



**State of Oregon
Consolidated Plan
2001-2005**



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**EQUAL OPPORTUNITY
HOUSING**

State of Oregon

Consolidated Plan

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State of Oregon
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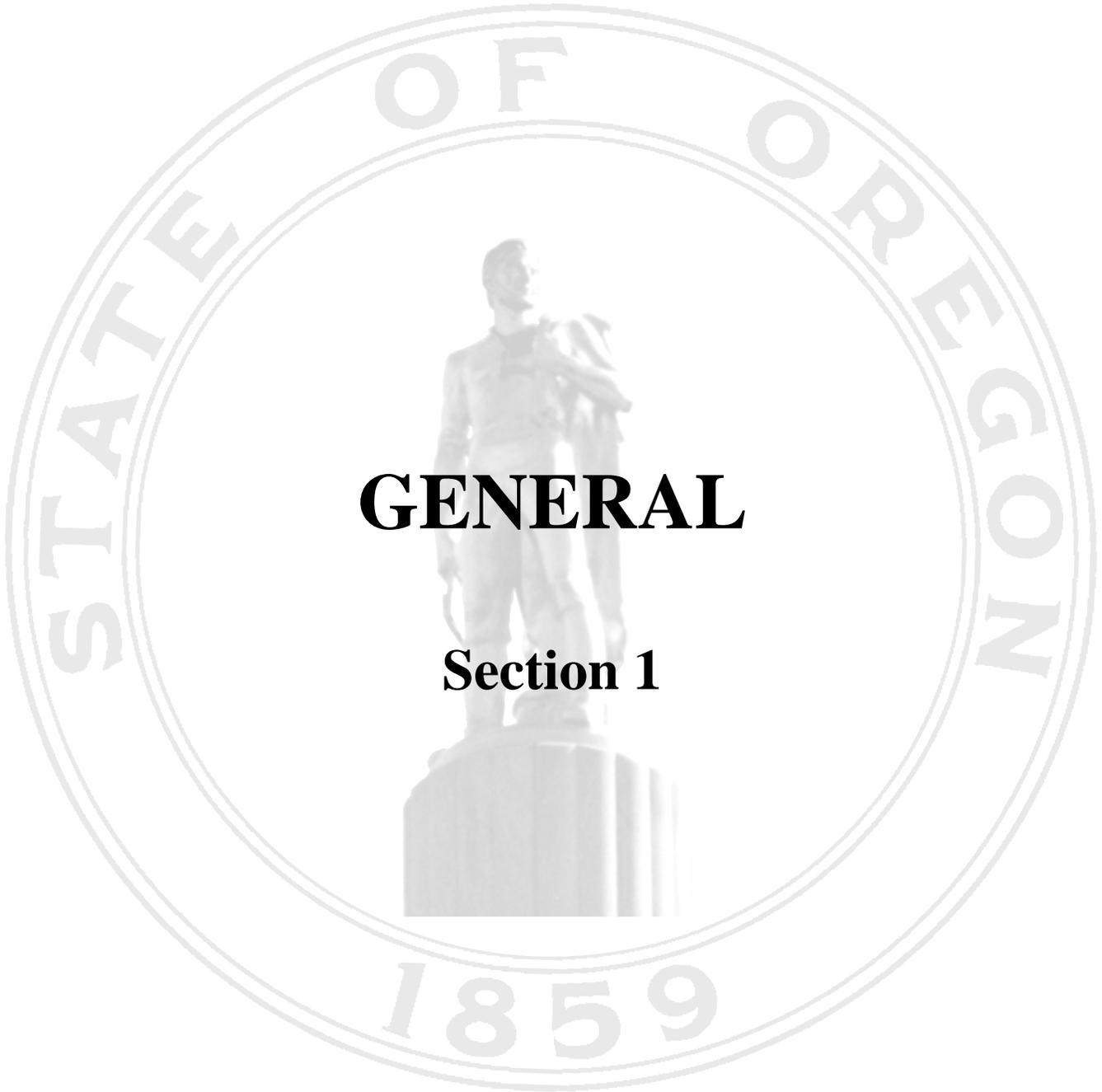
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GENERAL

Section 1

Section 1: General Information

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SECTION 1: GENERAL INFORMATION

PURPOSE AND SCOPE

The *FY 2001-2005 State of Oregon Consolidated Plan (Plan)* for Housing and Community Development is a comprehensive planning document identifying the State's needs in housing, community, and economic development. The US Department of Housing and Urban Development (HUD) requires the State to complete a Consolidated Plan to receive federal funds for the application and use of four formula grant programs:

- Community Development Block Grant (CDBG) Program
- HOME Investment Partnerships (HOME) Program
- Emergency Shelter Grant (ESG) Program
- Housing Opportunities for People With AIDS (HOPWA) Program

The Housing and Community Development Act, as amended, and the National Affordable Housing Act, as amended, are the statutes governing the federal grant programs covered by the *Plan*. The goals discussed in those statutes are the same goals that guide development of the *Plan*:

1. Provide decent housing

- Assist homeless persons to obtain appropriate housing
- Assist those threatened with homelessness
- Retain the affordable housing stock
- Make available permanent housing that is affordable to low-income people without discrimination
- Increase the supply of supportive housing for people with special needs

2. Establish and maintain a suitable living environment

- Improve safety and livability of neighborhoods
- Increase access to quality facilities and services
- Reduce isolation of income groups within an area through decentralization of housing opportunities and revitalization of deteriorating neighborhoods
- Restore and preserve properties of special value for historic, architectural or aesthetic reasons
- Conserve energy resources

3. Expand economic opportunities for Oregonians, particularly for low- and very-low income people

- Create jobs accessible to low-income people
- Empower low-income persons to achieve self-sufficiency to reduce generations of poverty in federally assisted public housing

The *Plan* replaces the Comprehensive Housing Affordability Strategy (CHAS), which focused mainly on housing. This initiative encourages holistic community development planning, and reduces an administrative burden by combining the planning requirements of the four programs.

Covering all rural, non-entitlement areas of the state, the *Plan* establishes funding priorities for these programs, outlines strategies, and identifies a one-year action plan for program implementation. Through compliance with this planning requirement, the State of Oregon receives about \$27 million annually in federal funds for activities related to infrastructure, community facilities, and economic development and housing initiatives in Oregon's non-entitlement communities. Entitlement jurisdictions (Clackamas County, Washington County, Multnomah County, Salem/Keizer, Portland, Corvallis, Eugene/Springfield, Medford, and Ashland) complete their own Consolidated Plans. These urban areas are eligible for an additional \$35 million for the same type of community development activities.

The grant programs directly covered by the Consolidated Plan include:

Community Development Block Grant (CDBG) Program. CDBG funds can be used for activities such as housing, public services, community facilities, public improvements, economic development, and community revitalization.

HOME Investment Partnership Program. The HOME program is authorized under Title II of the National Affordable Housing Act for the purposes of expanding the supply of affordable housing for low- and very low-income families with an emphasis on rental housing; building state and local nonprofit capacity to carry out affordable housing programs; and providing coordinated assistance to participants in the development of affordable low-income housing.

Emergency Shelter Grant (ESG) Program. ESG funds can be used for the rehabilitation or conversion of buildings into homeless shelters. This program also may fund certain related social services, operating expenses, homeless prevention activities, and administrative costs. HUD allocates ESG funds annually based on the formula used for the CDBG.

Housing Opportunities for Persons with AIDS (HOPWA) Program. This is the first time Oregon has included the HOPWA program in the Consolidated Plan. At the time of this Plan's writing, Oregon's application for HOPWA funding had not been approved. The discussion of HOPWA is included in anticipation of the award of program funds. HOPWA funds are targeted to low-income individuals with AIDS or related diseases and their families. HOPWA funds may be used to support a wide range of services and housing activities. Supportive services must be provided as part of any housing funded by HOPWA.

Although it serves as the planning document for only four HUD-related programs (HOME, CDBG, ESG, and HOPWA), the *Plan* offers Oregonians the opportunity to look at their communities comprehensively. The Oregon process fuses the public policy discussion of the four physical aspects of community development: housing,

infrastructure, facilities, and economic development. While other aspects are also critical to a whole, healthy community, bringing the planning efforts of these four community elements together in a single policy discussion is a major goal for this document.

Strategies and recommendations were developed with public input and consultation from advisory groups, local community leaders, concerned citizens, nonprofit organizations, advocacy groups, the private sector, and representatives of state and federal agencies.

PARTICIPANTS AND CONSULTATIONS

LEAD AGENCY

Oregon Housing and Community Services (OHCS) is the State of Oregon's housing finance agency. OHCS provides financial and program support to create and preserve opportunities for quality, affordable housing and supportive services for moderate-, low-, and very-low-income Oregonians. OHCS' housing finance programs include a single-family mortgage program, multi-unit programs, grants and tax credits to promote affordable housing. OHCS community service programs include funding for antipoverty programs, homeless shelters, a self-sufficiency program, and rental assistance. OHCS was created in 1991, when the Oregon Legislature merged the Oregon Housing Agency with State Community Services. The coordination between housing and services creates a continuum of programs that can assist and empower lower-income individuals and families in their efforts to become self-reliant.

OHCS works with members of local communities in designing plans and projects for their own communities while helping community members develop linkages with existing programs and private/public partnerships. OHCS produces the *Plan* for housing and community development needs.

Oregon Economic and Community Development Department (OECDD) partners with OHCS to jointly prepare and submit the State of Oregon *Plan*. OECDD invests lottery, federal, and other funds to help communities and regions build a healthy business climate that stimulates employment, enhances quality of life, and sustains Oregon's long-term prosperity. OECDD administers the CDBG program funds received under the *Plan*.

CONSULTING ORGANIZATIONS

Preparation of this Plan involved the cooperation and support of many groups. There were opportunities to discuss the planning process and ask for information at scheduled meetings and conferences.

Table 1-1. Participating Agencies, Organizations and Groups				
Local Government and State Agency		Conference Participants from the following Meeting	Groups & Organizations	
Council of Governments	Department of Human Services	Oregon Fair Housing Luncheon	Legal Aid Services of Oregon	St. Vincent DePaul
County Commissioners	Office of Developmental Disabilities	HUD Community and Interfaith Partnership Conference	Community Development Corporations	CASA of Oregon
Oregon Congressional Delegation	Oregon Economic and Community Development	Disabilities Advisory Council Conference	Community Action Agencies	
Community Partnership Team	Senior & Disabled Services	Oregon Coalition of Housing and Homelessness Conference	Fair Housing Council of Oregon	
City Planners	Adult & Family Services	Oregon Housing Conference	American Association of Manufactured Homes	Mailing lists*
Commission for the Blind	Office of Alcohol & Drug Abuse	Citizens of Oregon during April-May 2000 information gathering workshops held statewide	Rural Oregon Continuum of Care Committee	Oregon Adult & Family Services
Employment Department	Vocational Rehabilitation		Oregon Manufactured Housing Group	Oregon Economic & Community Development
Adult & Family Services Regional Offices	Office of Mental Health		Housing Authorities	Oregon Housing & Community Services
City Managers	Senior Services			
	Health Division			

THE PUBLIC PROCESS FOR THIS PLANNING CYCLE

In addition to capitalizing on existing meetings, networks, and conferences, a small team consisting of staff from OHCS, OECDD, and HUD was formed to conduct information gathering meetings around the state. Between February and April, 2000 the team held 13 public forums to consult with stakeholders, conduct focus groups (Listening Posts), and review new data and comments from interested parties in order to prepare the FY 2001-2005 Consolidate Plan Market Analysis, Needs Assessment, and Strategic Plan. Focus groups were scheduled and conducted to collect information and insights into the needs of Oregon communities.

The result of these input sessions was this “master plan” for affordable housing and community development throughout the state. For the consultation component, OHCS chose to optimize the many partnerships developed over the last five years. Because of the established networks, there were many opportunities during the planning process to interact and consult with our partners during regularly scheduled meetings and conferences. Some of those occasions were:

- Affordable Housing and Homelessness Conferences
- Oregon Economic and Community Development Department meeting with experienced CHDO directors
- House Oregon Steering Committee Meeting
- Oregon Fair Housing Conferences and Luncheons
- Oregon Regional Continuum of Care Network Meetings
- Community Development Block Grant Advisory Committee Meetings

Lead-Based Paint Discussions

One area of growing concern is the lead-based paint abatement challenge facing Oregon. OHCS is in discussions with a number of agencies as a plan is developed to eliminate lead-based paint hazards in the state. OHCS had estimated the number of units at risk throughout the state and has estimated the number of assessments and abatement projects it will undertake each year. Discussions are on-going with private landlords to hammer out maintenance clause language for TBRA contracts. OHCS has been working with the Oregon Health Division to certify staff at local partner agencies throughout the state. OHCS has met with and will continue to meet with the two largest building trade organizations in the state, the Oregon Remodelers Association (ORA) and the Oregon Building Industry Association (OBIA) to coordinate efforts on training and participation of contractors in lead hazard control efforts.

Notice of Community Development Planning Activities

An introductory notice was published in statewide and local area newspapers. The same notice was distributed to approximately 1,000 entities to announce the consolidated planning process. Also included in the mailing was a preliminary timeline showing proposed activities, the public comment period, and dates and locations of the focus groups.

The mailing list included:

- Elected Officials
- Local Government Officials
- Port Authorities
- Oregon Association of Community Development Organizations
- CDBG Recipients
- Oregon Law Center
- Community Housing Development Organizations
- Rural Development Commission
- Councils of Governments/Development Districts
- Community Action Agencies
- Oregon Universities
- Community Colleges
- Agriculture Related Organizations
- Department of Labor
- Veteran's Groups

- Bankers Association
- Homebuilders Association
- Foundations
- Governor's Community Solutions Teams

This notice received exceptional response. Service providers, organizations, associations, civic leaders, planners, developers, tribes, state and federal agencies came forward to participate.

**Figure 1-6. NOTICE OF COMMUNITY DEVELOPMENT PLANNING ACTIVITIES
(EXAMPLE)**

The Oregon Housing and Community Services and Oregon Economic and Community Development Department are preparing the FY 2000-2005 Housing and Community Development *Plan*. The Plan addresses needs and sets investment strategies for federal and state programs:

- Community Development Block Grant (CDBG)
- HOME Investment Partnership Act (HOME)
- Emergency Shelter Grant (ESG)

A significant change occurs in the year 2000. Each of the grant programs will change their program year to begin July 1 (previously March 1). This provides better continuity with state and local jurisdictions' fiscal accounting cycles and better serves recipients of grant funds.

This new planning year brings new opportunities for public participation. The Departments recently completed a statewide Community Priority Needs Survey. Tabulated results of the survey responses will be incorporated into the planning process.

Focus Groups are being scheduled to assist with critical information in the areas of Housing, Homelessness, and Community and Economic Development. To better accommodate your valuable participation and input, we will schedule additional focus groups upon request at suggested times and locations during the months of March – April, 2000.

Statistical data and analyses, survey results, and input from the focus groups will be incorporated into a Proposed *Plan*. Comments on the Plan are invited at Public Hearings scheduled across the state. The enclosed schedule provides dates and locations.

As a community development professional, your input is important to develop the FY 2000-2005 *Plan*.

Please inform your constituents and clients of the opportunities to participate in the Plan development. For more information, or to arrange additional focus groups, please contact the OHCS *Plan* Coordinator at (503) XXX-XXXX. E-mail: xxxxx.xxxxxxx@hcs.state.or.us, FAX (503) XXX-XXXX. Also, visit our web site at: <http://hcs.state.or.us/>

Focus Groups

Focus group sessions were conducted to enable more direct discussion with individuals and groups across the state. Small groups were scheduled to seek out the input from partnering state and federal agencies, other funding sources, organizations, associations, special interest groups, service providers, developers, economic and community specialists, elected officials and others.

Each focus group was asked to share their observations of the state's community service and economic development programs' accomplishments and to identify projects, programs or services that still needed emphasis.

One hundred and sixty-nine (169) participants talked about their experiences with the programs in the *Plan*. The majority had a good working knowledge of how the programs worked and provided helpful information.

The listed comments are typical statements that were made repeatedly throughout the sessions. The emerging trends, though anecdotal, seem to be reflected in other available studies.

1. Housing

- New construction progress has been made, but has a long way to go. There is a great need for starter homes. Low wages prevent individuals from qualifying for new homes.
- Homeownership is very important. First-time buyers need education in financial planning, credit ratings, what it takes to buy a house, and maintenance after the purchase.
- A variety of housing development and construction has gone on in the larger, populated areas, however, small towns still need help.
- Existing homes and rentals are aging and need to be repaired to remain viable. There is a growing need for housing rehabilitation programs to help low- and moderate-income households and elderly on fixed incomes.
- Many rental units are still in substandard condition. There is little or no incentive to make improvements. Rents continue to go up and are not in line with wages. Section 8 and rent subsidies are not enough to cover the need, plus there is a long wait period to receive assistance.
- Leadership at the city level is sometimes missing in housing development. The CHDOs can play a bigger role in encouraging local commitment to housing development.
- Senior housing isn't always available, assisted living for the elderly is needed but requires high subsidies.

- People released from mental health care, prisons, hospitals and regional medical centers have no where to go until they can become self-sufficient. There is a great need for transitional housing.
- Construction and labor costs vary across the state. Site costs are becoming a real problem.
- It is difficult to get rehab contractors in the rural areas. Profit margins are better in the urban areas.
- Recommend setting up rehab funds administered regionally and as an ongoing program instead of a two-year grant. With continual funding, more houses could be built and there would be no break in service by the Community Housing Development Organizations.
- Frequently small contractors have trouble getting bonded, they need self-help, insurance and bonding assistance. Communities are forced to hire outsiders or find contractors who are bonded. Bonding is a factor of the contractor's credit history, a state insurance pool would alleviate this problem.
- Affordable housing is only affordable if minimum wage families can afford to live there. The gap keeps getting wider between what people earn and housing costs.
- More housing studies are needed, but many communities can't afford them.
- Transportation and medical care are becoming bigger issues in determining where people can live.
- CHDOs—some in larger communities are working well, but newer ones are still struggling. They need technical support and more consistent financial support.
- There needs to be more communication and cooperation in providing housing for persons with disabilities.
- CHDOs and "regional" providers are more effective at serving small communities than local city or county staff.
- A serious look should be given to how housing applications are reviewed and selected. Smaller communities are currently ranked against larger ones. There needs to be a better balance of the criteria.
- Don't score regional grants against individual grants.

2. Homelessness

- There does not seem to be less homelessness, just more people aware of services and therefore a continued need. Support services, outreach, intervention, and advocacy are still big issues.
- There has been a 10% increase in two parent households becoming homeless and a big increase in families asking for services. More single females are seeking shelter care.

- There is a need for more shelters, transitional housing, and group homes. Need subsidies to help with transitional housing.
- People are released from shelter programs before they are able to function on their own and will eventually end up back at the shelter.
- The Continuum of Care network is starting to produce results. The groups still need more coordination and cooperation with the state and other entities.
- OHCS should require all applicants be involved in the Continuum of Care before they are eligible for a grant.

3. Non-Housing Economic Development

- There is still a need for more jobs, especially those that pay above minimum wage and offer benefits. Smaller communities do not have enough resources to meet this need.
- Sewer and water system improvements are still needed to help companies locate or expand.
- OECD should recognize agriculture as a component of economic development, as much as manufacturing. Frequently the agricultural family relies on a second income to survive, employment opportunities should be offered locally to meet this need.
- Tourism needs support and more recognition as a viable industry by key decision-makers. Some areas of the state heavily rely on tourism. More consideration should be given to tourism-related projects.
- Infrastructure is needed to help develop industrial parks.
- Workforce development is an issue in some areas. The need varies across the state.
- Medical needs, childcare, and transportation issues are affecting the LMI workforce and causing burdens on employers.
- Telecommunication capabilities are a growing concern.

4. CDBG Community Development

- Sewer and water projects still need funding, inadequate systems hamper business growth and housing development. Small towns need infrastructure to remain viable.
- Libraries have a need to access funds for building improvements.
- Childcare is becoming a very big issue.
- The match requirement is still difficult for small towns.
- OECD should work with community leaders and grant administrators to gain feedback regarding the application, review, ranking and selection process. Simple changes could bring about great improvements.
- Multi-funded projects run into problems with multi-regulations. Work to streamline the application process and grant administration requirements.

5. CDBG Business Development

- More assistance for small businesses and training for entrepreneurial development is needed in both urban and rural areas. Diversification of the economy is needed, with a closer look at eco-tourism, e-commerce, and other small businesses finding niche markets.
- Micro-enterprise loans with lower interest rates can help a business cash flow. Small storefront operations frequently need small loans to survive. Need to continue marketing the revolving loan funds.
- School-to-work and welfare-to-work programs need support. Once skills and abilities are developed, they will provide a valuable workforce.
- Housing rehab projects could be tied to job training and business start-ups as a means of getting contractors into the more rural areas.
- The Tribes are interested in working with OECDD on business development projects.
- The service industry should not be overlooked. There is great potential to support the tourism industry.

6. CDBG Planning

- The planning grants have been very successful. The \$25,000 limit seems to be adequate. The grants help small communities develop plans for spending their limited resources and for pursuing grant/loan monies based upon their needs.
- The funds should go to the more needy communities who lack staff expertise and money.
- More agencies and funding partners need to get together early on in a project. With greater coordination, decisions can be made to help benefit the community.
- Areas of the state that are not served by a planning district have trouble getting assistance.
- OHCS should require communities to address comp plan items that are in the statutes.
- Communities that can afford to do their own planning should be given comparable consideration in the selection process of Public Works projects. It seems that communities applying for planning grants get more points.

7. Community Development System

- Continued emphasis of efforts is needed for successful cooperation and collaboration among partners.
- Some groups still feel out of the loop. Information links need to be strengthened.
- People feel they spend way too much time on applications and requirements rather than on their projects. They would like to work with OECDD to make the process easier.
- More outreach and technical assistance needs to be provided by staff to help communities get the grant funds.
- The local development districts are willing partners and would like to find ways to work more closely with OECDD.

8. Emerging Trends

- The same housing problems have carried over from the 80's. Older Americans need housing choices, medical care, and support services. Existing housing stock will need maintenance and repair in order to remain viable.
- Towns no longer want "low income housing" with subsidies. They want more upscale housing for the tax base.
- Younger families are moving out of rural areas and older Americans are moving into rural areas.
- Housing and other need in these areas should take older persons needs into consideration.
- Growth is only occurring in and around the industrial/manufacturing centers. More downtown buildings are filling up in these areas.
- A willingness among the workforce to commute long distances from home to job might diminish once housing shortages catches up.
- Service, retail, marketing and general management are the growth occupations statewide. The starting wage for nearly all are less than \$10 per hour.
- The affordability gap must be addressed at the systemic as well as financial level.
- Barriers to affordability are often raised by the land use laws of a community.
- Capital is migrating from rural areas to urban areas. Housing rehabilitation and assistance must be used as a means of preserving local tax base. The CHDOs could stiffen the resolve of local governments if they understood the problem as a loss of tax base.
- Oregon has to keep up with the Information Age in order to stay economically competitive. More and more internet-based businesses are emerging and will need services.

Comment Period

OECD and OHCS held six Public Hearings covering Oregon's geographic locations. Copies of the draft *Plan* were mailed out to approximately 250 entities and posted on the OHCS web site before the hearings. The oral comments received during the hearings were recorded and used to make modifications and changes to the Plan. All written comments received were incorporated as well and then formally responded to by staff. A 30-day public comment period was opened from October 1 through October 31, 2000. A news release announcing the comment period and listing the OHCS and OECD web site was sent to media statewide.

On September 8, 2000 and October 26, 2000 OHCS and OECD mailed public hearing notices to all city, county, interested state agencies, non-profit organizations, economic development offices, and public officials. In addition, before the October 30th hearing in Salem, OECD mailed out a summary of the proposed 2001 "Method of Distribution" changes. The notice summarized the proposed changes, gave information on where to request a complete copy of the 2001 proposed Method of Distribution, public hearing information, and set a deadline to receive written comments on the 2001 Method of Distribution and the State's Consolidated Plan for 2001-2005. A copy of this notice is included in Appendix C.

In order to increase the opportunities for public comment, the proposed Plan was sent to libraries and repositories throughout Oregon. The proposed Plan was mailed to members of the state's official advisory groups. Notices announcing the availability of the proposed Plan and soliciting comments were sent to local governments, previous CDBG, HOME, and ESG grantees, Community Housing Development Organizations, Community Action Agencies, Councils of Government, Development Districts, Oregon Housing Partnerships, Inc., Oregon Rural Development Commission, Oregon Tribal Councils, Oregon Industrial Developers Association, City and County Associations, state legislators as well as other interested individuals and groups.

Summary of Public Hearing Comments

OHCS and OECDD held the following scheduled hearings to receive public input on the Consolidated Plan and OECDD's 2001 Method of Distribution plan.

