addressed shelter services, eviction prevention, or the Individual Development Account (IDA) program. There was clear support for nearly all the investment requests, although the Long-Term Rental Assistance POP had the most requests for additional information and clarity. A few organizations said they are working on similar investments to both Eviction Prevention and IDA concepts. Twenty-five people responded to the questions in the survey's Housing Stabilization Division section.

1. Longevity and sustainability of programs

Many folks raised the need to address the housing continuum by creating a "comprehensive approach" that involves more long-term funding. Additional funding would allow organizations to administer programs consistently and sustainably, as well as evaluate, adjust, and re-administer over time.

2. Shelter and needs of tenants

Organizations continue to need resident services to support the people they provide services to. Project Turnkey was specifically called out as needing long-term funding as a newer, innovative shelter approach (this is consistent with the first theme of longevity).

3. Eviction Prevention and Rent Assistance

Survey respondents would like to see OHCS continue to invest in eviction prevention, permanent supportive housing, and long-term rent assistance. Whether wanting to learn more about the long-term pilot program, or the difficulties in equitably administering eviction prevention resources, there are opportunities for us to learn how to support our partners in administering these programs effectively.

4. Individual Development Account (IDA) Investment

Many people commented on the importance of continuing to strengthen the IDA investment by making it recurring funding for partners. Overall, there is much support for continued IDA investments.

"On-going emergency rent assistance for affordable housing providers: Residents of affordable housing, especially unassisted affordable housing, experience emergencies and have difficulty paying their rent. It would administratively be so much easier if affordable housing providers had a small internal fund for emergency rent assistance to prevent lease enforcement for nonpayment of rent."

"Require targeted investment of Eviction Prevention Resources toward people most likely to lose housing - whether by census tract, racial equity, or other factors. Otherwise, nobody will do that. I hate to see funds get dispersed to primarily low-income/middle-class white folks who have other resources they can rely on to help them stay housed."