October 3, 2000	Eugene, Oregon
October 5, 2000	Hermiston, Oregon
October 5, 2000	Redmond, Oregon
October 9, 2000	Bend, Oregon
October 27, 2000	Astoria, Oregon
October 27, 2000	The Dalles, Oregon
October 30, 2000	Salem, Oregon

OHCS and OECDD received 63 official comments on the proposed FY 2000-2005 Plan and the 2000 Annual Action Plan. Twenty-four of these were verbal comments made during the five Public Hearings. Those comments were recorded and written responses were provided to individuals who testified. A synopsis of the comments and responses is in Appendix C of this document.

The proposed Plan was posted on OHCS' web page and a dedicated E-mail address was provided for public comment. All comments were logged in by date received. All individuals commenting, both verbally and in writing, received a written response from OHCS or OECDD. Comments of record are available to the public in OHCS and OECDD offices.

Even though it serves as the policy document for only four HUD-related community development programs, the public participation process offered Oregonians the opportunity to look at the health of their communities in a more holistic manner than any previous HUD planning requirement and most other community development initiatives. The Oregon process brought together public policy discussions of the four physical aspects of community development: Housing, infrastructure, facilities, and economic development. While other aspects of community exist, bringing together the planning efforts of these four facets of community into a single policy discussion represents a major goal.

CITIZEN PARTICIPATION PLAN

Consultation and citizen participation are both essential components of a statewide planning effort. Oregon strongly encourages public participation in identifying community needs. The following Citizen Participation Plan sets the policy for involving citizens in the decision making, review, and comment process for Oregon's Consolidated Plan.

Before the State adopts a consolidated plan, the State will make available to citizens, public agencies, and other interested parties information that includes the amount of assistance the State expects to receive and the range of activities that may be undertaken, including the estimated amount that will benefit persons of low- and moderate-income and the plans to minimize displacement of persons and to assist any persons displaced. The State will make this information available at the Departments' websites and at specially scheduled public hearings as outlined in the procedures listed below.

Purpose of the Citizen Participation Plan

The purpose of consultation is to provide opportunities for collaboration and collective problem solving among the public and private agencies delivering services and programs. It is a chance to share information and resources that can lead to better program delivery. Citizen participation efforts included information and outreach to the general public so they may become aware of the programs and the impact they can have on their communities and citizens. It also enabled the public to provide comment on, and respond to, recommendations and issues that should be incorporated into the Plan.

Encouraging Public Participation

The law requires that the Citizen Participation Plan both provide for and encourages public participation, emphasizing involvement by low and moderate-income people—especially those living in low and moderate-income areas. HUD expects the State of Oregon to take whatever actions are appropriate to encourage participation of minorities, people who do not speak English, and people with disabilities. Residents needing materials in other languages are encouraged to contact OHCS staff.

Figure 1-2. The Five Steps of Oregon's Consolidated Plan Calendar

1. **Identify the Need** – The law requires public hearings on housing and community development needs and requires that these hearings take place before the proposed *Plan* is published for public comment. During this time information is collected from public testimony and from public and private services providers on the housing needs of people with disabilities.
2. **The Proposed Plan** – HUD requires that the state publish the proposed *Plan* for citizen comment. A summary of the proposed plan must be published in local newspapers, and completed copies must be made available to the public at libraries and government offices. The state must also provide a reasonable number of free copies of the plan to citizens and groups that request it. **The public has at least 30 days to review and provide written or oral comments on the proposed Plan.** A summary of any comments or views offered, but not accepted, and the reasons for their rejection, must be included in the final *Plan* sent to HUD.
3. **The Final Consolidated Plan** – The Final Consolidated Plan is due at HUD 45 days before the start of the State of Oregon's "program year." OHCS' deadline for submission of the Final Consolidated Plan to HUD is November 17, 2000.
4. **Annual Performance Report** – The Consolidated Annual Program Evaluation Report (CAPER) must be submitted to HUD within 90 days after the close of the "program year." **CAPERs must be available to the public for review and comment on at least 15 days before the report is sent to HUD.** The State of Oregon must consider people's comments and attach a summary of them to the consolidated plan when it is forwarded to HUD officials.
5. **Amendments to the Consolidated Plan** – the Consolidated Plan must be amended if there are any changes in priorities or uses of money. If there is a substantial amendment, some process for public review and comment is required. HUD allows the State of Oregon to decide what is a substantial change.

The Role of Low Income People

The law declares that the primary purpose of the programs covered by this Citizen's Participation Plan is to improve communities by providing: decent housing, a suitable living environment, and growing economic opportunities—all principally for low and moderate income people. Genuine involvement by low-income people must take place at all stages of the planning process including:

- Identifying needs.
- Setting priorities among these needs, deciding how much money should be allocated to each high-priority need, and suggesting the types of programs to meet high-priority needs.
- Overseeing the way in which programs are carried out.

The Program Year

The "program year" for the programs covered by this plan is January through December.

Public Notice

Items covered by the Public Notice Requirement. There shall be advance public notice once a federally required document is available, such as the Proposed Five-Year Consolidated Plan, any proposed Substantial Amendment to the Consolidated Plan, and the CAPER. In addition, there shall be advanced public notice of all public hearings and all public meetings relating to the funds or planning process covered by this Citizen Participation Plan.

- “Adequate” Public Notice

Adequate advance notice is “timely”; it is given with enough lead time for the public to take informed action. The amount of lead-time can vary, depending on the event. Specific amounts of time are given for different events later in this Citizen Participation Plan. The content of notices will give residents a clear understanding of the event being announced.

- Forms of Public Notice

1. Public notices will be published in the “Major Newspaper(s) of the State: as display advertisements in a non-legal section of the newspapers(s). In addition, press releases will be sent to the newspaper(s).
2. Display ads and press releases will also be placed in a representative range of special interest and neighborhood publications.
3. Public service announcements and press releases will be distributed to local radio and television stations.
4. Notice will also be given through letters to neighborhood organization, public housing resident groups, religious organization in lower income neighborhoods, and agencies providing services to lower income people.
5. Notice will be sent to any person or organization requesting to be on a mailing list.

Public Access to Information

As required by law, the State of Oregon will provide the public with reasonable and timely access to information and records relating to the data or content of the Consolidated Plan. Standard documents include the proposed and final Annual Action Plans, the proposed and final five-year Strategic Plan (the Consolidated Plan), Proposed and final Substantial Amendments to either an Annual Action Plan or the five-year Strategic Plan, Annual Performance Reports, and the Citizen Participation Plan. In the spirit of encouraging public participation, copies of standard documents will be provided to the public at no cost and within five working days of a request. These materials will be available in a form accessible to persons with disabilities when requested.

Public Repositories

Citizens will be afforded reasonable access to all documents related to the Consolidated Plan. Copies of the Consolidated Plan will be made available for review at places designated as official repositories by the State of Oregon. These sites include major public libraries and community action agencies in the areas covered by the statewide

Consolidated Plan. The document will be provided to local offices of Oregon's congressional delegates as well as made available at the Department web site at www.hcs.state.or.us. It will also be kept available on file at OHCS and OECD. Copies of the Consolidated Plan may also be requested from the OHCS. However, citizens will be encouraged to review copies at official repositories to minimize the expense of publishing and mailing the document. The document will also be available for downloading from the OHCS web site.

Public Hearings

Public hearings are required by law in order to obtain the public's views and to provide the public with the State's responses to public questions and proposals. The law requires public hearings at all stages of the process, including at least a hearing about community needs, a public hearing to review proposed uses of funds, and a public hearing to assess how funds were spent during the previous program year.

Public hearings will be held at a time convenient for most people who might benefit from the use of funds. Public hearings will be held at places accessible by bus and otherwise convenient and not intimidating to most people who might benefit from the use of funds. Public hearings will be held at locations throughout the State.

- **Public Hearings and Populations with Unique Needs**

All public hearings will be held at locations accessible to people with disabilities, and provisions will be made for people with disabilities *when requests are made at least five working days before a hearing*. Translators will be provided for people who do not speak English *when requests are made at least five working days before a hearing*.

Substantial Amendment

The following criteria will constitute a substantial amendment to the Consolidated Plan.

1. If changes need to be made in the allocation priorities or changes in the method of distribution of federal funds for CDBG, HOME, or ESG funds that is not already discussed in the Consolidated Plan.
2. A decision to carry out an activity, using funds from any federal program covered in the Consolidated Plan not previously described in the action plan.
3. A decision to change the purpose, scope, location, or beneficiaries of an activity that is funded by federal funds.

- **Public Notice and Public Hearing for Substantial Amendments**

In the event of an amendment to the Consolidated Plan, the proposed amended Consolidated Plan will be made available to interested parties for a comment period of no less than 30 days.

Citizens will be notified of the amended Consolidated Plan's availability through newspaper notification. The notification will appear in at least three newspapers that are

circulated through the state and on OHCS's website. The notification will be published the day the amended Consolidated Plan comment period begins.

The amended sections will be available for viewing on OHCS's website (www.hcs.state.or.us) or copies may be obtained from OHCS during the public comment period.

The Annual Performance Report

Every year, Oregon must send to HUD an Annual Performance Report within 90 days of the close of the program year. In general, the Annual Performance Report must describe how funds were actually used and the extent to which these funds were used for activities that benefited low and moderate-income people.

- **Public Notice and Public Hearing for Annual Performance Report**

Before the Consolidated Plan Annual Performance Evaluation Report (CAPER) is submitted to HUD, it will be made available to interested parties for a comment period of no less than 15 days. Citizens will be notified of the CAPER's availability through newspaper notification. The notification will appear in at least three newspapers that are circulated throughout the state and on OHCS's website. The notification will be published on the day the CAPER comment period begins.

The CAPER will be available at OHCS's website for the full public comment period. Copies of the CAPER will be available from OHCS by mail during the public comment period.

Comments will be considered from individuals or groups received in writing. A summary of the written comments and a summary of those not accepted and the reasons therefore, will be included in the final CAPER.

Complaint Procedures

Written complaints from the public will receive a written reply within **fifteen (15) working days**.

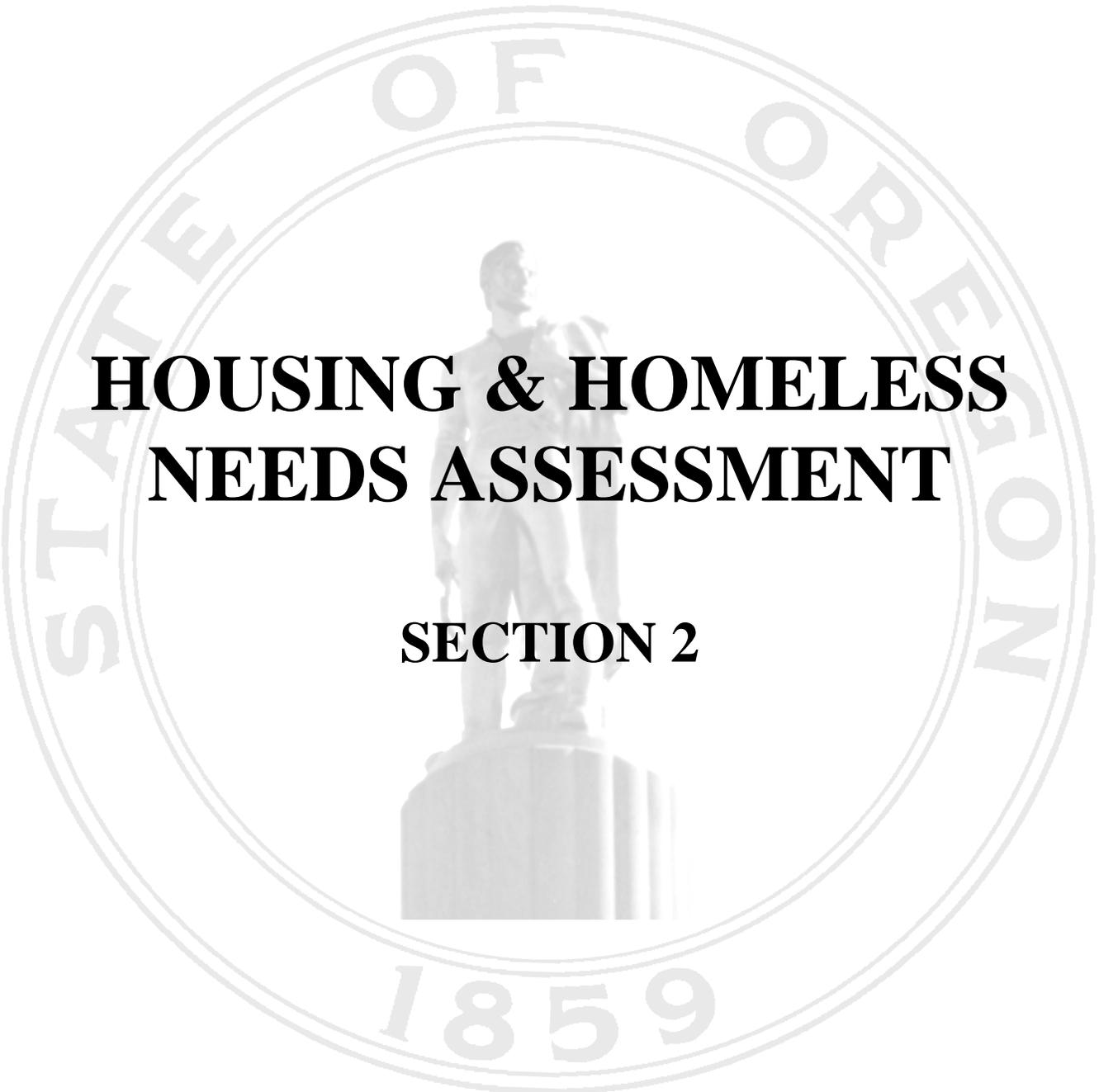
RESIDENTIAL ANTI-DISPLACEMENT AND RELOCATION ASSISTANCE PLAN

HUD's Consolidated Plan regulations require inclusion of a Residential Anti-Displacement and Relocation Assistance Plan (RARAP) and that the jurisdiction certify that it is following the Plan under its HOME Investment Partnerships Program (HOME) and its Community Development Block Grant (CDBG) Program. The RARAP must meet the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) and section 104(d) of the Housing and Community Development Act of 1974, as amended. The purpose of the Plan is twofold: to ensure that persons displaced from their housing as a result of projects assisted with HOME or CDBG funds receive the minimum assistance required by federal statute; and to ensure that all occupied and vacant occupiable "low/moderate-income dwellings" converted to a use other than low/moderate-income dwellings or demolished would be replaced.

Due to differences in how the HOME and CDBG programs are administered in Oregon, two slightly different worded policies have been adopted, one for each program. They can be found in the Certifications chapter following the document "State Certifications." The policies are identical, except for wording in the CDBG policy which requires each local jurisdiction that receives CDBG funding to adopt the Plan, and wording in the HOME policy indicating that OHCS has adopted the Plan for the State's HOME Program and each recipient of HOME funds is required to comply with the Plan and assist in its implementation.

Adoption of the Plan is incomplete without the establishment of definitions of "substandard suitable for rehabilitation" and "substandard not suitable for rehabilitation." Section 104(d) provides that dwelling units which meet the definition of substandard housing unsuitable for rehabilitation, and which have been vacant for at least six months prior to their conversion or demolition, are exempted from coverage under the Plan. The definitions may be found in a Glossary Table of Definitions on the LAST page of the Needs Analysis Section of this Consolidated Plan.

These definitions are not intended to prevent the preservation of substandard housing not suitable for rehabilitation if the project sponsor and/or local jurisdiction determines that the unit or units should be rehabilitated and preserved to achieve other goals established for the project, such as the preservation of buildings with historical or architectural significance.

The background features a large, faint watermark of the Seal of the State of Oregon. The seal is circular and contains the text "STATE OF OREGON" around the top and "1859" at the bottom. In the center of the seal is a figure of a man standing on a pedestal, holding a plow and a sheaf of wheat.

HOUSING & HOMELESS NEEDS ASSESSMENT

SECTION 2

Section 2: Needs Assessment

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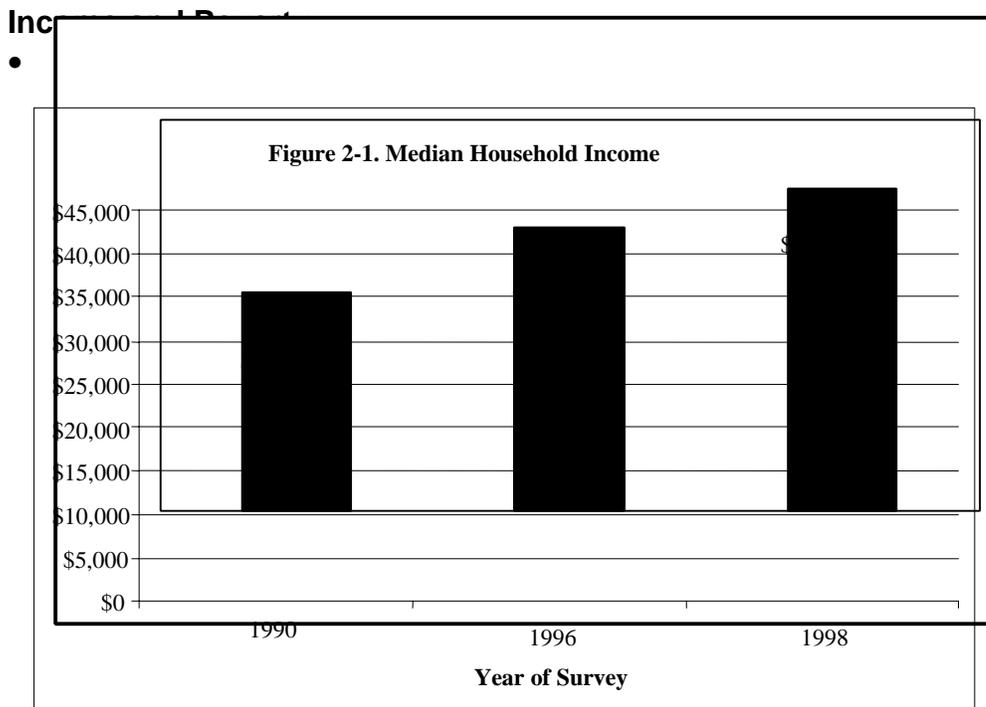
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SECTION 2: NEEDS ASSESSMENT

DEMOGRAPHICS¹

The 1998 Oregon Population Survey (OPS) was the fifth biennial survey conducted to measure the socioeconomic characteristics of Oregonians and collect their opinions on a variety of policy issues. The Clearwater Research Inc. of Boise, Idaho collected the 1998 OPS data. Funding for the survey was provided by several Oregon government agencies. The Office of Economic Analysis, Department of Administrative Services, and the Oregon Progress Board, Department of Economic Development jointly supervised the survey, with assistance from the Oregon Population Survey Task Force.

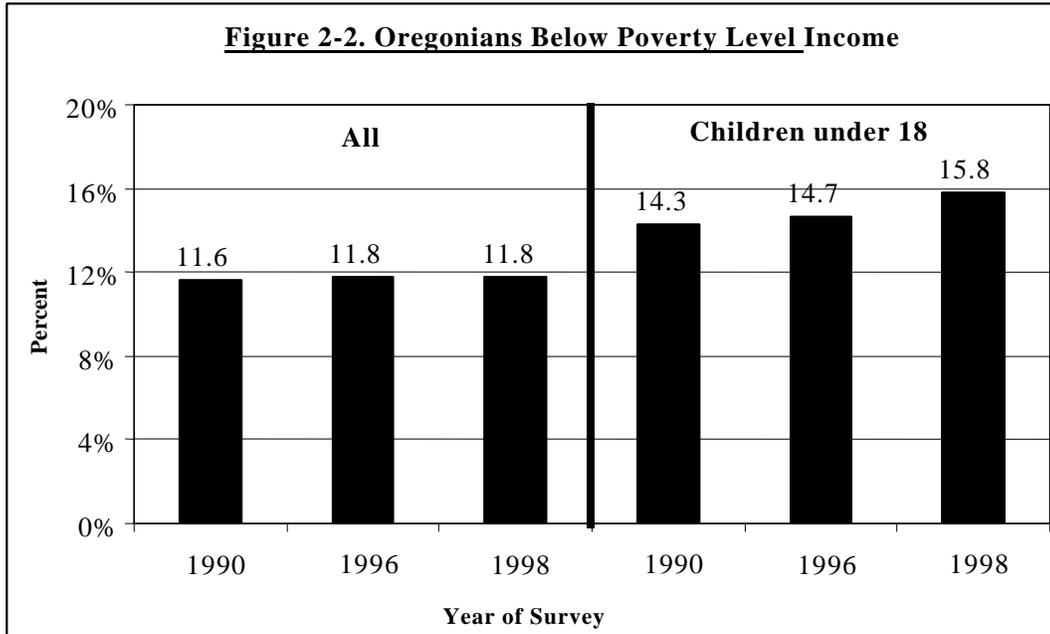
Data from 4,816 households and 12,665 individuals was collected by telephone for the base survey, with a minimum of 400 interviews from each of the eight regions. The sample included over-sampling of the members of four racial/ethnic groups: African-American, Asian American, Native American, and Hispanics. A supplemental survey of 823 householders, selected from the base survey respondents, was conducted to learn about the attitudes and opinions of Oregonians and their household characteristics. Due to the nature of the survey, only the non-institutionalized population with a telephone in the household is represented in the survey. For detailed methodology, please see the 1998 Oregon Population Survey report by the Clearwater Research Inc.



Household median income increased from \$25,100 in 1989 to \$37,200 in 1997. This rise outpaced the inflation rate and reflects favorable economic environment enjoyed by the

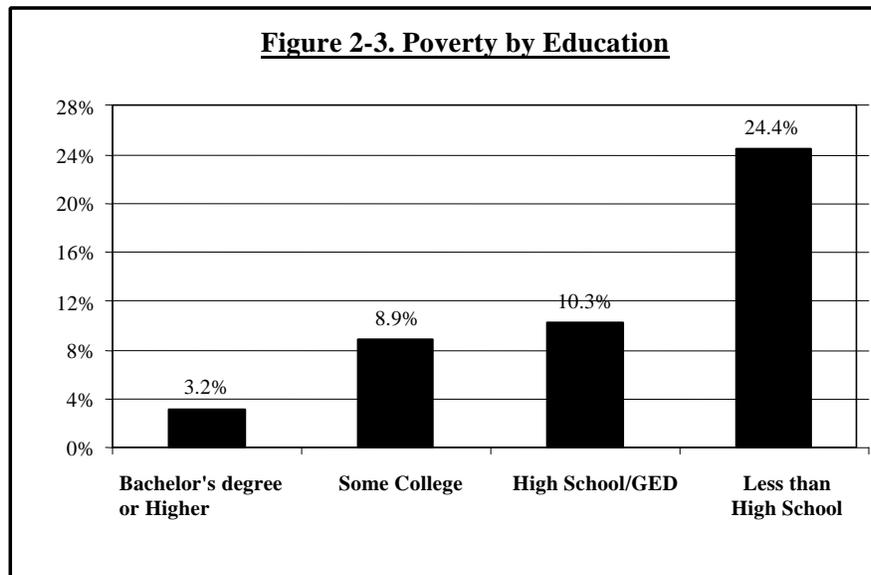
¹ 1998 OREGON POPULATION SURVEY SUMMARY OF FINDINGS <http://www.osl.state.or.us/csimages/orepop/title.html>

state in recent years. The percentage of Oregonians in poverty has not changed significantly since 1990.



The 1996 as well as 1998 surveys found 11.8% of all Oregonians living below the federal poverty level — not significantly different from 1990’s poverty level. As in past years, children under 18 years of age were more likely to be in poverty than adults were. Although 15.8% of children lived in poverty in 1998, a higher rate than in 1990 and 1996, the difference is statistically insignificant. Women (12.8%) were more likely to be in poverty than men (10.8%) were.

More education correlates with less poverty. For Oregonians 25 years and older with no high school diploma, the poverty rate was 24.4%. Only 3.2% of people with at least a bachelor’s degree endured poverty. As education attainment increases, poverty level declines. Lower poverty rate and higher income associated with higher education is a strong motivation for higher education.



Education

- Educational attainment has improved significantly since 1990.

Education Level	1990	1996	1998
Bachelor's degree or higher	23%	29%	29%
Some college/Associate degree	30%	31%	33%
High school graduate/GED	32%	31%	29%
Less than high school	15%	9%	9%

The percentage of Oregonians 25 years and older with a bachelor's degree or higher increased from 23% in 1990 to 29% in 1998. During the same period the percentage of Oregonians who did not finish high school declined from 15% to 9%. There has not been any significant change in these percentages from 1996 to 1998.

In-migration

- The majority of Oregonians were born outside the state.

Place of Birth	% of Total Population
Born elsewhere	54.3%
Born in Oregon	45.7%
Residency 5 years ago	
Outside Oregon	12.5%
Oregon	87.5%
Source of in-migration	
California	32.1%
Washington	14.7%
Other States	44.4%
Abroad	8.8%

Oregon is still a state settled by immigrants. More than half of all residents were born outside Oregon. Nearly 12.5% of Oregonians were new to the state and moved in within the past five years. California was the primary source of nearly one-third of recent in-migrants. An improved economy in California could slow the flow of this migration.

Education Level	Long-term residents	Recent in migrants
Bachelor's degree or higher	27%	44%
Some college/Associate degree	33%	28%
High school graduate/GED	31%	19%
Less than high school	9%	9%

New arrivals to Oregon in the past five years had higher level of education than established residents did. In 1998, 27% of resident Oregonians compared to 44% of new in-migrants had at least a bachelor's degree. Highly educated young individuals tend to be more mobile. In-migration of highly educated immigrants helped fill professional labor needs, especially in the high-tech sector of the economy.

Home Ownership

- Two-thirds of all Oregon homes are owner occupied.

Tenure	1990	1996	1998
Own	67	67	68
Rent	32	31	29
Other	2	2	3

Home ownership in 1998 was 68%. This rate has changed very little since 1990. Availability of more affordable housing is required to raise the home ownership rate. Reported median values of owner occupied homes increased from \$69,000 in 1990 to \$120,000 in 1996 and to \$135,000 in 1998. Median monthly rent increased from \$345 in 1990 to \$475 in 1996, to \$500 in 1998.

Table 2-5. County Population History			
Area	Final Population 1999	Population 1998	Population 1990
Oregon	3,300,800	3,267,550	2,842,321
Baker County	16700	16700	15317
Benton County	77100	76600	70811
Clackamas County	326850	323600	278850
Clatsop County	34750	34700	33301
Columbia County	42650	42300	37557
Coos County	61350	61400	60273
Crook County	16800	16650	14111
Curry County	22050	22000	19327
Deschutes County	106700	104900	74958
Douglas County	100850	100300	94649
Gilliam County	2100	2100	1717
Grant County	8000	8000	7853
Harney County	7600	7600	7060
Hood River County	19700	19500	16903
Jackson County	1745500	178800	146389
Jefferson County	17650	17400	13676
Josephine County	73400	7300	62649
Klamath County	62300	62000	57702
Lake County	7400	7400	7186
Lane County	315700	313000	282912
Lincoln County	43350	43200	38889
Linn County	103000	102200	91227
Malheur County	30700	29200	26038
Marion County	275250	271900	228473
Morrow County	9550	9400	7625
Multnomah County	646850	641900	583887
Polk county	60100	59500	49541
Sherman County	1900	1900	1918
Tillamook County	24100	24000	21570
Umatilla County	68000	67100	59249
Union County	24500	24400	21570
Wallowa County	7200	7200	6911
Wasco County	22650	22600	21683
Washington County	404750	397600	311554
Wheeler County	1600	1600	1396
Yamhill County	83100	81900	6551

**Table 2-6. LONG-TERM POPULATION FORECASTS FOR OREGON
STATE AND COUNTY TOTAL POPULATIONS²**

Release date: January 1997

Year	2000	2005	2010	2015	2020	2025	2030	2035	2040
State Total (Thousands)	3,406	3,631	3,857	4,091	4,326	4,556	4,776	4,988	5,193
Baker	17,349	18,001	18,635	19,267	19,893	20,507	21,094	21,663	22,271
Benton	79,291	82,116	85,080	88,167	91,345	94,668	98,024	101,481	104,998
Clackamas	338,247	369,683	403,915	441,193	480,392	520,594	562,154	605,300	649,939
Clatsop	35,622	36,919	38,376	40,018	41,788	43,727	45,771	47,898	50,089
Columbia	41,780	43,722	45,777	47,954	50,250	52,638	55,025	57,377	59,660
Coos	63,612	64,950	66,338	67,870	69,513	71,284	73,183	75,204	77,360
Crook	17,168	18,662	20,215	21,892	23,678	25,582	27,567	29,634	31,752
Curry	24,699	26,643	28,576	30,541	32,465	34,296	35,940	37,384	38,599
Deschutes	112,846	132,829	151,230	167,231	181,448	190,697	197,004	201,495	204,889
Douglas	102,344	106,652	111,068	115,713	120,671	125,893	131,180	136,634	142,285
Gilliam	1,992	2,032	2,071	2,116	2,161	2,207	2,250	2,291	2,330
Grant	8,292	8,517	8,742	8,989	9,245	9,508	9,761	10,014	10,268
Harney	7,531	7,606	7,651	7,694	7,744	7,802	7,860	7,918	7,979
Hood River	20,152	21,477	22,804	24,174	25,559	26,930	28,224	29,527	30,780
Jackson	177,982	188,746	199,415	210,373	221,665	233,081	244,102	254,759	264,933
Jefferson	18,763	21,468	24,376	27,530	30,824	34,435	38,434	42,882	47,825
Josephine	76,608	81,040	85,319	89,596	93,669	97,709	101,485	105,000	108,190
Klamath	64,996	68,099	71,376	74,868	78,369	81,871	85,217	88,445	91,547
Lake	7,779	7,982	8,171	8,354	8,530	8,707	8,885	9,061	9,235
Lane	331,464	352,944	374,499	397,350	419,842	442,338	464,002	485,072	505,236
Lincoln	44,689	47,190	49,794	52,539	55,424	58,374	61,319	64,293	67,291
Linn	104,894	110,573	116,053	121,593	127,158	132,909	138,812	144,834	150,551
Malheur	31,762	32,799	33,793	34,819	35,810	36,736	37,521	38,183	38,717
Marion	285,975	308,364	331,025	354,561	378,208	401,787	424,594	446,737	468,210
Morrow	9,828	10,723	11,594	12,463	13,322	14,170	14,990	15,799	16,624
Multnomah	659,087	676,975	694,597	713,532	732,500	750,949	767,436	782,369	795,698
Polk	60,719	65,040	69,402	73,940	78,502	82,996	87,307	91,467	95,479
Sherman	1,925	1,974	2,020	2,068	2,116	2,163	2,210	2,258	2,305
Tillamook	24,761	26,143	27,538	29,030	30,604	32,114	33,663	35,218	36,762
Umatilla	69,854	72,870	75,869	78,936	81,964	84,873	87,501	89,851	91,932
Union	24,927	25,422	25,927	26,439	26,971	27,512	28,084	28,641	29,188
Wallowa	7,458	7,632	7,815	8,025	8,248	8,479	8,704	8,928	9,152
Wasco	23,198	23,713	24,258	24,867	25,498	26,201	26,945	27,714	28,512
Washington	422,886	467,233	510,564	554,945	598,800	640,911	679,160	712,966	743,854
Wheeler	1,697	1,833	1,966	2,100	2,230	2,362	2,496	2,636	2,782
Yamhill	83,826	92,429	101,152	110,253	119,589	128,990	138,095	147,066	155,779

² Long Term Population & Employment Forecasts for Oregon State and County Total Populations, Oregon Office of Economic Analysis

Table 2-7. Urban/Rural Population Split (State/Entitlement Areas*)³ Year 2000	
County	Population
Baker	17,349
Benton (Minus Corvallis*)	28,411
Clatsop	35,622
Columbia	41,780
Coos	63,612
Crook	17,168
Curry	24,699
Deschutes	112,846
Douglas	102,344
Gilliam	1,992
Grant	8,292
Harney	7,531
Hood River	20,152
Jackson (Minus Medford* & Ashland*)	98,502
Jefferson	18,763
Josephine	76,608
Klamath	64,996
Lake	7,779
Lane (Minus Eugene/Springfield*)	142,029
Lincoln	44,689
Linn	104,894
Malheur	31,762
Marion (Minus Salem*)	157,380
Morrow	9,828
Polk	60,719
Sherman	1,925
Tillamook	24,761
Umatilla	69,854
Union	24,927
Wallowa	7,458
Wasco	23,198
Wheeler	1,697
Yamhill	83,826
TOTAL	1,537,393

³ Long Term Population & Employment Forecasts for Oregon State and County Total Populations, Oregon Office of Economic Analysis

Table 2-8. Urban/Rural Population Split Balance of State/Entitlement Areas		
Year	2000	2005
State Total (Thousands)	3,406	3,631

Table 2-9. Entitlement Area	Population Year 2000
Clackamas	338,247
Multnomah/Portland	659,087
Washington	422,886
Corvallis	50,880
Eugene/Springfield	189,435
Ashland	19,490
Medford	59,990
Salem	128,595
TOTAL	1,868,610

Table 2-10. Households by Type and Selected Characteristics: 1998⁴								
<i>Internet Release Date: December 11, 1998</i>								
Numbers are in thousands, except averages and percentages.		Family Households				Non-Family Household		
		Total	Married Couple	Other Families		Total	Female HH	Male HH
All HH	Female HH			Male HH				
Size of HH	All HH	Total	Married Couple	Female HH	Male HH	Total	Female HH	Male HH
All Households	102,528	70,880	54,317	12,652	3,911	31,648	17,516	14,133
1 person	26,327	X	X	X	X	26,327	15,317	11,010
2 people	32,965	28,722	21,833	5,290	1,598	4,243	1,850	2,393
3 people	17,331	16,640	11,595	3,858	1,187	691	232	459
4 people	15,358	15,090	12,427	2,008	654	268	76	192
5 people	7,048	6,972	5,743	924	306	76	17	59
6 people	2,232	2,195	1,807	293	95	37	21	15
7 people	1,267	1,260	911	278	70	7	3	4
Average Size	2.62	3.24	3.26	3.18	3.22	1.24	1.17	1.33
% with own children under 18	33.9	49.0	46.5	60.8	46.0	X	X	X

⁴ Source: U.S. Bureau of the Census, Current Population Survey (CPS), Fertility and Family Branch

PROJECTED HOUSING UNITS NEEDED BASED ON INCOME AND GROWTH

The State of Oregon Land Use Planning Goal 10 directs and guides the State of Oregon and its city governments to plan for balanced housing opportunities in our communities. A key part of Goal 10 links community income to the need for various housing types by price, density, and location. Goal 10 states, “plans shall encourage the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing location, type and density.” Unfortunately communities have difficulty developing and maintaining the data needed to conduct a complete housing needs analysis. This results in many cities basing their Goal 10 work on market demand and trend lines instead of current and projected need as called for under Goal 10.

Consequently, many cities cannot address a wide range of housing issues. As a city prepares to implement Goal 10, issues such as household income, housing cost, housing mix, house and lot size, opportunities to mix housing with employment-based land uses, housing affordability, and special needs housing are not well documented. During the 1990’s many housing issues were aggravated by rapid structural changes to the Oregon economy.

New Planning Model

In early 2000 OHCS and the Department of Land Conservation and Development (DLCD) jointly developed a housing needs analysis methodology and model in response to local need for more specific housing needs information requirements.

The Housing Needs Analysis model combines local demographics with current housing tenure (owning versus renting) data to calculate the housing needs for a particular area. Demographic information sources include the Center for Population Research and Census, Portland State University, and Claritas, Inc. Regional housing tenure data came from the Consumer Expenditure Survey conducted each year by the U.S. Bureau of Labor Statistics.

The model calculates the total number of housing units needed for a planning period using a population estimate, the number of people in group quarters, the number of occupied housing units and/or number of households, the average household size, and the vacancy rate for the county. The model then calculates the number of households in each Age/Income (AI) group and, based on tenure, projects the number of units by price point affordable for the income range of that group. The model adjusts for real-world conditions where some households choose to live in a less expensive unit than they could afford. When this happens, that unit is removed from the supply of units needed for those households who could only afford the lower-priced unit.

Planning Uses

Based on the model, the following tables project the housing needs on a county-by-county basis for 1999 and 2004. Local jurisdictions should compare the model results to existing housing stock. Current information about the area's housing price structure by location, type, and density should be matched against the table. (An inventory of housing stock, from the 1990 Census, is in the Market Analysis Section of this Plan.) Planners can then decide what actions to take to meet housing requirements. Actions include, changing local comprehensive plans, amending policies and land use diagrams, new zoning laws, housing programs, and implementation strategies and timetables.

Table 2-11. 1999 County Housing Units Allocated According to Need by Tenure and Cost

County	Rental Units Needed by Rent Range						Ownership Units Needed by Price Range					
	0 - 199	200 - 429	430 - 664	665 - 909	910 - 1149	1150 +	<60k	50k <90k	75k <120k	100k <150k	125k <225k	187.5k+
Baker	602	643	531	417	343	144	1,350	777	681	664	782	305
Benton	2,576	2,442	1,888	1,444	2,127	1,382	2,370	1,793	1,824	2,077	5,101	5,536
Clackamas	4,104	5,715	6,270	6,297	10,598	7,107	10,291	8,058	8,924	10,740	26,551	27,610
Clatsop	1,086	1,219	974	744	820	438	2,325	1,369	1,137	1,189	2,009	1,143
Columbia	825	1,029	1,116	959	1,121	648	2,045	1,385	1,272	1,368	2,985	2,093
Coos	2,208	2,485	1,931	1,444	1,378	648	4,906	2,813	2,284	2,282	3,190	1,444
Crook	444	562	553	454	399	173	1,113	727	662	655	846	373
Curry	661	847	698	534	494	225	1,898	1,250	1,003	978	1,199	660
Deschutes	2,281	3,363	3,344	2,858	2,959	1,481	5,414	4,151	4,060	4,338	6,824	4,299
Douglas	3,122	3,718	3,285	2,572	2,192	952	6,891	4,350	3,885	3,802	5,074	2,135
Gilliam	41	56	54	56	61	28	121	94	77	81	173	100
Grant	257	284	261	229	205	89	551	345	339	342	430	154
Harney	247	341	299	198	151	59	567	389	306	275	311	126
Hood River	560	700	573	485	477	220	1,072	732	688	714	1,078	596
Jackson	4,695	5,851	5,074	3,919	4,338	2,388	10,159	6,807	6,029	6,230	11,579	6,988
Jefferson	447	612	562	418	351	153	980	623	589	579	779	383
Josephine	2,945	3,280	2,389	1,611	1,349	594	6,664	3,605	2,848	2,740	3,035	1,406
Klamath	2,189	2,439	2,051	1,542	1,411	647	4,135	2,574	2,245	2,236	3,253	1,566
Lake	226	299	241	185	167	65	521	319	277	294	315	165
Lane	9,752	10,893	9,235	7,572	8,561	4,647	15,898	10,894	10,606	11,289	19,688	13,766
Lincoln	1,263	1,554	1,315	1,030	1,010	499	3,134	2,103	1,700	1,653	2,553	1,523
Linn	2,475	3,146	2,979	2,437	2,616	1,385	5,670	3,849	3,482	3,642	6,595	3,751
Malheur	1,081	1,271	923	632	546	246	2,204	1,260	1,010	960	1,260	618
Marion	5,610	7,238	7,002	6,032	7,117	4,060	11,775	8,848	8,852	9,519	18,051	11,871
Morrow	322	410	353	258	183	63	636	402	349	324	367	141
Multnomah	14,635	18,277	16,725	14,656	20,803	12,939	27,929	19,514	19,731	22,419	48,264	43,025
Polk	1,513	1,792	1,601	1,291	1,399	768	2,672	1,949	1,936	2,029	3,638	2,581
Sherman	66	72	61	49	41	17	144	90	79	80	102	61
Tillamook	621	869	753	550	501	246	1,705	1,203	1,018	995	1,367	802
Umatilla	1,962	2,343	2,093	1,658	1,585	780	3,814	2,586	2,305	2,298	3,771	2,091
Union	1,055	1,021	789	577	522	238	1,651	959	857	873	1,162	501
Wallowa	264	327	267	175	137	56	634	370	268	254	304	107
Wasco	672	814	646	506	542	279	1,464	963	824	864	1,349	842
Washington	4,545	7,296	8,129	8,379	14,556	9,768	10,042	8,475	10,233	12,976	33,781	36,639
Wheeler	102	97	47	26	18	6	220	78	49	46	43	16
Yamhill	1,341	2,011	1,890	1,613	2,058	1,226	3,244	2,338	2,296	2,537	5,137	3,962
Totals	76,795	95,316	86,905	73,808	93,136	54,665	156,207	108,039	104,726	114,339	222,947	179,381

Table 2-12. Percentage of 1999 County Housing Units Allocated According to Need

County	Percentage of Rental Units Needed by Rent Range						Percentage of Ownership Units Needed by Price Range					
	0 - 199	200 - 429	430 - 664	665 - 909	910 - 1149	1150 +	<60k	50k <90k	75k <120k	100k <150k	125k <225k	187.5k +
Baker	22.5%	24.0%	19.8%	15.6%	12.8%	5.4%	29.6%	17.0%	14.9%	14.6%	17.2%	6.7%
Benton	21.7%	20.6%	15.9%	12.2%	17.9%	11.7%	12.7%	9.6%	9.8%	11.1%	27.3%	29.6%
Clackamas	10.2%	14.3%	15.6%	15.7%	26.4%	17.7%	11.2%	8.7%	9.7%	11.7%	28.8%	30.0%
Clatsop	20.6%	23.1%	18.4%	14.1%	15.5%	8.3%	25.3%	14.9%	12.4%	13.0%	21.9%	12.5%
Columbia	14.5%	18.1%	19.6%	16.8%	19.7%	11.4%	18.3%	12.4%	11.4%	12.3%	26.8%	18.8%
Coos	21.9%	24.6%	19.1%	14.3%	13.7%	6.4%	29.0%	16.6%	13.5%	13.5%	18.9%	8.5%
Crook	17.2%	21.7%	21.4%	17.6%	15.4%	6.7%	25.4%	16.6%	15.1%	15.0%	19.3%	8.5%
Curry	19.1%	24.5%	20.2%	15.4%	14.3%	6.5%	27.2%	17.9%	14.4%	14.0%	17.2%	9.4%
Deschutes	14.0%	20.6%	20.5%	17.5%	18.2%	9.1%	18.6%	14.3%	14.0%	14.9%	23.5%	14.8%
Douglas	19.7%	23.5%	20.7%	16.2%	13.8%	6.0%	26.4%	16.6%	14.9%	14.5%	19.4%	8.2%
Gilliam	13.9%	18.8%	18.3%	19.0%	20.6%	9.4%	18.7%	14.5%	12.0%	12.5%	26.8%	15.5%
Grant	19.4%	21.4%	19.7%	17.3%	15.5%	6.7%	25.5%	15.9%	15.7%	15.8%	19.9%	7.1%
Harney	19.1%	26.3%	23.1%	15.3%	11.6%	4.5%	28.7%	19.7%	15.5%	13.9%	15.8%	6.4%
Hood River	18.6%	23.2%	19.0%	16.1%	15.8%	7.3%	22.0%	15.0%	14.1%	14.6%	22.1%	12.2%
Jackson	17.9%	22.3%	19.3%	14.9%	16.5%	9.1%	21.3%	14.2%	12.6%	13.0%	24.2%	14.6%
Jefferson	17.6%	24.1%	22.1%	16.5%	13.8%	6.0%	24.9%	15.9%	15.0%	14.7%	19.8%	9.7%
Josephine	24.2%	27.0%	19.6%	13.2%	11.1%	4.9%	32.8%	17.8%	14.0%	13.5%	15.0%	6.9%
Klamath	21.3%	23.7%	20.0%	15.0%	13.7%	6.3%	25.8%	16.1%	14.0%	14.0%	20.3%	9.8%
Lake	19.1%	25.3%	20.4%	15.6%	14.1%	5.5%	27.6%	16.8%	14.6%	15.5%	16.7%	8.7%
Lane	19.2%	21.5%	18.2%	14.9%	16.9%	9.2%	19.4%	13.3%	12.9%	13.7%	24.0%	16.8%
Lincoln	18.9%	23.3%	19.7%	15.4%	15.1%	7.5%	24.7%	16.6%	13.4%	13.0%	20.2%	12.0%
Linn	16.5%	20.9%	19.8%	16.2%	17.4%	9.2%	21.0%	14.3%	12.9%	13.5%	24.4%	13.9%
Malheur	23.0%	27.0%	19.7%	13.5%	11.6%	5.2%	30.1%	17.2%	13.8%	13.1%	17.2%	8.4%
Marion	15.1%	19.5%	18.9%	16.3%	19.2%	11.0%	17.1%	12.8%	12.8%	13.8%	26.2%	17.2%
Morrow	20.3%	25.8%	22.2%	16.2%	11.5%	4.0%	28.6%	18.1%	15.7%	14.6%	16.5%	6.4%
Multnomah	14.9%	18.6%	17.1%	14.9%	21.2%	13.2%	15.4%	10.8%	10.9%	12.4%	26.7%	23.8%
Polk	18.1%	21.4%	19.1%	15.4%	16.7%	9.2%	18.0%	13.2%	13.1%	13.7%	24.6%	17.4%
Sherman	21.6%	23.4%	20.1%	15.8%	13.5%	5.6%	25.9%	16.2%	14.2%	14.4%	18.4%	11.0%
Tillamook	17.5%	24.5%	21.3%	15.5%	14.1%	7.0%	24.1%	17.0%	14.4%	14.0%	19.3%	11.3%
Umatilla	18.8%	22.5%	20.1%	15.9%	15.2%	7.5%	22.6%	15.3%	13.7%	13.6%	22.4%	12.4%
Union	25.1%	24.3%	18.8%	13.7%	12.4%	5.7%	27.5%	16.0%	14.3%	14.5%	19.4%	8.3%
Wallowa	21.5%	26.6%	21.8%	14.3%	11.2%	4.5%	32.7%	19.1%	13.8%	13.1%	15.7%	5.5%
Wasco	19.4%	23.5%	18.7%	14.6%	15.7%	8.1%	23.2%	15.3%	13.1%	13.7%	21.4%	13.4%
Washington	8.6%	13.9%	15.4%	15.9%	27.6%	18.5%	9.0%	7.6%	9.1%	11.6%	30.1%	32.7%
Wheeler	34.3%	32.6%	16.0%	8.7%	6.2%	2.2%	48.7%	17.3%	10.8%	10.1%	9.5%	3.6%
Yamhill	13.2%	19.8%	18.6%	15.9%	20.3%	12.1%	16.6%	12.0%	11.8%	13.0%	26.3%	20.3%

Table 2-13. 2004 County Housing Units Needed by Tenure and Cost

County	Rental Units Needed by Rent Range						Ownership Units Needed by Price Range					
	0 - 199	200 - 429	430 - 664	665 - 909	910 - 1149	1150 +	<60k	50k <90k	75k <120k	100k <150k	125k <225k	187.5k+
Baker	628	670	553	435	358	150	1,406	810	710	692	815	318
Benton	2,738	2,596	2,006	1,535	2,261	1,469	2,519	1,906	1,939	2,208	5,422	5,884
Clackamas	4,466	6,218	6,822	6,851	11,531	7,733	11,198	8,768	9,709	11,686	28,889	30,041
Clatsop	1,116	1,254	1,001	765	843	451	2,390	1,408	1,169	1,222	2,066	1,175
Columbia	890	1,110	1,204	1,035	1,210	699	2,206	1,494	1,372	1,476	3,220	2,258
Coos	2,285	2,571	1,999	1,495	1,426	671	5,077	2,911	2,364	2,362	3,301	1,495
Crook	489	619	608	500	439	190	1,224	800	728	720	931	410
Curry	698	895	737	564	522	238	2,005	1,321	1,059	1,033	1,266	698
Deschutes	2,705	3,987	3,964	3,388	3,508	1,756	6,419	4,921	4,814	5,143	8,090	5,097
Douglas	3,313	3,946	3,487	2,730	2,326	1,010	7,313	4,616	4,123	4,035	5,385	2,265
Gilliam	45	61	59	62	67	30	132	103	85	88	189	109
Grant	266	294	270	236	212	92	570	356	350	354	445	160
Harney	257	355	311	206	156	61	589	405	318	285	324	131
Hood River	602	753	615	521	512	237	1,152	786	739	768	1,158	640
Jackson	5,073	6,322	5,482	4,235	4,687	2,580	10,976	7,354	6,514	6,731	12,511	7,550
Jefferson	489	669	614	457	384	167	1,071	682	644	633	852	419
Josephine	3,266	3,637	2,649	1,786	1,495	658	7,389	3,997	3,158	3,038	3,366	1,559
Klamath	2,329	2,596	2,183	1,642	1,502	689	4,401	2,740	2,389	2,380	3,462	1,667
Lake	227	300	242	186	167	65	523	320	278	295	317	166
Lane	10,433	11,654	9,881	8,101	9,159	4,972	17,009	11,655	11,347	12,078	21,064	14,728
Lincoln	1,346	1,656	1,401	1,097	1,075	531	3,338	2,240	1,811	1,760	2,719	1,622
Linn	2,681	3,409	3,228	2,640	2,834	1,501	6,144	4,170	3,773	3,946	7,146	4,064
Malheur	1,139	1,339	973	666	576	259	2,322	1,327	1,064	1,011	1,328	651
Marion	5,969	7,702	7,451	6,419	7,572	4,321	12,529	9,415	9,419	10,128	19,207	12,632
Morrow	372	473	407	297	211	73	733	464	403	374	423	163
Multnomah	14,839	18,532	16,959	14,861	21,094	13,120	28,319	19,786	20,007	22,732	48,938	43,626
Polk	1,657	1,963	1,754	1,414	1,533	841	2,926	2,134	2,120	2,223	3,984	2,827
Sherman	64	70	60	47	40	17	140	88	77	78	99	59
Tillamook	666	931	807	590	537	264	1,828	1,289	1,091	1,067	1,465	860
Umatilla	2,088	2,493	2,226	1,764	1,686	829	4,057	2,751	2,452	2,444	4,012	2,224
Union	1,075	1,041	805	588	532	242	1,684	978	874	890	1,185	511
Wallowa	267	331	271	178	139	56	643	375	272	258	308	109
Wasco	696	843	669	523	561	288	1,515	996	853	894	1,396	872
Washington	5,041	8,091	9,016	9,292	16,143	10,833	11,136	9,399	11,348	14,391	37,465	40,634
Wheeler	106	101	50	27	19	7	230	82	51	48	45	17
Yamhill	1,477	2,216	2,082	1,777	2,267	1,351	3,574	2,576	2,529	2,796	5,660	4,366
Totals	81,796	101,695	92,846	78,910	99,587	58,452	166,690	115,422	111,956	122,265	238,452	192,006

Table 2-14. Percentage of 2004 County Housing Units Needed by Cost

County	Percentage of Rental Units Needed by Rent Range						Percentage of Ownership Units Needed by Price Range					
	0 - 199	200 - 429	430 - 664	665 - 909	910 - 1149	1150 +	<60k	50k <90k	75k <120k	100k <150k	125k <225k	187.5k+
Baker	22.5%	24.0%	19.8%	15.6%	12.8%	5.4%	29.6%	17.0%	14.9%	14.6%	17.2%	6.7%
Benton	21.7%	20.6%	15.9%	12.2%	17.9%	11.7%	12.7%	9.6%	9.8%	11.1%	27.3%	29.6%
Clackamas	10.2%	14.3%	15.6%	15.7%	26.4%	17.7%	11.2%	8.7%	9.7%	11.7%	28.8%	30.0%
Clatsop	20.6%	23.1%	18.4%	14.1%	15.5%	8.3%	25.3%	14.9%	12.4%	13.0%	21.9%	12.5%
Columbia	14.5%	18.1%	19.6%	16.8%	19.7%	11.4%	18.3%	12.4%	11.4%	12.3%	26.8%	18.8%
Coos	21.9%	24.6%	19.1%	14.3%	13.7%	6.4%	29.0%	16.6%	13.5%	13.5%	18.9%	8.5%
Crook	17.2%	21.7%	21.4%	17.6%	15.4%	6.7%	25.4%	16.6%	15.1%	15.0%	19.3%	8.5%
Curry	19.1%	24.5%	20.2%	15.4%	14.3%	6.5%	27.2%	17.9%	14.4%	14.0%	17.2%	9.4%
Deschutes	14.0%	20.6%	20.5%	17.5%	18.2%	9.1%	18.6%	14.3%	14.0%	14.9%	23.5%	14.8%
Douglas	19.7%	23.5%	20.7%	16.2%	13.8%	6.0%	26.4%	16.6%	14.9%	14.5%	19.4%	8.2%
Gilliam	13.9%	18.8%	18.3%	19.0%	20.6%	9.4%	18.7%	14.5%	12.0%	12.5%	26.8%	15.5%
Grant	19.4%	21.4%	19.7%	17.3%	15.5%	6.7%	25.5%	15.9%	15.7%	15.8%	19.9%	7.1%
Harney	19.1%	26.3%	23.1%	15.3%	11.6%	4.5%	28.7%	19.7%	15.5%	13.9%	15.8%	6.4%
Hood River	18.6%	23.2%	19.0%	16.1%	15.8%	7.3%	22.0%	15.0%	14.1%	14.6%	22.1%	12.2%
Jackson	17.9%	22.3%	19.3%	14.9%	16.5%	9.1%	21.3%	14.2%	12.6%	13.0%	24.2%	14.6%
Jefferson	17.6%	24.1%	22.1%	16.5%	13.8%	6.0%	24.9%	15.9%	15.0%	14.7%	19.8%	9.7%
Josephine	24.2%	27.0%	19.6%	13.2%	11.1%	4.9%	32.8%	17.8%	14.0%	13.5%	15.0%	6.9%
Klamath	21.3%	23.7%	20.0%	15.0%	13.7%	6.3%	25.8%	16.1%	14.0%	14.0%	20.3%	9.8%
Lake	19.1%	25.3%	20.4%	15.6%	14.1%	5.5%	27.6%	16.8%	14.6%	15.5%	16.7%	8.7%
Lane	19.2%	21.5%	18.2%	14.9%	16.9%	9.2%	19.4%	13.3%	12.9%	13.7%	24.0%	16.8%
Lincoln	18.9%	23.3%	19.7%	15.4%	15.1%	7.5%	24.7%	16.6%	13.4%	13.0%	20.2%	12.0%
Linn	16.5%	20.9%	19.8%	16.2%	17.4%	9.2%	21.0%	14.3%	12.9%	13.5%	24.4%	13.9%
Malheur	23.0%	27.0%	19.7%	13.5%	11.6%	5.2%	30.1%	17.2%	13.8%	13.1%	17.2%	8.4%
Marion	15.1%	19.5%	18.9%	16.3%	19.2%	11.0%	17.1%	12.8%	12.8%	13.8%	26.2%	17.2%
Morrow	20.3%	25.8%	22.2%	16.2%	11.5%	4.0%	28.6%	18.1%	15.7%	14.6%	16.5%	6.4%
Multnomah	14.9%	18.6%	17.1%	14.9%	21.2%	13.2%	15.4%	10.8%	10.9%	12.4%	26.7%	23.8%
Polk	18.1%	21.4%	19.1%	15.4%	16.7%	9.2%	18.0%	13.2%	13.1%	13.7%	24.6%	17.4%
Sherman	21.6%	23.4%	20.1%	15.8%	13.5%	5.6%	25.9%	16.2%	14.2%	14.4%	18.4%	11.0%
Tillamook	17.5%	24.5%	21.3%	15.5%	14.1%	7.0%	24.1%	17.0%	14.4%	14.0%	19.3%	11.3%
Umatilla	18.8%	22.5%	20.1%	15.9%	15.2%	7.5%	22.6%	15.3%	13.7%	13.6%	22.4%	12.4%
Union	25.1%	24.3%	18.8%	13.7%	12.4%	5.7%	27.5%	16.0%	14.3%	14.5%	19.4%	8.3%
Wallowa	21.5%	26.6%	21.8%	14.3%	11.2%	4.5%	32.7%	19.1%	13.8%	13.1%	15.7%	5.5%
Wasco	19.4%	23.5%	18.7%	14.6%	15.7%	8.1%	23.2%	15.3%	13.1%	13.7%	21.4%	13.4%
Washington	8.6%	13.9%	15.4%	15.9%	27.6%	18.5%	9.0%	7.6%	9.1%	11.6%	30.1%	32.7%
Wheeler	34.3%	32.6%	16.0%	8.7%	6.2%	2.2%	48.7%	17.3%	10.8%	10.1%	9.5%	3.6%
Yamhill	13.2%	19.8%	18.6%	15.9%	20.3%	12.1%	16.6%	12.0%	11.8%	13.0%	26.3%	20.3%

SUBSIDIZED RENTAL UNIT NEEDS

The table below lists the population and subsidized rental units by county in 1999. Based on assumptions about cost-burden, Oregon needs an estimated 34,423 rental units for householders over age 65, and 172,111 rental units that rent for less than \$430 per month.

County	Subsidized Rental Units		Units per 1000	Rental Units Needed with Rents <430		Units as % of all HHs Needing Rents <430
	1999 Population	Units		Needed For HHs 65+	Needed for all HHs	
Sherman	1,900	0	0.0	29	138	0.00%
Lake	7,400	22	3.0	111	525	4.19%
Benton	77,100	409	5.3	1,485	5,018	8.15%
Baker	16,700	118	7.1	323	1,245	9.48%
Klamath	62,300	461	7.4	899	4,628	9.96%
Josephine	73,400	828	11.3	1,568	6,225	13.30%
Deschutes	106,700	767	7.2	1,160	5,644	13.59%
Coos	61,350	648	10.6	1,030	4,693	13.81%
Wheeler	1,600	30	18.8	53	199	15.08%
Linn	103,000	898	8.7	1,277	5,621	15.98%
Grant	8,000	89	11.1	127	541	16.45%
Crook	16,800	175	10.4	257	1,006	17.40%
Union	24,500	364	14.9	266	2,076	17.53%
Clatsop	34,750	415	11.9	500	2,305	18.00%
Morrow	9,550	138	14.5	129	732	18.85%
Curry	22,050	285	12.9	399	1,508	18.90%
Lane	315,700	3,998	12.7	3,272	20,645	19.37%
Clackamas	326,850	1,925	5.9	2,307	9,819	19.60%
Jackson	174,550	2,219	12.7	2,216	10,546	21.04%
Harney	7,600	125	16.4	122	588	21.26%
Douglas	100,850	1,486	14.7	1,473	6,840	21.73%
Polk	60,100	748	12.4	585	3,305	22.63%
Washington	404,750	2,895	7.2	2,142	11,841	24.45%
Tillamook	24,100	367	15.2	357	1,490	24.63%
Malheur	30,700	619	20.2	477	2,352	26.32%
Marion	275,250	3,587	13.0	2,564	12,848	27.92%
Columbia	42,650	536	12.6	471	1,854	28.91%
Gilliam	2,100	29	13.8	27	97	29.90%
Yamhill	83,100	1,011	12.2	726	3,352	30.16%
Umatilla	68,000	1,366	20.1	837	4,305	31.73%
Lincoln	43,350	906	20.9	659	2,817	32.16%
Hood River	19,700	467	23.7	210	1,260	37.06%
Wasco	22,650	554	24.5	305	1,486	37.28%
Wallowa	7,200	223	31.0	140	591	37.73%
Multnomah	646,850	12,487	19.3	5,722	32,912	37.94%
Jefferson	17,650	425	24.1	197	1,059	40.13%
Totals	3,300,800	41,620	12.6	34,423	172,111	24.18%

Subsidized Rental Units estimated by OHCS - Rental Units Needed with Rents <430

NOTE: These tables do NOT account for existing housing stock. Local planners should balance these projections against the existing housing and rental unit inventory.

COST BURDEN

The standard for housing affordability adopted by the Federal government is that households should pay no more than 30% of gross income to meet their housing costs. Utility costs are included as a housing cost. This standard is widely accepted by housing planners and is an underlying assumption in this discussion of housing needs. Households that pay more than 30% of their income for housing are “housing cost burdened”. Households that pay more than 50% of their income, including utilities, are “severely cost burdened.”

Oregon’s housing stock remained relatively affordable compared to other areas of the nation. However, the affordability of housing in the state is falling. The Housing Opportunity Index (HOI) as reported by the National Association of Homebuilders (NAHB) for the Portland Metropolitan area fell last year. In 1999, a household of median income could purchase fewer than 33% of the homes on the market. Both the costs of the average home and of the average rent payment exceeded income gains of the average Oregonian.

This trend affects low-income households where cost burden is most significant. For people and households who need affordable housing, lack of sufficient economic resources is a big obstacle to participating in the housing market. While some people have additional problems such as lack of a recent rental history and poor credit ratings, virtually all people who have difficulty finding affordable housing have lower household incomes.

Oregon’s elderly households are the poorest of all household categories examined in this Consolidated Plan. Nearly 63% of all elderly households have moderate-income or below. As with all household groups, housing problems generally decrease for elderly households as their incomes increase. Approximately 56% of elderly low-income renters and 36% of elderly low-income owners live in substandard housing. Cost burden is the most common problem. It affects 28% of all elderly households, places them in danger of losing their independence, and makes it increasingly likely that they will not be able to maintain and or modify their homes to safe and accessible standards.

Approximately 24% of Oregon households have low or moderate income. These families have more difficulty achieving homeownership than all households do generally. Less than 41% of Oregon’s families with low or moderate income are homeowners. Overcrowding and cost burden are the most significant issues affecting them. Almost 70% of all families with moderate, low or extremely low incomes experience at least one housing problem.

In addition to the variances in need between Oregon’s households, the housing stock of regions within the state differ in age and type. The affordable housing stock in Oregon’s rural areas is generally older than the state’s urban regions.

While a relatively equal percentage of single family homes exist between regions, the occurrence of multifamily units and manufactured dwellings differs depending upon the existence of urban areas within a region. For instance, the Portland region hosts a substantially lower percentage of manufactured housing than other regions of the state yet offers a larger variety of multi-family options.

According to 1990 census information, significant differences exist between regions in the percentage of households below 80% of the median family income. In the most prosperous region, the Portland MSA, less than 20% of the households are cost burdened. On the other hand, in the state's poorest regions, as much as 59% of all households have low or moderate income and are cost burdened. On average, 24% of the state's households were at or below moderate income and were cost burdened. These large disparities indicate a substantial need differential between counties and between regions. This disparity between counties is particularly important. Counties within affluent regions may still have a high percentage of low and moderate-income households.

HOME CATEGORIES

One indicator of unmet housing needs is the percentage of households in areas covered by the statewide plan who have either moderate (50-80% of the Area Median Income), low (50% and below of AMI), or extremely low (30% or less of AMI) household incomes. Another measure of need is the number of households that pay more than 30% of their income for housing and are, therefore, "cost-burdened." A third indicator is the number of people who are eligible for rental assistance or some other form of subsidy but are not receiving it.

The 1990 Census identified 211,000 low and very low-income households in Oregon who experienced housing problems. Almost 54,000 of those low-to-moderate income families were severely cost burdened. Households with severely low incomes are likely to face severe stress in Oregon's current housing market.

Many of Oregon's severely low-income households live on fixed incomes, including benefits such as Social Security, Supplemental Social Security (SSI) and SSD. According to the Oregon Mental Health and Developmental Disabilities Section, a person on SSI income receives an average of \$512 per month or \$6,144 per year. Using the 30% of gross income guideline, affordable rent including utilities would be \$154 per month.

The Fair Market Rent (FMR) for a one-bedroom unit in several rural Oregon counties was \$371 (or 72% of SSI income). An efficiency unit had a FMR of \$313 (or 61% of SSI income). In order to afford housing in a rural county, a person living on SSI would need some form of rent subsidy. Although many affordable housing projects use some funding sources such as federal and state tax credits, the Oregon Housing Trust Fund, and HOME, they often serve people who are low, rather than severely low-income. Unless a source of rent subsidy, such as Section 8 vouchers, is available, a severely low-income household would not be able to take advantage of these projects.

THE ELDERLY AND FRAIL ELDERLY

Most elderly Oregonians lead vigorous lives, in quality housing that is within their financial means and located in neighborhoods of their choosing. Still, there are elderly households whose housing costs too much, is in substandard condition, and/or fails to accommodate their physical capabilities or needs for assistance.

In 1997, there were about 625,000 Oregonians aged 55 and older. This population grew by 11% between 1990-1997. There were about 437,000 persons aged 65 and older representing 13.6% of Oregon's population. As the Baby Boom generation starts reaching retirement age, the size of the elderly population (ages 65 and over) will increase substantially. By 2025, the percentage of Oregonians aged 65 and over may be more than 21% of the state's population.

For elderly homeowners and renters the universe of issues with which they must deal include:

- Adequate maintenance of their housing unit and its grounds
- The ability to respond to needs caused by emergency situations such as severe cold, storms or fires
- Property taxes
- The ability to refinance high interest mortgages
- Rising utility bills

The need for assistance with these issues is, according to national data, more concentrated among older Americans who lack both adequate income and assets. Those elderly without financial assets such as savings and investments were more likely to have substandard housing conditions when compared to those with financial assets of more than \$15,000.

Elderly Oregonians also face the possibility of being "over-housed". That is, they are living in a dwelling where bedrooms outnumber household members by more than one. For many poor and frail elderly, the cost of maintaining this "extra" housing may add to the already substantial physical and financial burden of aging in place.

A sizeable number of older Oregonians reside in manufactured dwelling parks. According to the 1996 Oregon Population Survey, one person in ten, aged 55 and older, lives in a manufactured dwelling. The older homes (those built before 1976) may have a high need for repair and weatherization. Many of the older people who live in the parks have been there for 15 or more years and hope to continue to live there for the rest of their lives. This group of mobile park residents is the one most vulnerable to park closings, increases in pad rental fees, deteriorating conditions of their housing stock, and lack of nearby services.

Table 2-16. PERCENT OF RESPONDENTS LIVING IN VARIOUS TYPES OF RESIDENCES IN 1996					
Age	One Family House detached	One Family house attached/ condominium	Duplex or Apartment	Mobile Home or Trailer	Other
18-54	71	2	22	4	0
55-59	84	2	6	8	0
60-64	79	2	11	9	0
65-69	79	3	9	9	0
70-74	78	1	11	10	0
75-79	66	3	20	11	0
80-84	57	1	20	23	0
85+	53	0	30	10	6
Totals					
55+	75	2	12	10	0
18+	72	2	19	6	0

Source : Oregon Progress Board, 1996 Oregon Population Survey

For those older people who rent a home or apartment, including those living in manufactured dwelling parks, there is a limited supply of housing that meets their economic and physical needs. In Oregon, people aged 55 and older are twice as likely to live in a household with an annual income under \$15,000 than those between the ages of 18-54 do. Unlike national statistics showing that the elderly are less likely to be below poverty than older adults, in Oregon, persons aged 55 and older are slightly more likely to be below poverty level than those aged 18-54. And the group is growing larger. In 1995, 15.6% of Oregonians aged 65 and older were living below the poverty line compared to only 10.1% in 1989. This is a 54% increase in only six years. This increase occurred at a time when Oregon was enjoying strong economic growth. It appears that the elderly have not shared in the state's economic boom.

Table 2-17. ELDERLY: 1 & 2 MEMBER RENTER HOUSEHOLDS & ELDERLY OWNER HOUSEHOLDS BY HUD INCOME CATEGORIES⁵									
County Name	TOTAL HH	Extremely Low Income 0-30% of Median		Low Income 31-50% of Median		Moderate Income 51-80% of Median		Middle Income 81-95% of Median	
		Renter	Owner	Renter	Owner	Renter	Owner	Renter	Owner
Baker	1,913	107	268	86	333	86	351	23	165
Benton	4,444	302	388	230	518	268	831	75	168
Clackamas		1,294	1,922	1,261	2,977	920	4,156	221	1,830
Clatsop	4,163	57	221	230	782	309	621	239	370
Columbia	1,161	53	256	73	869	199	615	179	435
Coos	7,405	330	657	417	1,155	299	1,524	81	510
Crook	1,430	79	179	66	255	23	376	19	175
Curry	3,608	64	211	141	559	189	696	33	269
Deschutes	6,564	306	660	239	1,108	271	1,564	78	562
Douglas	10,420	443	755	601	1,720	385	2,065	81	922
Gilliam	223	4	18	5	51	2	52	0	24
Grant	756	43	92	34	126	30	150	7	104
Harney	604	24	72	36	145	9	143	13	90
Hood River	1,457	99	143	86	189	47	311	2	85
Jackson*	10,940	365	1,026	428	1,656	248	2,210	127	1,060
Medford	-	424	337	423	581	335	782	142	330
Ashland	-	-	-	-	-	-	-	-	-
Jefferson	1,081	48	116	49	228	56	245	8	68
Josephine	8,980	354	1,031	411	1,443	360	1,783	89	606
Klamath	5,501	295	631	330	873	202	1,314	120	466
Lake	705	33	116	22	146	20	165	0	49
Lane*	11,728	479	1,106	552	2,035	312	2,910	75	1,135
Eugene		777	459	928	899	563	1,545	287	569
Springfield		227	205	256	649	158	733	70	287
Lincoln	2,275	46	403	242	1,238	301	755	232	379
Linn	8,850	459	850	592	1,330	351	2,081	118	844
Malheur	2,702	192	202	190	549	114	510	53	245
Marion*	8,908	517	1,070	387	1,407	432	2,284	73	970
Salem		769	751	934	1,222	553	1,898	174	691
Keizer	-	-	-	-	-	-	-	-	-
Morrow	593	39	50	37	124	18	137	8	49
Multnomah	4,865	1,070	339	350	520	121	985	41	387
Polk	224	8	32	9	22	14	50	0	7
Sherman	8,717	184	1,202	658	3,589	1,004	2,442	736	1,403
Tillamook	1,118	28	322	113	700	195	451	86	219
Umatilla	5,360	339	549	305	869	219	1,106	66	469
Union	2,245	101	198	124	401	92	472	22	179
Wallowa	858	32	99	43	124	24	226	5	100
Wasco	2,627	176	147	192	324	122	483	39	185
Washington		1,557	1,588	1,310	2,253	1,333	3,627	416	1,590
Wheeler	303	14	25	21	61	6	47	0	13
Yamhill	5,411	339	678	269	1,012	192	1,195	34	338
State Consolidated Plan Area*									
TOTAL	138,139	7,029	14,112	7,568	26,461	6,520	31,150	2,762	13,150
State of Oregon									
TOTAL		17,970	23,690	16,323	37,348	12,036	52,408	3,710	20,801

* County Totals Minus Entitlement Jurisdictions

⁵ (Source: 1990 U.S. Census and HUD CHAS Data Book)

Table 2-18. FRAIL ELDERLY			
1 and 2 Member Households in Need of Financial Assistance			
County Name	Total Households	Very Low Income in Need of Financial Assistance & Supportive Housing	Low Income in Need of Financial Assistance & Supportive Housing
Baker	1,913	22%	12%
Benton	4,444	40%	31%
Clackamas	-	-	-
Clatsop	4,163	36%	26%
Columbia	1,161	35%	23%
Coos	7,405	44%	51%
Crook	1,430	17%	11%
Curry	3,608	20%	25%
Deschutes	6,564	65%	51%
Douglas	10,420	65%	69%
Gilliam	223	2%	2%
Grant	756	8%	5%
Harney	604	8%	4%
Hood River	1,457	12%	10%
Jackson	10,940	58%	69%
Jefferson	1,081	13%	8%
Josephine	8,980	52%	60%
Klamath	5,501	60%	42%
Lake	705	9%	5%
Lane	11,728	117%	90%
Lincoln	2,275	54%	30%
Linn	8,850	90%	68%
Malheur	2,702	32%	17%
Marion	8,908	95%	68%
Morrow	593	7%	4%
Multnomah	-	-	-
Polk	4,865	64%	31%
Sherman	224	2%	2%
Tillamook	1,118	33%	18%
Umatilla	5,360	58%	37%
Union	2,245	23%	12%
Wallowa	858	8%	7%
Wasco	2,627	23%	17%
Washington	-	-	-
Wheeler	303	3%	1%
Yamhill	5,411	64%	39%
TOTAL*	129,422	32%	24%

* County Totals minus Entitlement Jurisdictions

AREAS OF MINORITY CONCENTRATION

HUD regulations require an analysis to determine if any racial or ethnic group has disproportionately greater need in comparison to the needs of that category as a whole. A “disproportionately greater need” exists when the percentage of people in an income category who are members of a particular racial or ethnic group is at least 10 percentage points higher than the percentage of people in the category as a whole.⁶

Unfortunately HUD provides ethnicity information at the household level rather than the individual level. This is a challenge when analyzing whether a disproportionate number of “people” were in a category of need. Given the age and incompleteness of the data, the state is unable to offer a current and thorough analysis of proportionality. Some general statements are possible.

Although Oregon’s population remains overwhelmingly white, the state’s minority population has grown in the 1990s. Comprising only 2% of Oregon’s population in 1970, American Indians, Asians, and Blacks now make up more than 6% of the population. About 88% or 2,873,000, of Oregon’s 3.3 million residents are white, according to 1998 population estimates by the Oregon Employment Department (OED). Hispanics, Asians, African Americans, and Native Americans make up the other 12%, or roughly 400,000 people. Small in total numbers, Oregon’s minority populations experience much higher rates of poverty than white non-Hispanics.

In 1998, about 200,000 Oregonians were Hispanic, according to OED. About 27%, or 54,000, of Hispanics in Oregon live below the poverty level and earn about half the average state per capita income. Those who work with the poor agree that the people living in the worst poverty in the state are largely suffering in silence—the undocumented migrant farm workers who make much of Oregon agricultural bounty possible. Oregon has no reliable records of the actual numbers of migrant workers who sometimes live in appalling conditions. The Mexican Consulate of Oregon estimates that up to 90,000 undocumented Mexican nationals work and live in the rural parts of Oregon.

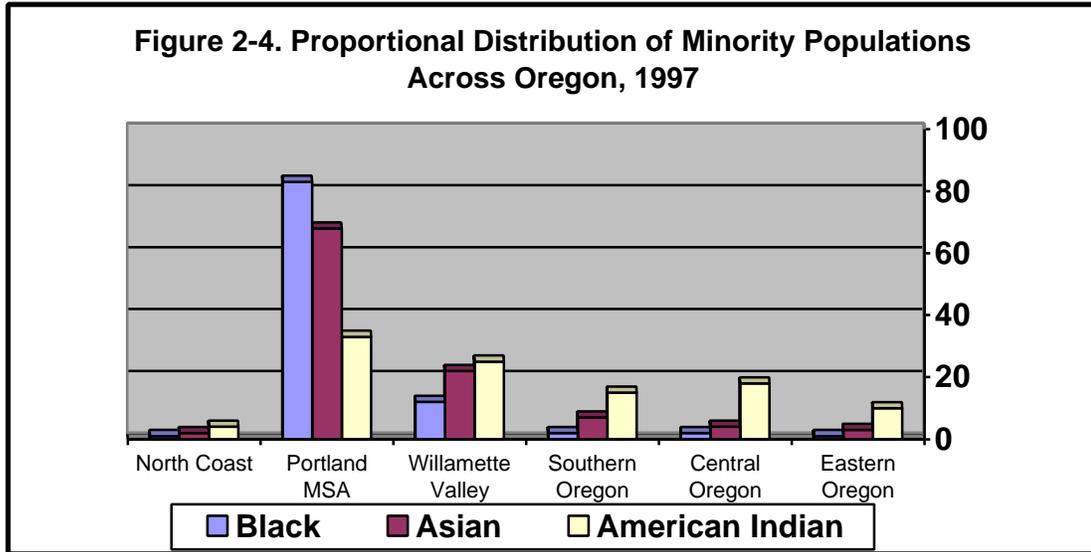
Minority households are disproportionately represented among the lower income categories. Nearly 40% of African Americans and 50% of Native Americans reported household incomes of less than \$35,000 with the median being \$20,000 to \$25,000. Because of this, the State recognizes that a disproportionate need for affordable housing also exists for these groups. Asian Americans and Pacific Islanders made up 3% (or, 98,000) of Oregon’s population in 1998. Approximately 10% of Oregon’s Asian population live below the poverty level.

Region of residence varies greatly among Oregon’s racial groups. According to data from the U.S. Census Bureau, 96% of African Americans and 89% of Asians live in either

⁶ Guidelines for Preparing a State Consolidated Strategy and Plan, HUD, Office of Community Development, 1995.

greater Portland or the Willamette Valley.⁷ Multnomah County is home to more than 75% of all Blacks in the state.

Native Americans in Oregon have the state’s highest overall poverty rate, 29.4%. Out of a 1998 population count of 44,000, that equates to nearly 13,000 Oregonians eligible for some assistance for both living and housing needs. Oregon’s American Indian population is more evenly distributed around the state than any other racial group. According to OED, this is due largely to the high percentage of Indians living on or near reservations, which are scattered across the state. The *1997 Bureau of Indian Affairs Local Estimates of Resident Indian Population and Labor Market Information Report*, 48% of Oregon’s Indian population lives on or near a reservation. According to the table on page 2-24, Jefferson County, which contains the Warm Springs Indian Reservation, has the highest percentage of Native American residents at 17.3%. Hispanic residents make up over 20% of the population in Hood River and Malheur Counties and close to 15% in Jefferson and Umatilla Counties. These concentrations of ethnic groups may indicate a higher proportionate need for affordable housing, community services, and community development.



⁷ American Indians, Blacks, & Asians in Oregon’s Work Force, Oregon Employment Department

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Table 2-19. RACE AND ETHNICITY BY COUNTY

County	White	Black	Am Indian / Esk /Aleut	Asian / Pac Islander	Hispanic	County Population	% White	% Black	% Am Indian / Esk /Aleut	% Asian / Pac Islander	% Hispanic
Baker	15,991	35	156	77	486	16,259	98.4	0.21	0.7	0.34	3.0
Benton	70,579	816	630	5,167	2,996	77,192	91.4	1.1	0.63	6.7	3.9
Clackamas	325,961	1,608	2,473	8,209	13,930	338,251	96.4	0.5	0.7	2.4	4.1
Clatsop	34,078	167	397	681	1,168	35,323	96.5	0.5	1.1	1.9	3.3
Columbia	44,176	83	627	482	1,391	45,368	97.4	0.10	1.4	1.1	3.1
Coos	59,227	201	1,425	817	2,273	61,670	96.0	0.3	2.3	1.3	3.7
Crook	17,277	25	295	89	796	17,686	93.2	0.09	1.7	0.46	4.5
Curry	20,462	49	480	179	623	21,170	96.7	0.15	2.3	0.8	2.9
Deschutes	108,665	205	997	943	3,894	110,810	98.1	0.2	0.9	0.9	3.5
Douglas	99,044	179	1,579	1,003	3,888	101,805	97.3	0.2	1.6	1.0	3.8
Gilliam	2,045	1	12	16	67	2,074	93.9	0.00	0.78	0.54	4.39
Grant	7,734	7	90	24	233	7,855	95.6	0.07	1.1	0.11	3.0
Harney	6,980	8	255	52	373	7,295	95.7	0.04	3.5	0.57	5.1
Hood River	19,075	111	238	493	4,778	19,917	95.8	0.6	1.2	2.5	24.0
Jackson	170,626	535	2,344	2,317	11,464	175,822	97.0	0.3	1.3	1.3	6.5
Jefferson	13,792	43	2,923	103	2,544	16,861	81.8	0.19	17.3	0.6	15.1
Josephine	72,849	201	1,080	789	3,526	74,919	97.2	0.3	1.4	1.1	4.7
Klamath	59,539	608	2,617	671	5,247	63,435	93.9	1.0	4.1	1.1	8.3
Lake	6,905	10	195	63	438	7,173	96.3	0.03	2.7	0.65	6.1
Lane	300,447	2,791	3,616	8,047	12,598	314,901	95.4	0.9	1.1	2.6	4.0
Lincoln	43,191	107	1,099	588	1,181	44,985	96.0	0.2	2.4	1.3	2.6
Linn	102,431	272	1,294	1,340	4,194	105,337	97.2	0.3	1.2	1.3	4.0
Malheur	26,719	136	398	1,192	8,110	28,445	93.9	0.5	1.4	4.2	28.5
Marion	258,484	3,195	4,259	6,822	34,518	272,760	94.8	1.2	1.6	2.5	12.7
Morrow	10,310	11	133	59	1,736	10,513	98.1	0.08	1.3	0.38	16.5
Multnomah	538,935	45,576	7,581	41,132	34,282	633,224	85.1	7.2	1.2	6.5	5.4
Polk	60,019	283	997	1,097	5,470	62,396	96.2	0.5	1.6	1.8	8.8
Sherman	1,735	6	33	15	53	1,786	92.9	0.00	1.8	0.62	3.0
Tillamook	23,815	55	284	266	706	24,420	97.5	0.09	1.2	1.1	2.9
Umatilla	63,116	514	2,310	863	9,249	66,803	94.5	0.8	3.5	1.3	13.8
Union	24,056	123	275	353	645	24,807	97.0	0.5	1.1	1.4	2.6
Wallowa	7,184	5	34	35	221	7,258	96.2	0.11	0.31	0.33	3.0
Wasco	21,953	99	944	350	1,830	23,346	94.0	0.31	4.0	1.5	7.8
Washington	378,998	3,472	2,476	24,359	29,682	409,305	92.6	0.8	0.6	6.0	7.3
Wheeler	1,544	1	12	2	29	1,559	97.4	0.06	0.52	0.06	1.62
Yamhill	80,552	474	1,078	1,320	8,251	83,424	96.6	0.6	1.3	1.6	9.9
Total	3,098,494	62,012	45,633	110,015	212,870	3,316,154					

Source: Population Estimates Program, Population Division, U.S. Census Bureau, Internet Release Date: August 30, 2000.

OVERCROWDED HOUSING

Overcrowding has been identified by HUD as a housing problem that presents additional pressures and challenges for lower income families, particularly those with over five members and whenever more than one family occupies a dwelling unit. A more complete discussion of the overcrowded condition of Oregon dwelling units is contained in the Market Analysis Section.

HOMELESSNESS

No universally accepted enumeration of the homeless population exists. Efforts to estimate homelessness through the state’s One Night Shelter Count process indicate approximately 8,000 homeless individuals served per year statewide. The FY 2000 OHCS Continuum of Care Application for Rural Oregon Continuum of Care describes the difficulty of accurately counting the homeless people in Oregon’s rural areas (refer to *Table 1999 Family Income Based On Families Of Four*, in the Housing Market Analysis, Housing Affordability section).

There is no feasible way to count individuals or families residing in campgrounds, cars, abandoned buildings, under bridges, on the streets, or squatting. On any given night, for the 26 rural counties represented in Oregon’s Rural Continuum of Care Program, 878 people will attempt to access emergency shelter services. Of those, 386 will be turned away for lack of space, vouchers, or other means of accommodation.

The following is a listing of the 33 *Balance of State* Counties. The 10 counties highlighted opted out of the Continuum of Care Application. Therefore the term *Balance of State* as used here refers to all 33 of the Rural Counties listed below. Discussion of the Rural Continuum of Care Counties refers to the 26.

Baker County	Harney County	Marion County
Benton County	Hood River County	Morrow County
Clatsop County	Jackson County	Polk county
Columbia County	Jefferson County	Sherman County
Coos County	Josephine County	Tillamook County
Crook County	Klamath County	Umatilla County
Curry County	Lake County	Union County
Deschutes County	Lane County	Wallowa County
Douglas County	Lincoln County	Wasco County
Gilliam County	Linn County	Wheeler County
Grant County	Malheur County	Yamhill County

The estimated number of homeless individuals served by OHCS at any given time is 8,000 (based on the annual One-Night Shelter Count). Many of these individuals use emergency shelter programs multiple times. These programs serve individuals statewide and are not the only source of funding for combating homelessness.

Although enumerating the homeless population is difficult at best, a basic picture of the characteristics of the homeless is possible. Nationally, approximately 23% of all homeless individuals are children under the age of 18, 11% are their parents, and the majority of homeless individuals are single adults. Of the single adults, 77% are men. When considering homeless families nationwide, 84% are female-headed families. The racial/ethnic breakout of the homeless family is divided primarily between black – 43% and white – 38% non-Hispanic families. Hispanic families account for 15% of homeless families.

Geographically, homelessness is more prevalent in the metropolitan areas when compared to those considered poor statewide. The National Survey of Homeless Assistance Providers and Clients (NSHAPC), found that fewer homeless people live in the rural areas where a higher percentage of poor Americans reside. This could be attributed to the promise of a better job market and the availability of affordable housing in the metropolitan areas.

Identifying and addressing the causes of homelessness are important to the prevention of this living situation for those threatened with homelessness and to assist those households currently homeless.

The state's Continuum of Care plan shows a gap of 57% for bed nights needed for individuals and a 69% gap of bed nights for families with children needing shelter.

The system currently in place for the 26 counties covered by the state Continuum of Care Plan consists of a variety of local nonprofit agencies, religious organizations and state agencies providing limited levels of assistance to the homeless. The assistance available varies from county to county, depending on, local determination of needs and on the initiative and assertiveness of individual nonprofit organizations. These organizations often operate on a countywide or multi-county basis. In 1989, homeless lead agencies were established by OHCS to effectively distribute state and federal funds.

In much of rural Oregon a single, coordinated delivery system for all of the fundamental components of the Continuum of Care system does not exist. Crisis prevention and intervention are more readily available than long-term or intensive assistance. Housing for the homeless is extremely limited. Many rural counties do not have emergency shelters. All of the counties lack an adequate number of transitional units and affordable permanent housing.

Other housing needs include:

- additional spaces in emergency shelters and other housing especially in facilities that do not have time limitations on stays
- transitional housing geared specifically to young adults over age 18
- shelters accessible by all household types
- rental deposit assistance, utility bill payment, deposits, and long-term lease or lease purchase arrangements for households leaving transitional housing

Because of the complex and varied nature of homelessness, a wide continuum of supportive services is required to prevent and move people away from homelessness. A survey conducted by OHCS of all homeless service providers indicates that the greatest need was the addition of case managers, followed by employment training for their clients. The need of case management for general life skill was the greatest indicated need, followed by employment training, alcohol/drug treatment, and financial planning.

Various sub-populations of the homeless exist which require special housing needs and supportive services. The state's Continuum of Care application reports that, in rural areas, 16% of homeless individuals and 7% of homeless persons in families with children suffer from severe mental illness. The same report estimates that of the homeless population in rural areas 37% of individuals and 46% of persons with families with children are chronic substance abusers. Other predominant sub-populations of homeless include victims of domestic violence, those living with HIV/AIDS, veterans, and youth physically disabled and persons released from correctional institutions.

Persons threatened with homelessness are found across a variety of populations. In this category, the Consolidated Plan focuses primarily on those with incomes less than 30% of the median family income and those who spend more than 50% of their income on housing. Persons living with AIDS are included in this category, as are those involved in situations of domestic violence. Each year OHCS makes funds available to local governments and nonprofit organizations to prevent the incidence of homelessness.

Unsheltered Homeless

There is no effective method of counting the hidden or unsheltered homeless. For several reasons, many persons go uncounted. Emergency shelters are often full in the population centers and are limited or non-existent in rural Oregon communities. The existing rural shelters each have limited capacity and serve specific populations of homeless.

Unsheltered homeless persons living survive by living in vehicles, camping in tents or live on riverbanks. They are difficult to count because of their transience and often located in places that are difficult to access. The needs of the unsheltered mirror the sheltered homeless needs for affordable housing, substance abuse treatment, living wage jobs, vocational training, quality child care, health care and nutritional needs.

Persons At Risk of Homelessness

According to an Oregon State University study, an estimated 400,000 Oregonians had incomes below the federal poverty level of \$16,700 for a family of four. In a separate study the National Law Center on Homelessness and Poverty indicated that these individuals and families are at serious risk of homelessness. About one in ten of the extremely poor will become homeless (Causes of Homelessness in America, National Law Center on Homelessness and Poverty).

SIZE OF FAMILY UNIT	INCOME
1	\$8,240
2	\$11,060
3	\$13,880
4	\$16,700
5	\$19,520
6	\$22,340
7	\$25,160
8	\$27,980

In addition to persons living at or below the poverty line, we can begin to identify persons who are at further risk of homelessness by looking at other pressures faced by Oregonians. For example, some Oregonians working full time at minimum wage jobs are forced to skimp on food to pay their bills. About 12.6% of Oregon households have difficulty meeting their basic food needs says the U.S. Department of Agriculture. That compares to a national average of 9.7 percent.

Finding an affordable place to live is also a huge challenge for Oregon families. The state’s population growth, about twice the national average, has pushed housing costs to some of the highest in the nation. Oregon ranked 13th among the states in the cost of existing homes and 17th in the cost of new ones, according to the National Association of Realtors. Little help is available for those looking for affordable housing. The waiting list for subsidized housing is years long.

Other factors placing people at risk of becoming homeless are changes in the family structure, failure to address the treatment and rehabilitative needs of people with disabilities, and chronic physical and/or mental health problems.

Some systems originally designed to rehabilitate individuals can also contribute to the number of persons vulnerable to homelessness. These systems include the adult and youth correctional systems and even the foster care system which can sometime discharge people into homelessness after the child reaches "adulthood". A 1992 study (“Over the Edge”) indicated that 9% to 39% of adult homeless persons spent some time in foster care as children. It also found that three out of four homeless men had a history of institutional stay. The Department of Veterans Affairs maintains that one-third of all homeless persons are veterans. The failures of these, and other systems, have had a severe impact on the homeless service delivery system and place many Oregonians at risk of becoming homeless.

Sub-Populations of the Homeless

The sub-populations of homeless persons identified by HUD are listed below. These groups are currently served through existing shelters that also serve the general homeless population in Oregon. Often these groups have special needs that cannot be adequately met in shelters designed to serve the general population.

Table 2-22. Continuum of Care Gaps Analysis - Individuals					
	Individuals	Estimated Need	Current Inventory	Unmet Need/Gap	Relative Priority
Sub-populations	Chronic Substance Abuse	865	303	562	H
	Seriously Mentally Ill	370	209	161	L
	Dually-Diagnosed	224	72	152	L
	Veterans	451	140	311	L
	Persons with HIV/AIDS	55	30	25	L
	Victims of Domestic Violence	279	151	128	M
	Youth	76	30	46	M
	Farmworkers	151,075	N/A	151,075	H
Beds/Units	Emergency Shelter	608	394	214	L
	Transitional Housing	568	219	349	H
	Permanent Housing	727	203	524	M
	Total	1903	816	1087	
Supportive Services Slots	Job Training	724	361	363	L
	Case Management	1234	536	698	H
	Substance Abuse Treatment	664	172	492	H
	Mental Health Care	620	256	364	L
	Housing Placement	810	254	556	H
	Life Skills Training	1033	400	633	H

Table 2-23. Persons in Families With Children					
	Individuals	Estimated Need	Current Inventory	Unmet Need/Gap	Relative Priority
Sub-Populations	Chronic Substance Abuse	1109	508	601	H
	Seriously Mentally Ill	180	76	104	L
	Dually-Diagnosed	316	229	87	L
	Veterans	210	80	130	L
	Persons with HIV/AIDS	23	15	8	L
	Victims of Domestic Violence	576	245	334	M
Supportive Services Slots	Case Management	2177	688	1489	H
	Child Care	630	172	458	H
	Substance Abuse Treatment	700	196	504	M
	Mental Health Care	508	184	324	M
	Housing Placement	1082	154	928	H
	Life Skills Training	1345	462	883	H

OTHER SPECIAL NEEDS

Persons with Disabilities (mental, physical, developmental)

A 1996 National Survey of Homeless Assistance Providers and Clients reported that 17% of homeless clients had mental problems. Another 22% had a combination of mental health problems and alcohol or drug abuse problems. During an OHCS conducted One-Night Shelter Count of persons accessing emergency shelter throughout Oregon in 1999, nearly 23% indicated that they suffered a psychiatric disability. Another 14% indicated they had a dual diagnosis of mental illness and substance abuse.

Table 2-24. Housing Needs of Oregonians with Psychiatric Disabilities – 1999

	Total Adult Population 1998	Prevalence of Psychiatric Disorders = 1-3% of General Adult Population	Total Served 1998-99	# Served Needing Rent Subsidy	# Served Needing Special Housing
State of Oregon	2,442,971	24,430 - 73,289	36,732	27,549	10,322
Baker	12,423	124 - 373	195	146	55
Benton	61,116	611 - 1,833	469	352	132
Clackamas	242,415	2,424 - 7,272	1,742	1,307	490
Clatsop	25,453	255 - 764	721	541	203
Columbia	31,154	312 - 935	224	168	63
Coos	48,644	486 - 1,459	1,259	944	354
Crook	12,169	122 - 365	99	74	28
Curry	18,607	186 - 558	399	299	112
Deschutes	77,349	773 - 2,320	732	549	206
Douglas	74,512	745 - 2,235	1,746	1,310	491
Grant	5,709	57 - 171	52	39	15
Harney	5,425	54 - 163	27	20	8
Hr/Wa/Sher	32,834	328 - 985	705	529	198
Jackson	129,272	1,293 - 3,878	2,200	1,650	618
Jefferson	12,408	124 - 372	282	212	79
Josephine	54,902	549 - 1,647	1,092	819	307
Klamath	46,129	461 - 1,384	984	738	277
Lake	5,407	54 - 162	126	95	35
Lane	241,149	2,411 - 7,234	4,511	3,383	1,268
Lincoln	32,531	325 - 976	828	621	233
Linn	75,691	757 - 2,271	586	440	165
Malheur	20,056	201 - 602	520	390	146
Marion	198,542	1,985 - 5,956	3,299	2,474	927
Mor/Wh/Gil	8,973	90 - 269	22	17	6
Multnomah	487,960	4,880 - 14,639	10,469	7,852	2,942
Polk	44,027	440 - 1,321	208	156	58
Tillamook	18,383	184 - 551	394	296	111
Umatilla	48,333	483 - 1,450	587	440	165
Union	18,675	187 - 560	158	119	44
Wallowa	5,392	54 - 162	108	81	30
Washington	288,189	2,882 - 8,646	1,688	1,266	474
Yamhill	59,142	591 - 1,774	300	225	84

Notes: (1) Population estimates are for 1998 (adult age 18+ population) per Center for Population Research and Census, Portland State University.
 (2) Hood River, Wasco and Sherman counties are combined due to service arrangement covering the three counties.

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- (3) Morrow, Wheeler and Gilliam counties are combined due to service arrangement covering the three counties.
- (4) The number served in 1998 includes adults with chronic and severe mental illness receiving state-funded services of any kind, unduplicated within counties between July 1, 1998 and June 30, 1999 (MHDDSD data report, 9/99)
- (5) The number served in need of subsidized rent is estimated at 75% based on living situation and income level data.
- (6) The number served in need of a specialized housing program is estimated based on the 1988 MHDDSD Residential Task Force Report, adjusted for population growth. Special housing programs include Residential Treatment Facilities and Homes, Adult Foster Care, Supported Housing, and other programs providing both affordable housing and support services.
- (7) This report was compiled by the State Office of Mental Health Services, Oregon MHDDSD. To obtain additional local information, contact the local mental health service provider.

Table 2-25. Services Waiting List for Disabled Oregonians

	Other	Residential	Vocational
State of Oregon	1,955	1,604	508
Baker	0	1	0
Benton	0	35	7
Clackamas	142	155	20
Clatsop	0	13	1
Columbia	35	15	0
Coos	42	9	10
Crook	0	5	3
Curry	0	7	4
Deschutes	42	69	11
Douglas	95	66	17
Gilliam	-	-	-
Grant	3	1	0
Harney	-	-	-
Hood River	-	-	-
Jackson	287	74	25
Jefferson	0	29	2
Josephine	11	21	8
Klamath	0	0	89
Lake	-	-	-
Lane	327	240	78
Lincoln	0	2	1
Linn	0	65	25
Malheur	-	-	-
Marion	0	194	65
Morrow	0	4	0
Multnomah	347	286	106
Polk	71	32	9
Sherman	-	-	-
Tillamook	5	29	7
Umatilla	66	24	1
Union	9	2	0
Wallowa	2	5	1
Wasco	-	-	-
Washington	307	127	10
Wheeler	-	-	-
Yamhill	137	58	5
Mid-Columbia	27	36	3

Source: Oregon Dept. of Human Service, Office of Developmental Disabilities

Persons Released from Correctional Institutions

Approximately 300 inmates per month complete their prison sentences with the Oregon Department of Correction (ODOC) and are released into their local communities. Oregon's 28.4% rate of recidivism (when a former inmate is convicted of a new felony conviction within 3 years of release) is among the lowest in the United States. The highest failure rate occurs within the first year of release from prison. ODOC has embarked on a "Transition Project" to further reduce recidivism and increase the rate of successful offender transition into the community from state institutions and local jails.

Persons released from correctional institutions have a difficult time securing appropriate housing in their former community due to the stigma attached to being an ex-convict. Generally former inmates suffer from poor or non-existent credit, rental and employment histories as well as limited financial resources. An inadequate and unstable housing situation makes it difficult, if not impossible, for parolees to successfully transition back into their community.

Three unmet housing needs identified for persons released from correctional institutions are the lack of affordable living arrangements, the lack of opportunities to live in stable neighborhoods, and the lack of opportunities to develop relationships with persons that are not involved in criminal activity. Most parolees also need access to affordable public transportation for a transitional period of time.

Persons with Alcohol and Drug Addictions

The State of Oregon does not use homelessness as a factor in determining treatment priorities. Treatment services include individual and family assessment, crisis response, individual, family and group counseling, client and family education groups, case management, outreach, case staffing, interagency staffing and consultation and urinalysis in an outpatient or residential setting. Available research makes it clear that housing stability is essential for successful treatment and recovery ("Addiction Disorders and Homelessness," NCH, Fact Sheet #6, 4/99).

Recovering persons who would need access to safe, decent and affordable housing include:

- Persons awaiting residential treatment admission following detoxification
- Persons completing residential treatment and needing transitional housing
- Persons enrolled in and participating in outpatient services
- Persons who have successfully completed treatment and need to transition to recovery supporting housing arrangements

Table 2-26. 1999 Estimated Need for Alcohol or Other Drug Treatment by County			
	Total	Adults	Youth
State of Oregon	376,536	369,641	6,895
Baker	1,493	1,450	43
Benton	9,384	9,243	141
Clackamas	33,992	33,295	697
Clatsop	4,077	4,004	73
Columbia	4,883	4,766	117
Coos	6,552	6,406	146
Crook	1,464	1,424	40
Curry	2,472	2,427	45
Deschutes	9,444	9,208	236
Douglas	10,574	10,340	234
Gilliam	187	181	6
Grant	711	688	23
Harney	670	651	19
Hood River	1,683	1,637	46
Jackson	18,347	17,980	367
Jefferson	1,473	1,435	38
Josephine	7,817	7,666	151
Klamath	6,420	6,272	148
Lake	656	634	22
Lane	37,573	36,943	630
Lincoln	5,279	5,181	98
Linn	11,884	11,644	240
Malheur	2,517	2,442	75
Marion	31,146	30,533	613
Morrow	766	739	27
Multnomah	93,739	92,584	1,155
Polk	6,943	6,855	88
Sherman	170	164	6
Tillamook	2,923	2,868	55
Umatilla	5,789	5,630	159
Union	2,140	2,072	68
Wallowa	647	628	19
Wasco	1,971	1,919	52
Washington	41,238	40,427	811
Wheeler	150	146	4
Yamhill	9,362	9,159	203

Source: Oregon Office of Alcohol & Drug Abuse Programs, 1999 Household Treatment Needs Survey

Persons with HIV/AIDS - Oregon Housing Opportunities for People with AIDS

The State of Oregon has applied jointly with the Oregon Health Division for HOPWA funding. This three-year project, Oregon Housing Opportunities in Partnerships (OHOP) program is scheduled to begin in January 2001. It will create a continuum of housing opportunities for people with HIV/AIDS and their families in Oregon's 33 balance-of-state counties outside of the Portland Metropolitan Statistical Area. The project involves a state-level partnership between the Oregon Health Division and the Oregon Housing and Community Services Department and the development of collaborative case management-housing assistance programs between members of those State Partners' local service delivery networks.

AIDS Cases

The service area for the OHOP Program, the 33 non-Portland MSA counties of Oregon, is large and diverse. It is primarily rural, but includes three metropolitan service areas with average populations of 200,000. It ranges from desperately poor rural communities to upscale coastal and ski resorts; from wilderness areas to expensive retirement areas. The needs of Persons Living With HIV/AIDS (PLWHIVS) and their families are similarly wide-ranging. The Oregon Health Division reports 1,270 cumulative cases of AIDS in the service area as of December 1999.

Description of Unmet Need

A 1999 Oregon Health Division Needs Assessment of PLWHIV living outside the Portland metropolitan area explored the needs for emergency housing, transitional housing, and long-term independent housing. This assessment found that 18% of the respondents listed long-term housing, as one of their most urgent needs. Fifteen percent (15%) listed rent and utility assistance as one of their highest needs and over 20% felt it was their greatest area of anticipated need. Over 50% of the respondents indicated they had requested rental or utility assistance. Supportive services that rated as high unmet needs in the 1999 survey were Case Management assistance; legal services; medical care/assistance with medications; mental health counseling; chemical dependency counseling; and companion services.

The demographic and geographic diversity of OHOP's balance-of-state service area contribute to the severity of unmet needs and to the difficulty of effectively assisting PLWHIV and their families access housing and related support services. Fifty-five percent (55%) of the population that will be served by this project have household incomes at or below the Federal Poverty Guideline and nearly 80% of these households' incomes are below 200% of the Poverty Guidelines.

The 1999 Oregon HIV Care Coalition "Needs Assessment and Report" ranked housing as the 11th highest priority and expressed concern about the high correlation between homelessness and HIV. In the need assessment, slightly less than 8% of the PLWHIV surveyed reported currently being homeless, and about 20% reported being homeless sometime in the past two years. Sixteen percent (16%) of the PLWHIV are worried about being homeless in the future. Relatively low-income levels and dramatically increasing housing costs are making it difficult for PLWHIV to find affordable housing.

Oregonians Living with AIDS

The State's Department of Human Services, Oregon Health Division reported in 1998 that 101,529 HIV tests were reported to the OHD. Between 1981 and 1998, 4,363 cases of AIDS have been reported for people living in Oregon at the time of diagnosis. In 1998, 199 Oregonians were reported as having AIDS, a 32% drop compared to the 292 cases reported in 1997. Since reaching a peak in 1994, AIDS deaths in Oregon have declined significantly. Compared with 1996, AIDS deaths decreased 56% in 1997 and 74% in 1998. The number of people living with AIDS appears to be going up, while the number

of AIDS-related deaths appears to be going down. This may be attributed to improved antiretroviral medications that delay the progression of the disease.

The distribution of AIDS cases among racial and ethnic groups is changing. From 1997 - 1998, cases decreased in the white population, while a larger percentage of cases were reported in the Hispanic population. While most persons with AIDS were white (82%), 10% were Hispanic and 5% were African American. People of color make up 12% of Oregon's population, but 18% of the state's AIDS cases. The distribution of cases by age is similar to that of the entire U.S. but in 1998 no AIDS cases were reported among Oregon's children younger than 13. According to DHS/OHD the number of AIDS cases among women is dropping—9% in 1997 to 8% in 1998.

OHD estimates that approximately 2% of the Oregonians suffering from AIDS are also homeless. In general, those receiving Ryan White Services in Oregon also have low incomes. Surveys conducted in 1999 show that more than 67% of Oregonians living with HIV/AIDS make less than \$16,000 a year; 37% make less than \$8,000 a year. The 1999 Title II Application notes that 90% of the PLWA in Oregon are at or below 300% of poverty (making under \$25,000).

The varied supportive service needs of people living with AIDS include but are not limited to the following: mental health, substance abuse and support group counseling; personal assistance to locate available housing opportunities; legal services; financial services, housing counseling; and nutritional services.

Migrant/Seasonal Farm Workers in Oregon

Migrant and seasonal farm workers are persons who receive a substantial portion of their income as laborers in agricultural work. Seasonal farm workers are those in agricultural employment of a seasonal or temporary nature. Migrant farm workers are those who work in a give locale on a temporary basis and relocate as agricultural work is obtained in other areas during the year, usually without a constant year-round salary. Since 1993, this definition included seafood processing workers. Though not a dependent population like persons with psychiatric disabilities or persons with AIDS, the farm worker population subcategory of the low-income population often experiences great difficulty accessing services available for low-income people because of cultural barriers.

Migrant and seasonal farm workers are an essential component of America's agricultural economy. By providing labor at a relatively low cost to help harvest the nation's crops, they enable the consumer to purchase inexpensive fruits and vegetables almost year-round. The health and well being of these same workers is impaired by the nature of their occupation. Agricultural work consistently ranks as one of the most hazardous occupations in the country.⁸ People working on farms are subject to a high number of accidents, and their almost daily exposure to pesticides creates additional health hazards.

⁸ U.S. General Accounting Office. *Hired Farm Workers Health and Well Being at Risk: Report to Congressional Requesters*. Washington, D.C. February, 1992.

Farm workers commonly live in poverty, are often poorly housed, undernourished, and undereducated. The majority of Oregon's hired farm workers originate in Mexico which creates additional difficulties caused by language and cultural differences.

Although exact numbers are not known, estimates of the farm worker population in the United States is estimated to be between 1.9 to 4 million. Estimates are hampered by varying definitions of the population which can include or exclude undocumented workers. According to a nationwide study, Oregon had the sixth largest population of migrant farm workers and their dependents with 147,754.⁹

The housing available to farm workers is severely limited by low and irregular incomes. According to an unpublished National Agricultural Workers Survey (1993), more than one-third of migrant and seasonal farm worker households had annual incomes under \$5,000. Another study, the only national study of its kind, completed in 1980 calculated an unmet demand of 756,196 farm labor camp housing units.¹⁰

CASA conducted a study of farm worker housing for the Oregon Housing Agency in 1990. The study concluded that only a small portion of farm workers in Oregon live in labor camps. The rest of the estimated 150,000 seasonal farm worker population in Oregon must find housing in the community.¹¹ A subsequent survey in 1994 described the appalling conditions in which Oregon's farm workers still live. As much as 27% of off-farm units were in very poor condition, 4% of farm labor camp units were described as in very poor condition, only about 8% were equipped with all the facilities required by state law, and an average of seven persons lived in each unit, sometimes (39%) four to a bedroom.¹²

⁹ Migrant Legal Services Nationwide Survey, 1993.

¹⁰ InterAmerica Research Associates, Inc., *National Farmworkers Housing Study: Study of Housing for Migrant and Settled Farmworkers*, 1980.

¹¹ Ken Pallack, *Oregon Farm Labor Housing Survey*. CASA of Oregon, 1991.

¹² Community Planning Workshop, University of Oregon, *Farm Workers' Needs Assessment*, January 1995. Prepared for Oregon Housing and Community Services.

LEAD-BASED PAINT

Lead is a soft, blue-gray, naturally occurring metal. It has been used for centuries for medicinal, industrial, commercial and household purposes. At the same time, lead that enters the body—especially when it happens to young children—can be quite toxic and destructive. The Federal Centers for Disease Control (CDC) states that lead-based paint is the most serious environmental health hazard to children. When lead enters the blood stream of a child under 6 years of age, the poison can cause serious physiological damage. High levels of lead blood poisoning may result in severe mental retardation, kidney impairment, and reproductive damage. Low levels of exposure can result in learning and reading disabilities.

It was once believed that the most common exposure to lead-based paint resulted from the chipping or peeling of improperly maintained painted surfaces or from chewing on a window sill or door frame covered with lead-based paint. Lead dust is not considered an equally common and dangerous source of exposure in children. Friction surfaces (doors, windows and stair treads) covered with lead-based paint generate lead dust. This dust can coat a child's fingers and toys and subsequently be ingested by the child.

However, the mere presence of lead-based paint does not mean that lead poisoning will occur. The condition of the painted surfaces, the location and the maintenance practices of the household all determine whether the lead-based paint presents an immediate threat. If surfaces covered with lead-based paint are not defective (chipping or peeling), are out of reach of children (over five feet from the floor), and are well maintained (been consistently washed with high-phosphate detergent and periodically vacuumed with a high efficiency particulate air system), the lead-based paint will not constitute a hazard or an immediate threat to the health of the occupants.

Oregon's Lead-Based Paint Situation

Many residential properties built before 1978 contain lead-based paint. As much as 83% of Oregon's housing stock in the 1990 Census fits this category. However, because the manufacturing and sale of lead-based paint was slowly reduced in the U.S. over a long period of time, and was not ended until 1978, and because no house-to-house paint inspection has been taken, it is difficult to measure the exact number of housing units with lead-based paint hazards. It is possible to estimate the number of units based on the age of the housing stock. Previously, HUD has estimated, based on a national survey that 90% of the units built before 1940, 80% of the units built between 1940 and 1959, and 62% of the units built between 1960 and 1978 contain lead-based paint. Using these percentages when assessing the situation in Oregon, about 720,000 housing units are estimated to be contaminated with lead-based paint.

Year House Built	Total Units	Number of Units with Lead-Based Paint
Pre-1940	200,769	180,692
1940-1959	264,972	211,978
1960-1979	529,420	328,240
TOTAL	995,161	720,910

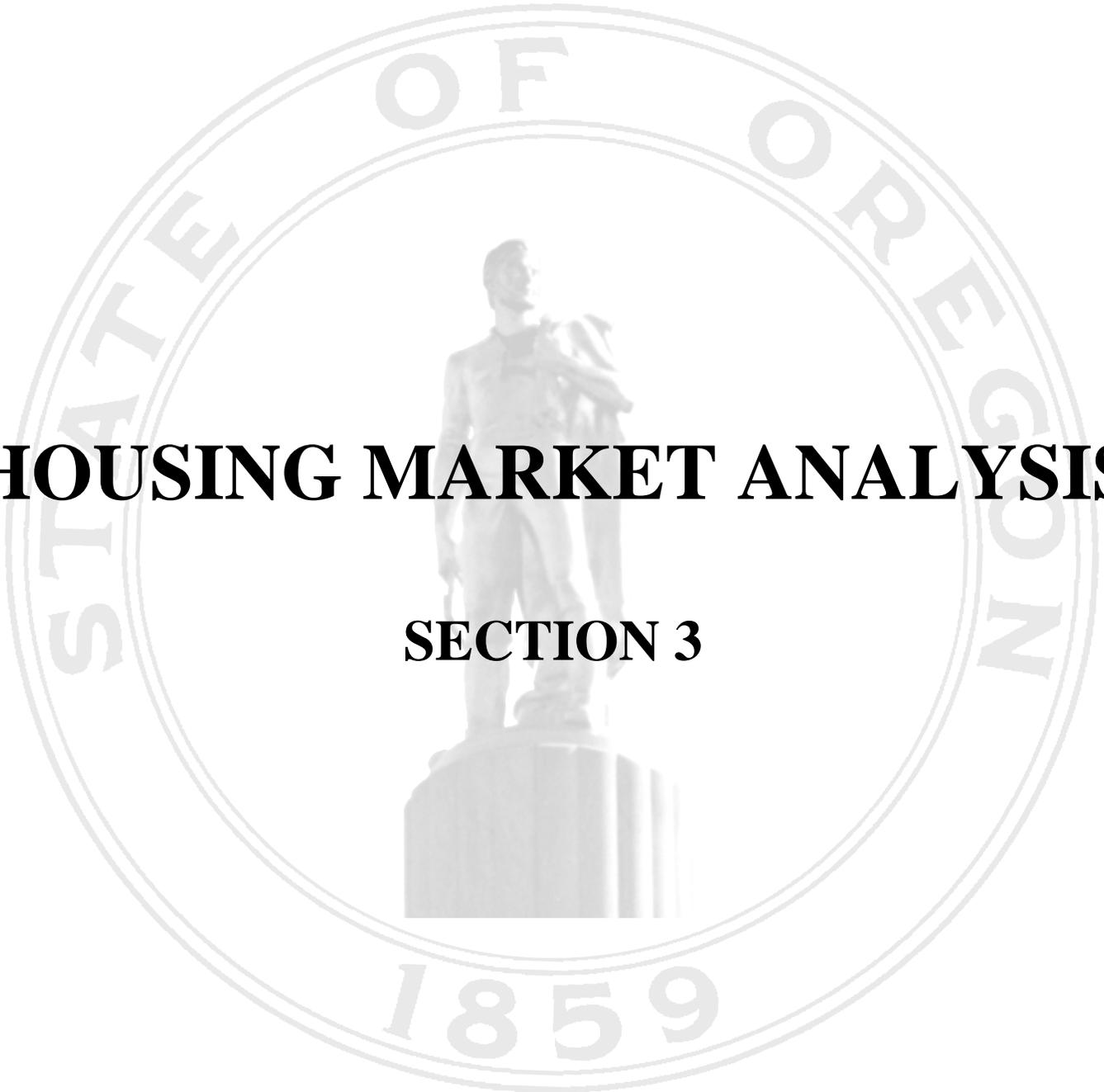
Source: 1990 Census of Population and Housing: HUD User Estimates, 1991.

The Oregon counties with the highest number of pre-1950 housing units are those most likely to have lead paint hazards and lead poisoning problems.

County	Total	County	Total
Baker	3,373	Lake	873
Benton	5,514	Lane	24,350
Clackamas	19,346	Lincoln	4,956
Clatsop	8,263	Linn	9,270
Columbia	4,551	Malheur	3,179
Coos	7,640	Marion	18,166
Crook	1,221	Morrow	884
Curry	1,229	Multnomah	114,961
Deschutes	4,481	Polk	4,729
Douglas	8,539	Sherman	462
Gilliam	440	Tillamook	4,135
Grant	1,313	Umatilla	6,438
Harney	1,131	Union	3,759
Hood River	2,578	Wallowa	1,744
Jackson	12,615	Wasco	3,405
Jefferson	1,007	Washington	12,276
Josephine	4,762	Wheeler	326
Klamath	8,346	Yamhill	6,386

Source: 1990 U. S. Census data

Table 2-29. Housing Needs Glossary of Terms	
Extremely low-income	Households with incomes at or below 30% of Area Median Income (AMI)
Low-income	Households with incomes at or below 50% of AMI
Moderate-income	Households with incomes between 51 and 80% of AMI
Middle income families	Households with incomes between 80 and 95 % of median income for the area.
Cost Burden	Paying more than 30% of household income for housing costs, including utilities
Severe cost burden	Paying more than 50% of household income for housing costs, including utilities
Overcrowded	A housing unit with more than one person per room
Substandard Suitable for Rehabilitation	A unit where the total cost of remedying all substandard conditions will be 75% or less of the current improvement value of the dwelling
Substandard not Suitable for Rehabilitation	A housing unit(s) for which the estimated cost of making needed replacements and repairs is greater than or equal to 75% of the estimated cost of new construction of comparable unit(s)
Standard Condition	A unit that meets a minimum of Housing Quality Standards
At-risk households	A household with housing problems and/or problems that can lead to homelessness
Housing problem/need	Cost burden and/or substandard and/or overcrowded
Elderly	65 years of age and older

The background features a large, faint, circular seal of the State of Oregon. The seal contains a central figure of a man standing on a pedestal, holding a plow. The text "STATE OF OREGON" is written around the top inner edge of the seal, and "1859" is written at the bottom. The seal is rendered in a light gray color.

HOUSING MARKET ANALYSIS

SECTION 3

Section 3: Housing Market Analysis

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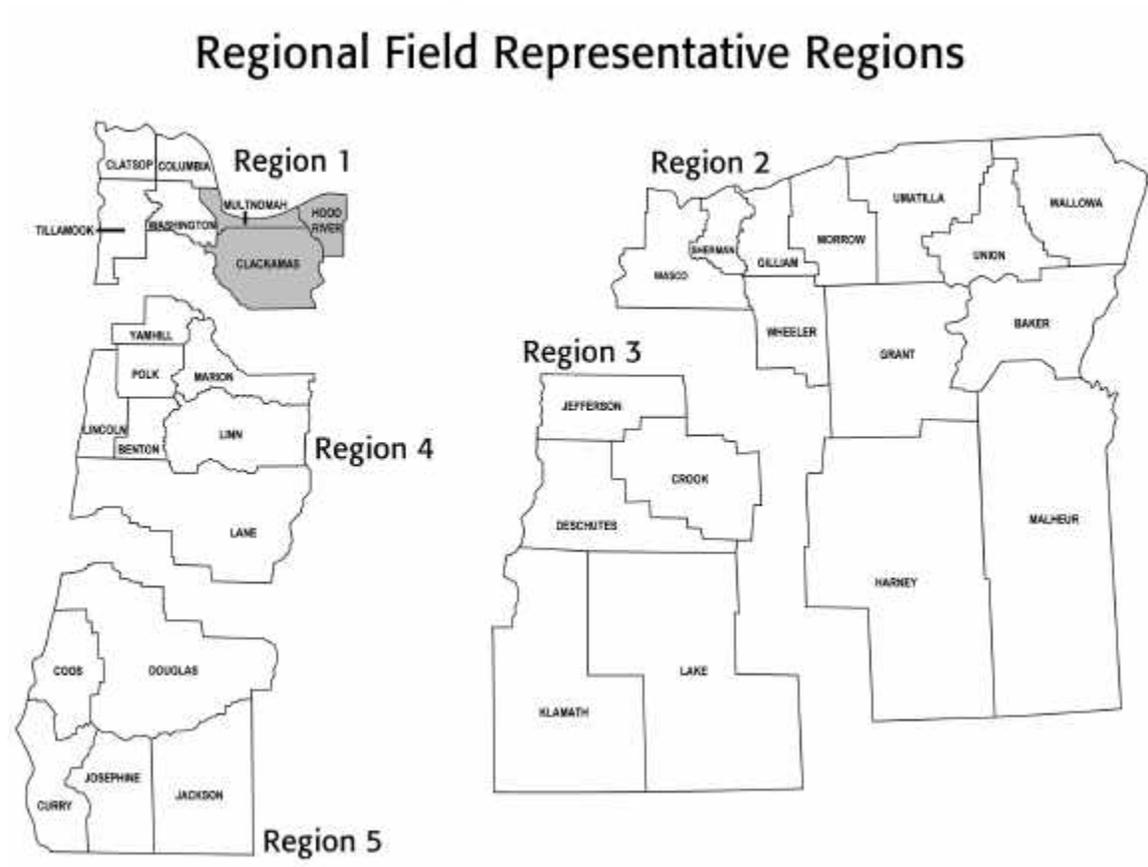
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SECTION 3: HOUSING MARKET ANALYSIS

DESCRIPTION OF OREGON

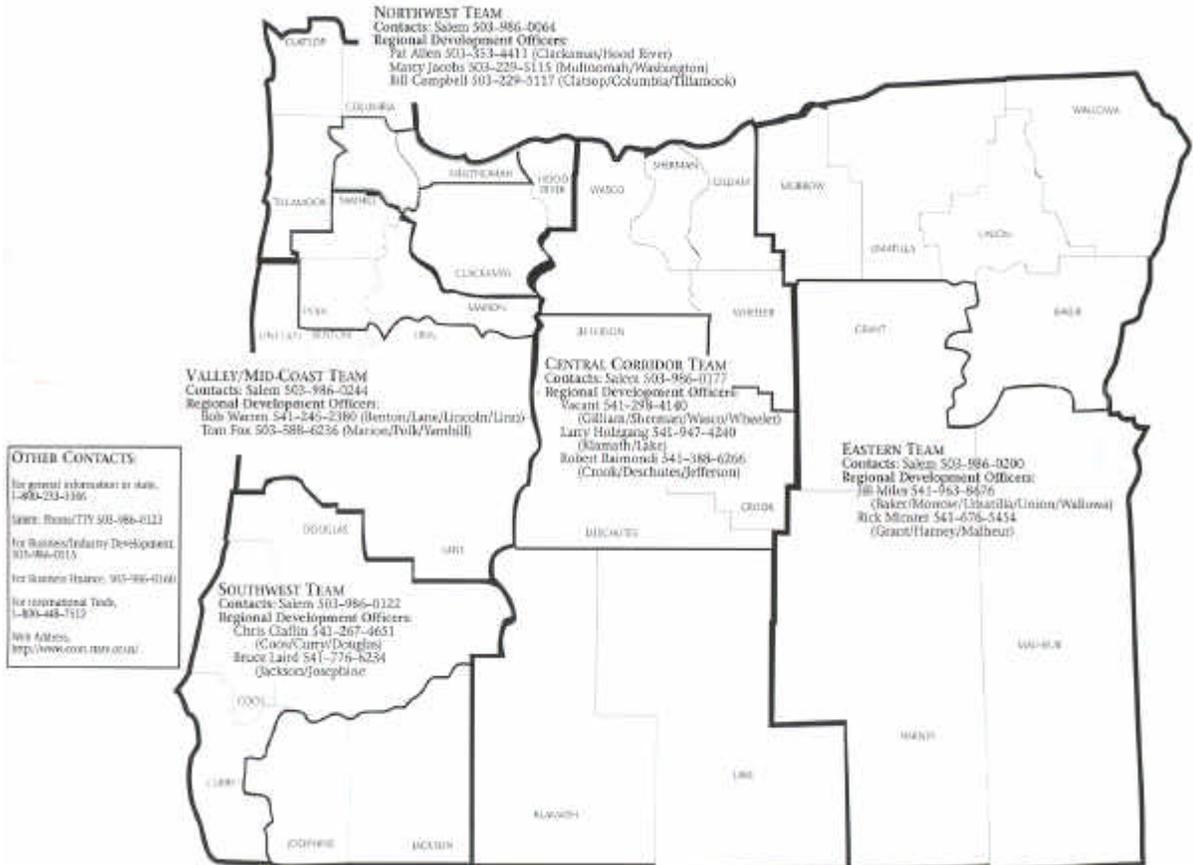
Geographically Oregon is a predominately rural state with nearly 80% of the land area classified as rural. Yet over 74% of the state's population lives in a largely urban setting in the Willamette Valley corridor of the state's western half. Oregon contains 36 counties and 240 cities that Oregon Housing and Community Services reaches through five service regions.

Figure 3-1. OHCS



Oregon is located in the Pacific Northwest region of the United States. The state shares its borders with four neighboring states, including Washington to the north, Idaho on the east, Nevada on the southeast, California on the south, and the Pacific Ocean on its western shore. It ranks tenth in size compared to other states in the U.S., with an area of 97,073 square miles. The state has three distinct geographic regions separated by two north/south mountain ranges: the Coastal Range and the Cascade Range. This geography impacts planning for housing, employment, economy, and services.

Figure 3-2. OECDD Regional Development Officers



ECONOMIC CONDITION OF OREGON

Economy and Employment¹

The economy of Oregon has historically been dominated by agriculture and forestry, but has diversified in recent years as resource-based industries have declined. While agriculture remains a major factor in the state's economy, it employs less than 5% of the labor force because most farming operations are mechanized. Less than 10% of the total land area is cropland.

In the mid-to-late 1990's most of the state of Oregon experienced a strong economy, although Oregon's growth rates (both economic and for housing prices) during 1999 was less strong than the Northwest Region as a whole, according to The State of the Cities 2000 Report.

Growth rates appear to have recovered from the Asian financial crisis that spilled over into 1998 and 1999. Preliminary annualized job growth in the first quarter of 2000 was a healthy 2.7%. This follows the strong annualized growth of 2.5% for the fourth quarter of 1999.

The most recent Blue Chip Job Growth rankings place Oregon 20th in the nation for job growth. Between February 1999 and February 2000, jobs increased 36,200, or 2.3%. A year ago, Oregon ranked 44th.

Manufacturing posted solid job growth of 3.8%, producing 2,200 jobs over the fourth quarter of 1999. This sector is only up 120 jobs from a year ago, reflecting recovery from the Asian financial crisis. Non-manufacturing jobs grew by 2.5%, adding 8,200 jobs for the quarter. This sector's job growth is up 2.4% from the first quarter of 1999.

Transportation equipment continues its rapid growth with 12.1%. Lumber and wood products, helped by stabilizing commodity prices, added 470 jobs for a 3.9% growth rate.

For the first quarter of 2000, high tech was not the leading sector spearheading employment growth. Job growth declined 0.5% for the quarter. The sector is still down 1,000 jobs from a year ago. Electrical machinery, which includes semiconductors, only grew 0.8% in the quarter and is up 1.8% over first quarter 1999.

Non-durable manufacturing jobs grew 6.5% due entirely to one sector. Food and kindred reported amazing job growth of 25.2% for the quarter. This fantastic growth is due more to industry structure and seasonal effects than to a booming industry. Food and kindred recovered lost ground and employment is back to the same level as the first quarter of

¹ Oregon Economic and Revenue Forecast, State of Oregon Department of Administrative Services, Office of Economic Analysis, March 2000. Used with permission.

1999. Paper, printing and publishing continue to struggle with mild job losses for the quarter.

Non-manufacturing was boosted by Census hiring. The federal government added 500 jobs for a 6.9% growth rate. Construction, helped by mild weather and commercial projects, increased jobs by 5.9%. Non-health services grew by 4.7%, adding 3,700 jobs. Other sectors showing solid growth are Transportation, Communications and Utilities, and Wholesale Trade.

Finance, Insurance, and Real Estate are feeling the effects of rising interest rates. The sector lost 100 jobs over the quarter and is down 1,000 from a year ago. Retail trade is down slightly by 0.3%, a loss of 200 jobs. Retail trade is still up 1.2% from a year ago.

Short Term Outlook

The Oregon economy appears to be turning the corner after the Asian financial crisis. Employment growth is projected to be 2.3% in 2000 and 2.0% in 2001. Personal income is forecast to grow by 6.3% in 2000, followed by growth of 5.9% in 2001. Wage and salary income will grow 6.8% in 2000 and 6.3% in 2001. Non-farm proprietors' income will grow 7.3% in 2000 but slow to 4.9% in 2001. Manufacturing will rebound from its decline in 1999 and grow 1.2% in 2000 and 2001. Non-manufacturing will also be stronger in 2000 with 2.4% job growth. Jobs will continue to grow above 2% in 2001 with a growth rate of 2.1%. Lumber and wood products will bottom out in 2000 with low job growth of 0.7%. This sector will remain soft in 2001, with 0.3% growth. Transportation equipment has seen tremendous job growth that will continue through 2000 at 10.2% before settling back to 2.3% growth in 2001 and 2.6% in 2002. Although semiconductors are showing renewed strength, the high technology sector will still decline in job growth in 2000 by 0.1% before growing by 2.7% in 2001 and 2.8% in 2002. The construction sector will have a job growth rate of 2.8% in 2000, followed by 2.0% in 2001. Trade will add jobs at a faster pace in 2000. Job growth is projected at 1.9% in 2000 and 2.2% in 2001. Finance, insurance, and real estate will feel the impact of rising interest rates. Job growth will fall to 0.2% in 2000 before returning to 1.8% growth in 2001. Service sector employment will increase 3.7% in 2000 and 2.6% in 2001. Government sector jobs will slow in 2000 to a 1.9% growth rate. This sector will show a spike up in job hiring for the 2000 Census. This spike, however, is only temporary. Personal income should pick up growth in 2000 to a 6.3% rate and slow slightly in 2001 to 5.9%. Inflation, as measure by the Portland-Salem, OR-WA Consumer Price Index, will rise to 3.6% in 2000 and then slow to 2.9% in 2001. Population growth will pick up along with the economy. Oregon population will grow 1.2% in 2000 and 1.3% in 2001.

	2000	2001	2002	2003	2004	2005
Per Capita Income (Thousands \$)	27.4	28.7	30.0	31.3	32.7	34.2
Average Wage Rate (Thousands \$)	33.7	35.2	36.5	37.9	39.2	40.7
Population (Millions)	3.341	3.386	3.427	3.468	3.507	3.545
Housing Starts (Thousands)	19.7	20.8	20.5	21.0	21.1	21.4
Employment in All Sectors (Thousands)	4,423.4	4,511.4	4,608.8	4,696.5	4,782.4	4,874.2

Extended Outlook

The Oregon economy grew slower than the U.S. economy in 1998 and 1999, the first time since 1985. Oregon Economic Agency forecasts the Oregon economy to once again grow faster than the U.S. economy through 2007. The employment growth will be much slower than the mid-1990s, but the U.S. economy is also expected to slow during this period. Job growth for Oregon will hover around 2.0% per year between 2002 and 2007.

The key factors that will fuel the state’s long term growth are:

- Recovery in the semiconductor industry: Increasing demand for computers and an increase in orders has eliminated the excess capacity in the industry. The strength in the industry will allow previously announced investment plans by major companies to be carried out in the 2000-2005 period.
- Export growth and rising commodity prices: Global recovery of economies will increase demand for Oregon finished goods and commodities. Rising commodity prices will benefit agricultural and timber producers in the state.
- Continued strength in domestic markets: Continued economic growth in California and other major domestic markets will fuel demand for Oregon products.
- Business Costs Advantages: The Oregon economy will benefit from abundant and relatively inexpensive supply of water and electricity. Labor costs that reflect the worth of labor—an educated work force that contributes to productivity—will also benefit Oregon.
- Environmental Issues: Salmon protection measures, Portland Super Fund, and other issues could change the economic landscape.

- **Affordable Housing:** As housing costs rise in Oregon, companies will face increased difficulties recruiting workers. In-migration of people and firms may slow significantly if Oregon loses its housing cost advantage relative to Washington and California.
- **Quality of Life:** Oregon will continue to attract financially secure retirees. Companies that place a high premium on quality of life will desire to locate in Oregon.

Information compiled by the Oregon Employment Division showed that all regions of the state have experienced gains in population and employment during the 1990s, but gains outside of Portland have generally not kept pace with those in the Portland-metro area. Nearly 80% of the state's net new jobs have been added in the Portland-metro area or the Willamette Valley between 1990 and 1997. According to the "Housing Market Analysis" in the 2000-2005 Portland, Gresham and Multnomah County Consolidated Plan, the regional economy added 180,000 new jobs between 1995 and 2000. In 1997, 80% of all employment growth in the state occurred in the Portland metropolitan area. A key factor in this growth was exports. Portland is the tenth largest exporting metropolitan area in the country.

The Portland-metro area had the lowest unemployment rate (4.8%) among the regions of the state in 1998 and Central Oregon had the highest unemployment rate (8.8%), with Eastern Oregon following in high unemployment. Across all regions, job growth has been most rapid in non-manufacturing industries, with trade and services accounting for a large percentage of net job growth. Only the Portland-metro area and the Willamette Valley regions have added to their net total of manufacturing jobs since 1990.

High-tech employment, which is often seen as the force behind the state's strong economy in recent years, is largely located in the state's more urban areas. Southern Oregon has the greatest number of high-tech manufacturing jobs outside the Portland-metro area and the Willamette Valley.

Rural areas of the state are more dependent on agriculture, lumber and wood product employment. Food processing accounts for nearly half (46%) of the Eastern Oregon region's manufacturing employment. Nearly one in four jobs in Eastern Oregon are in the government sector (including the Bureau of Land Management). The non-metropolitan areas declined as a share of the state economy. After remaining steady at 26% for many years, the percentage of Oregonians employed outside the nine most populated Willamette Valley counties began declining in 1993, reaching 24.7% in 1997. Slower job growth coupled with lower wages/income are a major concern in many rural areas, leading to what has become known as the "two Orecons".

SUMMARIES OF ECONOMIC CONDITIONS BY COUNTY

EASTERN REGION

(Baker, Grant, Harney, Malheur, Morrow, Umatilla, Union, and Wallowa Counties)

Baker, Malheur, Grant, Harney Counties

Economic Overview

This Eastern Oregon region has an economic development strategic plan that balances progress with the environment, manages growth, offers quality education and job training, provides family wage jobs, builds on ethnic diversity and provides arts opportunities. Baker County is working to strengthen its secondary wood products industry and to expand its metals and tourism industries. Malheur county is building its strength in food production and food processing while capitalizing on growth stimulated by the expansion of the Snake River Correctional Institution and the county's proximity to the strong Boise, Idaho, economy. Employment of non-farm payroll employees in the Baker-Malheur region grew 18% between 1990 and 1997. The outlook for the region is for moderate growth. Harney and Grant County's economy was based on the forest and agricultural industry which suffered from almost complete cessation of federal timber harvests. Harney County surpassed the 1990 employment levels in 1997 after a lengthy decline in wood products.

Specific Initiatives

- Working to increase the inventory of industrial land suitable for development.
- Pro-actively engaging in a business recruitment campaign with targeted key industries.
- Building a broad economic development strategy from a tourism development initiative based upon preserving historic assets.
- Developing long-range transportation improvements designed to proactively manage growth.

Challenges

- High unemployment rate with the lowest per capita income in the state.
- The region continues to be heavily reliant on basic commodity price fluctuations in agriculture and wood products.
- Housing shortages exist in portions of the region.

Umatilla, Union, Wallowa Counties

Economic Overview

The economic base of the Northeast Oregon region is dominated by the agriculture and forest products industries. Total non-farm employment grew by 13% between 1990 and 1997. The economic challenges facing the region include continued timber supply problems. The area should, however, be able to sustain slow- to moderate-growth given

several strengths. Close to Interstate Highways 84 and 82, the region has excellent access to recreational resources. There are opportunities for increased investment in food processing in the region, which is focusing its economic development efforts on agriculture, forest products and tourism.

Specific Initiatives

- To help rural areas finance projects that address locally-determined economic and community development needs.
- To manage development of a dynamic, diverse and viable economic base.

Opportunities

- Umatilla, Union and Wallowa counties have an economy that is diversified, healthy and growing, providing opportunities for future generations.
- Citizens of the counties experience an excellent and ever improving quality of life.
- The communities and citizens in Northeast Oregon have developed a networking system to control their own destiny.

VALLEY/MID-COAST REGION

(Benton, Lane, Lincoln, Linn, Marion, Polk, and Yamhill Counties)

Benton, Lane, Linn, Lincoln Counties

Economic Overview

This western Oregon region has an economic base in timber, agriculture, higher education and tourism. The wood products industry has shrunk and changed due to the almost complete cessation of federal forest harvests. Employment of non-farm payroll employees in the region increased 20% between 1990 and 1997. The outlook for the region is buoyed by expanding high technology and software companies, access to education facilities that include the state's two largest universities, location along interstate road and rail transportation corridors, and recreation and tourism attractions. The region's development strategy is focused on the high technology and software industries and on increasing value-added processing in the forest products industry.

Specific Initiatives

- Establishing a regional business investment fund to provide gap financing to the three key industries.
- Developing an informational directory for high technology companies.
- Establishing a software marketing assistance program.
- Creating an industrial extension program for secondary forest products manufacturing enterprises.

Challenges

- Region's unprecedented growth presents growth management challenges.
- Fast growth also creates additional pressure on environmental and natural resources that needs continued attention.

- Increasing prosperity needs to be better distributed geographically to benefit all communities and residents in the region.
- Region's transportation system needs to be improved to keep pace with population and economic growth.
- Region's rural telecommunications system needs continuing improvement.

Marion, Polk and Yamhill Counties

Economic Overview

This Willamette Valley region includes Salem, one of the state's fastest-growing metropolitan areas. Spillover population from Portland and expanding agricultural and manufacturing activities have supported the region's strong growth. Employment of non-farm payroll employees in the region increased 21% between 1990 and 1997. Growth is expected to continue for the foreseeable future due to the region's proximity to Portland and its location alongside interstate highway and rail corridors. The Mid-Valley region is focusing its economic development efforts on its large agriculture and forest products industries and on its expanding high technology industry.

Specific Initiatives

- Identify major transportation investments and develop regional consensus on the direction.
- Work to better integrate state resources to solve regional problems.
- Provide workforce and training resources.
- Address growth pressures through regional land use problem solving.

Challenges

- Parts of the region are growing very fast and are experiencing problems associated with urban areas for the first time.
- Diminishing supplies of raw materials for the forest products industry.
- Limited vacant industrial land in some communities and few available unoccupied buildings.
- Shortage of trained, educated workers ready for high technology employment.
- Lack of infrastructure sewer, water and roadways in smaller communities limits their ability to grow.

NORTHWEST REGION

(Clackamas, Clatsop, Columbia, Hood River, Multnomah, Tillamook, and Washington Counties)

Multnomah and Washington Counties

Economic Overview

The Metro region, the state's most populous, has an economic base in wholesale trade, high technology manufacturing and professional services. Employment increased 26%

between 1990 and 1997. The high technology sector has been a major growth factor in the region. The value of high technology investments since 1994 exceeds \$9 billion. Initial phases already built or now under construction are worth \$4.6 billion and are projected to employ at least 3,000 people. Additional phases over the next 15 years could add another 2,750 direct jobs and at least the same number of jobs in other related industries. The region is focusing on the high technology, metals and biotechnology industries, and growth management and transportation infrastructure.

Specific Initiatives

- Linking education to the skill needs of key industries.
- Creating a biotechnology business facility and environmental technology resource and development center.
- Creating a laboratory for testing the compatibility of hardware and software.
- Increasing information on opportunities in the metals industry to students.

Challenges

- Region must maintain quality of life in the face of rapid growth.
- Region must ensure that all local citizens are able to benefit from the expanding economy.
- Region suffers from labor shortages in high technology, communications industries, metals trades and construction services.
- Labor shortages have resulted in wage escalation, with more anticipated.
- Skills training is needed so lesser trained individuals can compete for jobs that are being created.

Clackamas and Hood River Counties

Economic Overview

The region contains the "End of the Oregon Trail"; the first incorporated city west of the Rockies, the site of the Oregon Territory's first capital, and the site of Oregon's first legislative session. The region has a widely varied economic base. In addition to sharing the strengths of the Portland metropolitan area economy (manufacturing, services, retail and warehousing), the two counties have strong agriculture and tourism industries. The region is growing fast. Between 1990 and 1997, employment grew 29% compared to 22% for Oregon over all. The region's two counties have some striking differences: Clackamas county has the third highest per capita income in the state while Hood River county has the 19th highest per capita income from all sources and even lower average wages. The region's outlook includes continued strong growth due to economic strength in the Portland area and continued strength in agriculture and tourism in Clackamas and Hood River counties. The region has selected agriculture and tourism, two existing strengths, as well as software, as the keys to its economic future.

Specific Initiatives

- Providing support for agricultural industry marketing and product research.

- Creating an inventory of opportunities for expanding the *off-season* for existing visitor businesses.
- Supporting software incubator services and support centers.

Challenges

- Region offers a limited amount of developable land, especially for companies requiring larger tracts or metro parcels of any size.
- Additional land use restrictions associated with the Gorge Act.
- Negative public perception of some industries, new development.
- Balancing the needs of agriculture with growth pressures.

Clatsop, Columbia, and Tillamook Counties

Economic Overview

Employment of non-farm payroll employees in the Northwest region grew 11% between 1990 and 1997. This growth came despite a loss of jobs in 1993 that was due largely to the closure of Oregon's only nuclear power plant, located in Columbia County. Parts of Tillamook County are growing as a result of increased tourism and immigration of retirees. The region is expected to recover from the recent loss of jobs and to grow moderately for the foreseeable future due to its proximity to Portland, its attractive tourism and retirement resources and its maturing harvestable timber. The region is focusing its economic development strategy on its large forest products and tourism industries and on the potential of environmental services.

Specific Initiatives

- Implement environmentally sensitive forest products harvesting techniques.
- Upgrade visitor attractions to expand off-season and mid-week tourism.
- Identify and participate with environmental remediation and restoration communication networks.

Challenge

- Employment growth and per capita income growth lag behind the statewide average as the region tries to recoup the loss of forest products and Trojan nuclear plant jobs in 1993.

CENTRAL CORRIDOR REGION

(Crook, Deschutes, Gilliam, Jefferson, Klamath, Lake, Sherman, Wasco and Wheeler Counties)

Gilliam, Sherman, Wasco, and Wheeler Counties

Economic Overview

The North Central region has an economic base in the agriculture, tourism and forest products industries. Total non-farm employment grew 12% between 1990 and 1997. The region is expected to grow slowly to moderately over the foreseeable future. Positive

influences include its proximity to Oregon, Washington and Idaho markets by way of Interstate Highway 84, interstate rail lines, and river barges; the Columbia River basin's rich natural and cultural attractions; and a consistent moisture level that makes the region an ideal location for agricultural processing and climate-sensitive manufacturing. The region has a plan to build up its industrial infrastructure and is focusing its economic development efforts on value-added agriculture, historical tourism, environmental services, wood products and professional services.

Specific Initiatives

- Participating in multi-regional international marketing program for agricultural products.
- Identifying skills and resources required to assist with infrastructure development and technical assistance needs.
- Developing North Central tourism image, including inventory of available/potential visitor products and regional marketing.

Challenges

- Infrastructure improvements are needed throughout the region.
- Lack of education and training opportunities are seen throughout the region.
- Limited capital available to promote and market the region.
- Lack of available quality housing of all types and price ranges.
- Region faces the barriers of long distances to markets, goods and services.
- Developed water resources are inadequate and, in some areas, threatened.
- Transportation is seen as a barrier to growth and development.

Crook, Deschutes, and Jefferson Counties

Economic Overview

The economic base of the Central Oregon region is in the forest products, tourism and small manufacturing industries. Total non-farm employment grew 33% between 1990 and 1997 and population grew by 31%. The state's employment and population grew by 22% and 13%, respectively. The forecast for the region calls for slower, but continued growth. Central Oregon has a lower average payroll and per capita personal income than the Portland area, but income is at or above average for rural Oregon. The region has put together a plan to protect the region's quality of life while promoting new and dynamic companies. It is striving to combine its historical, present and potential strengths by focusing development efforts on the forest products, tourism and software industries.

Specific Initiatives

- Development of collaborative efforts between the region's workforce development partners and regional businesses and industry.
- Focus on regional transportation barriers and opportunities through the formation of an area commission on transportation including the study of regional public transportation issues.

Challenges

- Local governments are challenged to finance growth.
- Region needs to develop infrastructure for industrial lands to diversify the economy.
- Region needs to develop low-cost, direct air service south to compete in attracting new companies.
- Region has state's largest population area not serviced by a four-year institution.
- Region has several communities lacking industrial land.

Klamath and Lake Counties

Economic Overview

The economy of these counties is based on the forest products and agriculture industries. The region's economy has suffered from the almost complete cessation of federal timber harvests. The non-farm payroll employment of the region grew by 10.6% between 1990 and 1997. Most of this growth was in Klamath County. The outlook for the region is slow growth, with most growth occurring in Klamath County. An important factor in the economy is good access to rail and highway transportation. Future fiber optic expansion should enhance the area's potential. The region is focusing development efforts on the forest products and agriculture industries and on its smaller but potentially significant tourism industry.

Specific Initiatives

- Exploring opportunities for alternative agricultural products in niche markets.
- Enhancing business development support for small forest products firms.
- Developing hospitality and tourism management training programs.

Challenges

- Region has among the highest unemployment and lowest per capita income rates in the state.
- Region needs to diversify from continued dependence on lumber and wood products sector for large percentage of manufacturing jobs.
- Federal timber and agricultural policies have reduced local ability to make a living off the resource base.
- Federal cutbacks in timber have reduced not only the private but also the government workforce, further stressing the regional economy.

SOUTHWEST REGION

(Coos, Curry, Douglas, Jackson and Josephine Counties)

Coos, Curry, and Douglas Counties

Economic Overview

This southwest Oregon region has an economic base in timber, software, tourism and retirement. The region is moving away from the forest products industry as harvests have almost ceased on federal lands. Reduction in fish quotas has had a negative impact on the

region as well. The region is putting greater reliance on non-timber manufacturing and on tourism and retirement income. Employment of non-farm payroll employees in the region increased 8.5% between 1990 and 1997. The region is expected to continue growing moderately due to its proximity to natural resources and its desirability as a retirement location. The regional economic strategy focuses on the growing tourism industry, forest products and a significant fisheries industry.

Specific Initiatives

- Upgrading regional infrastructure
- Developing business recruitment programs
- Expanding and developing industrial sites
- Developing new visitor attractions in the region.

Challenges

- Transportation infrastructure to and from the region is inadequate.
- Lack of improved industrial sites.
- Region continues to lose natural resource jobs in forestry and fishing.
- Employment in services and retail trade is growing but wages are lower and positions are seen as poor substitutes for family-wage natural resource jobs.

Jackson and Josephine Counties

Economic Overview

The region's economy is experiencing strong growth in non-farm employment primarily in the Trades and Services sectors. Employment in manufacturing outside of the timber and wood products industries also continues to increase. Growth has occurred in industries such as fabricated metal and machinery, electronic and other high tech equipment, printing and publishing, and transportation equipment. Employment in manufacturing outside the timber industry has increased 38% during the past decade. This Southern Oregon region is focusing its development efforts on software and technology, secondary wood products manufacturing, telecommunications and tourism. The outlook for this region is favorable due to its location along the Interstate 5 corridor; its progressive community leadership; an available, highly motivated workforce and its positive business climate.

Specific Initiatives

- Expanding fiber optic telecommunications network throughout the region.
- Building partnerships between higher education and manufacturing industries.
- Providing infrastructure resources to all communities.
- Expanding Foreign Trade Zone into Josephine County.
- Providing ongoing workforce training to existing and relocating businesses.

Challenges

- Average income levels continue to lag behind the Portland and Salem metro areas.

- Unemployment levels continue to be higher than those in Portland and Salem metro areas are.
- Forest products industry continues to decline.
- Challenges face the fruit and cattle sectors of the agriculture industry.

GENERAL MARKET CHARACTERISTICS

People will look for housing within geographic limits. Generally those limits are closely related to driving time from one's place of work. Around each major employment center it is possible to draw lines showing the limits most commuters will drive. This geographic area can be described as a housing market. The Oregon Employment Department has studied employment patterns throughout the state and has used them to define 15 unified economic regions in Oregon. They call these regions labor markets, reflecting that agency's interest in jobs, but it is equally valid to consider them housing markets. Jobs and housing are simply two sides of the same market equation.

Housing markets do not follow county lines. Washington, Multnomah, Clackamas, and Clark County, Washington make up one huge housing and commuter market. Marion draws a large percentage of workers from Yamhill. Economic forces are not overly influenced by political boundaries.

Housing markets also vary greatly in size. The Morrow County housing market had a population of 9,400 in 1998. The Portland Metropolitan Statistical Area had a population of 1,815,300 in 1998, nearly two hundred times bigger. The critical factor is not population size, but economic connection.

This discussion of housing markets is approximate. In reality every individual housing project and population group has its own distinct market area to draw upon. Many communities have economic connections to multiple employment centers. Some larger markets have sub-regions with distinct characteristics.

The following analysis discusses the housing market in Oregon, focusing on supply and demand relationships among the five primary population groups: first-time homebuyers, renters needing assistance, owners needing assistance, the homeless, and the special needs populations.

Housing Market Trends in the 1990's

During the 1990's, Oregon continued to increase in population by about 2% every year. The state remains one of the fastest growing in the nation, having the 7th largest projected net increase in population between 1995 and 2025. Based on the 1998 population estimates from Portland State University's Center for Population Research and Census, Oregon's population increased by more than 15% in the eight-plus years from April 1990 to July 1998. This was cumulatively nearly double the growth rate for the rest of the U.S.

It is interesting to note that while the most populous counties of the Portland area led the county list in the actual amount of change between 1990-98, other counties actually had higher overall growth percentages. Deschutes (+39.9%), Washington (+27.6%), Jefferson (+27.2%), Yamhill (+24.9%), Morrow (+23.3%), and Gilliam (+22.3%), were the state's top spots for population growth between 1990-98. Two of the six counties on this short list, Deschutes, and Jefferson, are in Central, Oregon. If we divide the state into major geographic regions, the Central Oregon region had the strongest growth rate for the 1990's (+21.1%). Indeed, Central Oregon has been a major magnet for retirees, more affluent in-migrants and recreation seekers, while Hood River County (+15.4%), has been prospering primarily as a recreational area. This growth combined with increasingly small household sizes and record low mortgage rates spurred steady growth in the Oregon housing market.

Another factor affecting the housing market in the state is the continuing decline of the household size. In 1980 the average household consisted of 2.84 people. In 1990 the number dropped to 2.66, and fell again in 1996 to 2.64. As in the 1980's, factors contributing to declining household size include high divorce rates, lower instances of re-marriage or first marriages, fewer children per family, the children of the baby boom generation moving out and starting their own households, and the increasing population aged 65 and older.

In the last two years (1998-2000), there was a slowing in the rate of growth in the Oregon housing market in comparison to the previous three years. Tom Potiowsky, Oregon's Chief Economist and Director of the Oregon Office of Economic Analysis, predicted that the state's population would grow by 1.1% in 2000 – down from a peak during the last decade of 1.6% per year. If the last years of the 20th century serve as a predictor, then the slowdown in population growth for the next several years may also be accompanied by a slower growth in the Oregon housing market.

Housing Market in 1999 and Beyond

The housing market, in terms of home sales and homeownership, has been on the rise nationwide for the last several years. In 1999 records were set in both of these areas. According to the *Real Estate Outlook*, a publication of the National Association of Realtors, the quality of homes has also been on the rise, surpassing that of homes considered as “luxury” only a few decades ago. In terms of size, homes in 1990 averaged 5.2 rooms per unit. With the removal of older housing stock and the higher number of rooms in newly built homes, today's units average 5.9 rooms per unit and will continue to increase in the years ahead. Today's homes are also larger, averaging 44% larger in 1998 than in 1970. As the economy allows households to move away from the congested metropolitan areas, the rural areas are experiencing growth. Growth, especially when it is relatively quick, brings an influx of higher income and is not always healthy for a rural area. Improved housing quality of this type comes with a heavy price for low and moderate-income households – the reduction in available affordable housing stock.

HOUSING SUPPLY

The supply of new housing appears to be dwindling. The National Association of Home Builders notes that new housing starts in Oregon dropped from 26,600 in 1997 to 26,100 in 1998 and 23,600 in 1999. At the same time, existing home sales rose from 60,800 in 1997 to 63,100 in 1998. Home values in Oregon have skyrocketed. In 1990 the median assessed value of a single family home was \$63,727. The cost of a median value home statewide in 1998-99 was \$106,958.²

As shown in the table, the number of occupied housing units increased approximately 16.5%, just slightly lower than the 17% increase in total housing units for the state. The homeownership rate did not increase significantly. The rising total number of households is the significant factor in the larger growth rate for owner occupied housing units when compared to renter occupied units. This trend is also reflected in the change in percent of total units for each tenure category. Homeownership rates in Oregon remained steady despite the median home value increasing by more than 65% during that time.

Category	1990 Number	1998 Number	% Change 1990-1998
Total Housing Units	1,193,567	1,400,764	17.4%
Occupancy			
Total Occupied Units	1,103,313	1,286,000	16.5%
%	93.3%	91%	
Total Vacant Units	79,968	114,764	43.5%
%	6.7%	9%	2.3%
Tenure			
Owner Occupied Units	696,191	810,180	16.3%
%	63.1%	63%	
Renter Occupied Units	407,122	475,820	16.8%
%	36.9%	37%	

The following tables show Oregon's available housing supply based on the 1990 U.S. Census information.

² Department of Revenue State of Oregon

State of Oregon Consolidated Plan 2001-2005

Table 3-3.

HOUSING TYPES BY TENURE TYPES AND VACANCY RATES

COUNTY	SUBTOTAL						TOTAL			
	OWNER-OCCUPIED		RENTER-OCCUPIED		OCCUPIED UNITS		VACANT UNITS/RATES		STRUCTURE-TYPE	
	No. of Units	% of Total	No. of Units	% of Total	No. of Units	% of Total	No. of Units	%Type/ Vac	No. of Units	% of Total
BAKER	4,210	56%	1,908	25%	6,118	81%	1,407	19%	7,525	100%
Single-Family	3,394	45%	1,149	15%	4,543	60%	927	17%	5,470	73%
Multi-Family	15	<1%	493	7%	508	7%	126	20%	634	8%
Manufactured Home	778	10%	247	3%	1,025	13%	330	24%	1,355	18%
Other Structure Type	23	<1%	19	<1%	42	0%	24	36%	66	<1%
BENTON	14,392	53%	11,734	43%	26,126	97%	898	3%	27,024	100%
Single-Family	12,539	46%	3,770	14%	16,309	60%	412	1%	16,721	62%
Multi-Family	137	<1%	7,321	27%	7,458	27%	323	1%	7,781	29%
Manufactured Home	1,645	6%	427	2%	2,072	8%	134	<1%	2,206	8%
Other Structure Type	71	<1%	216	<1%	287	0%	29	<1%	316	1%
CLACKAMAS	74,207	68%	29,323	27%	103,530	95%	5,473	5%	109,003	100%
Single-Family	64,368	59%	10,901	10%	75,269	69%	3,368	3%	78,637	72%
Multi-Family	958	<1%	16,494	15%	17,452	16%	1,608	1%	19,060	17%
Manufactured Home	8,532	8%	1,448	1%	9,980	9%	379	<1%	10,359	10%
Other Structure Type	349	<1%	480	<1%	829	<1%	118	<1%	947	<1%
CLATSOP	8,459	48%	4,915	28%	13,374	77%	3,993	23%	17,367	100%
Single-Family	7,291	42%	1,941	11%	9,232	53%	2,732	23%	11,964	76%
Multi-Family	235	1%	2,658	15%	2,893	17%	1,059	6%	3,952	23%
Manufactured Home	880	5%	219	1%	1,099	6%	173	<1%	1,272	7%
Other Structure type	53	<1%	97	<1%	150	<1%	29	<1%	179	<1%
COLUMBIA	10,314	71%	3,596	25%	13,910	95%	666	5%	14,576	100%
Single-Family	8,181	56%	1,713	12%	9,894	68%	408	3%	10,302	71%
Multi-Family	85	<1%	1,322	9%	1,407	10%	63	<1%	1,470	10%
Manufactured Home	1,956	13%	517	4%	2,473	17%	148	<1%	2,621	18%
Other Structure Type	92	<1%	44	<1%	136	<1%	47	<1%	183	1%
COOS	16,041	69%	8,093	30%	24,134	90%	2,534	10%	26,668	100%
Single-Family	12,613	47%	3,990	15%	16,603	62%	1,615	6%	18,218	68%
Multi-Family	115	<1%	3,111	12%	3,226	12%	299	1%	3,525	13%
Manufactured Home	3,202	12%	899	3%	4,101	15%	553	2%	4,654	17%
Other Structure type	111	<1%	93	<1%	204	<1%	67	<1%	271	1%
CROOK	3,897	64%	1,558	26%	5,455	90%	611	10%	6,066	100%
Single-Family	2,790	46%	887	15%	3,677	61%	320	5%	3,997	66%
Multi-Family	22	<1%	373	6%	395	6%	37	<1%	432	7%
Manufactured Home	1,067	18%	259	4%	1,326	22%	201	3%	1,527	25%
Other Structure Type	18	<1%	39	<1%	57	<1%	53	<1%	198	<1%
CURRY	6,026	61%	2,285	22%	8,311	83%	1,574	91%	9,885	100%
Single-Family	3,617	37%	1,116	11%	4,733	48%	746	9%	5,479	55%
Multi-Family	92	1%	697	7%	789	8%	148	16%	937	10%
Manufactured Home	2,277	23%	427	4%	2,704	27%	602	18%	3,306	33%
Other Structure Type	40	<1%	45	<1%	85	0%	78	48%	163	2%
DESCHUTES	20,734	58%	8,483	24%	29,217	81%	6,711	19%	35,928	100%
Single-Family	15,490	43%	4,142	12%	19,632	55%	5,093	14%	24,725	69%
Multi-Family	166	<1%	3,014	8%	3,180	9%	424	1%	3,604	10%
Manufactured Home	4,998	14%	1,252	3%	6,250	17%	1,151	3%	7,401	21%
Other Structure Type	80	<1%	75	<1%	155	<1%	43	<1%	198	<1%
DOUGLAS	24,709	65%	11,163	29%	35,872	94%	2,426	6%	38,298	100%
Single-Family	18,105	47%	5,345	14%	23,450	61%	1,475	4%	24,925	65%

HOUSING TYPES BY TENURE TYPES AND VACANCY RATES

COUNTY	SUBTOTAL						TOTAL			
	OWNER-OCCUPIED		RENTER-OCCUPIED		OCCUPIED UNITS		VACANT UNITS/RATES		STRUCTURE-TYPE	
	No. of Units	% of Total	No. of Units	% of Total	No. of Units	% of Total	No. of Units	%Type/ Vac	No. of Units	% of Total
GILLIAM	464	50%	232	25%	696	75%	236	25%	932	100%
Single-Family	407	44%	187	20%	594	64%	196	21%	790	85%
Multi-Family	3	<1%	22	2%	25	3%	7	>1%	32	3%
Manufactured Home	54	6%	21	2%	75	8%	30	3%	105	11%
Other Structure Type	0	<1%	2	<1%	2	<1%	3	<1%	5	<1%
GRANT	2,189	58%	903	24%	3,092	82%	682	18%	3,774	100%
Single-Family	1,426	38%	536	14%	1,962	52%	451	12%	2,413	64%
Multi-Family	9	<1%	173	5%	182	5%	45	1%	227	6%
Manufactured Home	747	20%	188	5%	935	25%	148	4%	1,083	29%
Other Structure Type	7	<1%	6	<1%	13	<1%	38	1%	51	1%
HARNEY	1,940	59%	820	24%	2,760	83%	548	17%	3,308	100%
Single-Family	1,404	42%	490	15%	1,894	57%	281	8%	2,175	66%
Multi-Family	31	<1%	164	5%	195	5%	82	2%	277	8%
Manufactured Home	485	15%	133	4%	618	19%	185	6%	803	24%
Other Structure Type	20	<1%	33	<1%	53	<1%	0	0%	53	2%
HOOD RIVER	3,990	52%	2,435	32%	6,425	85%	1,144	15%	7,569	197%
Single-Family	3,384	45%	1,345	18%	4,729	63%	626	8%	5,355	70%
Multi-Family	23	<1%	740	10%	763	10%	231	3%	994	13%
Manufactured Home	565	7%	276	4%	841	11%	73	<1%	914	12%
Other Structure Type	18	<1%	74	<1%	92	1%	214	3%	306	4%
JACKSON	37,920	63%	19,318	32%	57,238	95%	3,138	5%	60,376	100%
Single-Family	29,164	48%	8,643	14%	37,807	63%	2,020	3%	39,827	66%
Multi-Family	377	<1%	8,539	14%	8,916	15%	559	<1%	9,475	16%
Manufactured Home	8,224	14%	1,816	3%	10,040	17%	477	<1%	10,517	17%
Other Structure Type	155	<1%	320	<1%	475	<1%	82	<1%	557	<1%
JEFFERSON	3,077	49%	1,667	26%	4,744	75%	1,567	26%	6,311	100%
Single-Family	1,960	31%	819	13%	2,779	44%	625	10%	3,404	54%
Multi-Family	12	<1%	510	8%	522	8%	72	1%	594	9%
Manufactured Home	1,082	17%	328	5%	1,410	22%	840	13%	2,250	36%
Other Structure Type	23	<1%	10	<1%	33	0%	30	<1%	63	<1%
JOSEPHINE	17,668	65%	7,413	27%	25,081	93%	1,831	7%	26,912	100%
Single-Family	13,105	49%	4,030	15%	17,135	64%	1,247	5%	18,382	68%
Multi-Family	111	<1%	1,942	7%	2,053	7%	93	<1%	2,146	8%
Manufactured Home	4,400	16%	1,320	5%	5,720	21%	451	2%	6,171	23%
Other Structure Type	52	<1%	121	<1%	173	<1%	40	<1%	213	<1%
KLAMATH	14,562	56%	7,779	30%	22,341	86%	3,613	14%	25,954	100%
Single-Family	11,338	44%	3,867	15%	15,205	59%	2,287	9%	17,492	67%
Multi-Family	70	<1%	2,804	11%	2,874	11%	410	2%	3,284	13%
Manufactured Home	3,077	12%	1,027	4%	4,104	16%	800	3%	4,904	19%
Other Structure Type	77	<1%	81	<1%	158	<1%	116	<1%	274	1%
LAKE #	1,876	55%	889	26%	2,765	81%	669	19%	3,434	100%
Single-Family	1,299	38%	564	16%	1,863	54%	327	10%	2,190	64%
Multi-Family	0	0%	124	4%	124	4%	57	2%	181	5%
Manufactured Home	566	16%	190	6%	756	22%	266	8%	1,022	30%
Other Structure Type	11	<1%	11	<1%	22	<1%	19	<1%	41	1%

HOUSING TYPES BY TENURE TYPES AND VACANCY RATES

COUNTY	SUBTOTAL						TOTAL			
	OWNER-OCCUPIED		RENTER-OCCUPIED		OCCUPIED UNITS		VACANT UNITS/RATES		STRUCTURE-TYPE	
	No. of Units	% of Total	No. of Units	% of Total	No. of Units	% of Total	No. of Units	%Type/ Vac	No. of Units	% of Total
Lane	67,387	58%	43,412	48%	110,799	96%	5,877	45%	116,676	100%
Single-Family	55,497	48%	19,085	16%	74,582	64%	3,209	22%	77,791	63%
Multi-Family	942	<1%	21,621	19%	22,563	19%	1,462	2%	24,025	31%
Manufactured Home	10,658	9%	2,183	2%	12,841	11%	1,162	<1%	14,003	5%
Other Structure Type	290	<1%	523	<1%	813	<1%	44	<1%	857	<1%
Minus Eugene/Springfield	-32,082	48%	-31,639	48%	-63,721	96%	-2,767	4%	-66,397	100%
Single-Family	-28,008	41%	-12,046	20%	-40,054	61%	-1,455	22%	-41,509	63%
Multi-Family	-796	1%	-18,876	27%	-19,672	28%	-1,064	2%	-20,736	31%
Manufactured Home	-3,151	6%	-346	>2%	-2,497	6%	-135	<1%	-3,632	5%
Other Structure Type	-127	<1%	-371	<1%	-498	<1%	-22	<1%	-520	<1%
LINCOLN	10,864	49%	5,591	25%	16,455	73%	5,934	27%	22,389	100%
Single-Family	7,870	35%	2,604	12%	10,474	47%	4,042	18%	14,516	65%
Multi-Family	194	<1%	2,223	10%	2,417	11%	662	3%	3,082	14%
Manufactured Home	2,708	12%	669	3%	3,377	15%	1,083	5%	4,460	20%
Other Structure Type	92	<1%	95	<1%	187	<1%	144	<1%	331	1%
LINN	22,757	62%	11,959	33%	34,716	95%	1,776	5%	36,482	100%
Single-Family	18,273	50%	5,770	16%	24,043	66%	1,069	3%	25,112	69%
Multi-Family	236	<1%	5,155	14%	5,391	14%	412	1%	5,803	16%
Manufactured Home	4,121	11%	902	2%	5,023	13%	234	<1%	5,257	14%
Other Structure Type	127	<1%	132	<1%	259	<1%	51	<1%	310	<1%
MALHEUR	6,066	57%	3,391	33%	9,457	89%	1,192	11%	10,649	100%
Single-Family	4,842	45%	1,712	16%	6,554	61%	799	8%	7,353	69%
Multi-Family	33	<1%	1,136	11%	1,169	11%	114	1%	1,283	12%
Manufactured Home	1,170	11%	531	5%	1,701	16%	236	2%	1,937	18%
Other Structure Type	21	<1%	12	<1%	33	<1%	43	<1%	76	<1%
MARION	52,510	60%	30,984	36%	83,494	96%	3,375	4%	86,869	100%
Single-Family	44,154	51%	12,554	14%	56,708	65%	2,073	2%	58,781	67%
Multi-Family	523	<1%	16,883	19%	17,406	20%	836	<1%	18,242	21%
Manufactured Home	7,565	9%	1,262	1%	8,827	10%	379	<1%	9,206	11%
Other Structure Type	268	<1%	285	<1%	553	<1%	87	<1%	640	<1%
Minus Salem/Keizer	-27,814	57%	-21,454	38%	-49,268	95%	-1,881	27%	-51,149	122%
Single-Family	-24,645	52%	-7,471	13%	-32,116	65%	-1,086	3%	-33,202	68%
Multi-Family	-306	<1%	-13,574	25%	-13,880	25%	-740	4%	-14,584	29%
Manufactured Home	-2,714	5%	-206	<1%	-2,920	5%	-28	3%	-2,948	8%
Other Structure Type	-149	<1%	-203	<1%	-352	0%	-63	17%	-415	17%
MORROW	1,906	56%	897	26%	2,803	82%	609	18%	3,412	100%
Single-Family	1,102	32%	407	12%	1,509	44%	319	9%	1,828	54%
Multi-Family	17	<1%	247	7%	264	8%	102	3%	366	11%
Manufactured Home	777	23%	236	7%	1,013	30%	179	5%	1,192	35%
Other Structure Type	10	<1%	7	<1%	17	<1%	9	<1%	26	<1%
MULTNOMAH	133,981	82%	708,159	42%	242,140	95%	13,611	5%	255,751	100%
Single-Family	124,808	49%	34,101	13%	158,909	62%	6,606	3%	165,525	65%
Multi-Family	4,113	2%	72,563	28%	76,676	30%	6,491	3%	83,167	33%
Manufactured Home	4,063	2%	563	<1%	4,626	2%	257	<1%	4,883	1%
Other Structure Type	997	<1%	932	<1%	1,929	<1%	247	<1%	2,176	<1%

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COUNTY	OWNER-OCCUPIED		RENTER-OCCUPIED		OCCUPIED UNITS		VACANT UNITS/RATES		STRUCTURE-TYPE	
	No. of Units	% of Total	No. of Units	% of Total	No. of Units	% of Total	No. of Units	%Type/ Vac	No. of Units	% of Total
Polk	12,064	64%	6,103	32%	18,167	96%	811	4%	18,978	100%
Single-Family	10,590	56%	2,569	14%	13,159	70%	460	2%	13,619	72%
Multi-Family	65	<1%	3,255	17%	3,320	17%	272	1%	3,592	19%
Manufactured Home	1,376	7%	235	1%	1,611	8%	45	<1%	1,656	9%
Other Structure Type	33	<1%	44	<1%	77	<1%	34	<1%	111	<1%
SHERMAN	518	58%	266	30%	784	87%	116	13%	900	100%
Single-Family	343	38%	181	20%	524	58%	69	8%	593	66%
Multi-Family	2	<1%	13	1%	15	1%	9	1%	24	3%
Manufactured Home	170	19%	66	7%	236	26%	34	4%	270	30%
Other Structure Type	3	<1%	6	<1%	9	1%	4	<1%	13	1%
TILLAMOOK	6,306	47%	2,540	19%	8,846	66%	4,478	34%	13,324	100%
Single-Family	4,894	37%	1,546	12%	6,440	48%	3,598	27%	10,038	75%
Multi-Family	76	<1%	641	5%	717	5%	253	2%	970	7%
Manufactured Home	1,245	9%	325	2%	1,570	12%	588	4%	2,158	16%
Other Structure Type	91	<1%	28	<1%	119	<1%	39	<1%	158	1%
UMATILLA	13,647	56%	8,373	34%	22,020	90%	2,313	10%	2,433	100%
Single-Family	10,412	43%	3,503	14%	13,915	57%	1,263	5%	15,178	62%
Multi-Family	116	<1%	3,788	16%	3,904	16%	599	2%	4,503	19%
Manufactured Home	3,066	13%	1,006	4%	4,072	17%	346	1%	4,418	18%
Other Structure Type	53	<1%	76	<1%	129	<1%	105	<1%	234	<1%
UNION	5,823	58%	3,212	32%	9,035	91%	939	9%	9,974	100%
Single-Family	4,699	47%	1,505	15%	6,204	62%	603	6%	6,807	68%
Multi-Family	42	<1%	1,331	13%	1,373	13%	166	2%	1,539	15%
Manufactured Home	1,048	11%	356	4%	1,404	15%	137	1%	1,541	15%
Other Structure Type	34	<1%	20	<1%	54	<1%	33	<1%	87	<1%
WALLOWA	1,935	51%	861	23%	2,796	74%	959	26%	3,755	100%
Single-Family	1,606	43%	558	15%	2,164	58%	771	21%	2,935	78%
Multi-Family	16	<1%	178	5%	194	5%	41	1%	235	6%
Manufactured Home	301	8%	116	3%	417	11%	137	4%	554	15%
Other Structure Type	12	<1%	9	<1%	21	<1%	10	<1%	31	<1%
WASCO	5,601	53%	3,006	29%	8,607	82%	1,869	18%	10,476	100%
Single-Family	4,236	40%	1,430	14%	5,666	54%	744	7%	6,410	61%
Multi-Family	73	<1%	1,213	12%	1,286	12%	521	5%	1,807	17%
Manufactured Home	1,257	12%	345	3%	1,602	15%	563	5%	2,165	21%
Other Structure Type	35	<1%	18	<1%	53	<1%	41	<1%	94	<1%
WASHINGTON	72,336	58%	46,661	37%	118,997	95%	5,719	5%	124,716	100%
Single-Family	65,870	53%	13,760	11%	78,630	63%	1,840	1%	80,470	65%
Multi-Family	1,666	1%	31,834	26%	34,500	28%	3,570	3%	38,090	31%
Manufactured Home	4,583	4%	626	<1%	5,209	4%	194	<1%	5,403	4%
Other Structure Type	217	0%	441	<1%	658	<1%	95	<1%	753	<1%
WHEELER	413	53%	171	22%	548	75%	198	25%	782	100%
Single-Family	292	37%	132	17%	424	54%	134	24%	558	71%
Multi-Family	2	<1%	6	<1%	8	1%	2	<1%	10	1%
Manufactured Home	119	15%	31	4%	150	19%	53	7%	203	26%
Other Structure Type	0	0%	2	<1%	2	<1%	9	1%	11	1%
YAMHILL	15,168	65%	7,256	31%	22,424	97%	329	3%	19,375	100%
Single-Family	12,431	54%	3,378	15%	15,809	68%	441	2%	15,809	70%
Multi-Family	142	<1%	3,236	14%	3,378	15%	162	<1%	162	15%
Manufactured Home	2,508	11%	545	2%	3,053	13%	135	<1%	3,188	14%
Other Structure Type	87	<1%	97	<1%	184	<1%	32	<1%	216	<1%

**Oregon Manufactured Housing Inventory
By County**

County	Family	55+	62+	Unknown	Total
Baker	99	24	0	47	170
Benton	293	136	0	897	1,326
Clackamas	5,664	1,538	0	63	7,265
Clatsop	198	112	0	369	679
Columbia	194	111	0	771	1,076
Coos	115	253	0	1,105	1,473
Crook	63	29	0	493	585
Curry	754	271	0	48	1,073
Deschutes	843	598	0	1,225	2,666
Douglas	1,049	322	0	2,092	3,463
Gilliam	75	0	0	44	119
Grant	15	0	0	206	221
Harney	51	0	0	65	116
Hood River	379	24	0	12	415
Jackson	1,077	1,696	25	3,403	6,201
Jefferson	159	37	0	225	421
Josephine	0	0	0	1,567	1,567
Klamath	166	123	0	1,265	1,554
Lake	47	0	0	157	204
Lane	0	0	0	6,534	6,534
Lincoln	137	165	0	666	968
Linn	0	0	0	2,702	2,702
Malheur	0	0	0	774	774
Marion	781	1,324	134	4,116	6,355
Morrow	171	0	0	158	327
Multnomah	223	0	0	4,996	5,216
Polk	437	25	0	524	986
Sherman	22	0	0	10	32
Tillamook	130	0	0	323	453
Umatilla	316	14	0	1,337	1,667
Union	108	0	0	451	559
Wallowa	0	0	0	73	73
Wasco	97	0	0	550	647
Washington	1,111	882	0	2,912	4,905
Wheeler	N/A	N/A	N/A	N/A	N/A
Yamhill	575	407	0	1,166	2,148
State Total	15,680	7,796	159	41,300	64,935

Source: Oregon Manufactured Dwelling Park Directory, Manufactured Dwelling Park Ombudsman Program, Oregon Housing and Community Services, 2000.

AFFORDABLE HOUSING DEMAND

Driven by population increases, wages that have not kept pace with rent increases, and gaps in Congressional appropriations for new HUD rental assistance, HUD data shows substantial increases in the number of Oregonians who qualify for HUD rental assistance based on their income, yet do not receive it.

A HUD-released report shows an unmet rental housing need increase of 58,000 Oregonians during the 1990's in both rural and urban areas despite a strong economy and dramatic reductions in the number of welfare recipients. With the 1990's increase, total unmet needs are now at record levels: 129,000 households—309,000 Oregonians. Of the top 20 counties with the highest ranked unmet needs, 16 are rural counties. A full 56% of unmet housing need is outside the Portland metropolitan area.

Table 3-4. Oregon's Unmet Rental Housing Needs Summary

HUD Assisted Units	Area	Increase in Families Without Assistance 1990-2000	Increase in individuals without Assistance 1990-2000	% NOW without Assistance 2000	Total Eligible Families NOW Without help	Total Eligible Individuals 2000 NOW without help	% of Need Unmet 2000	Income Eligible Renter Families 2000
26,433	Rest of State	13,059	31,342	56%	72,838	174,811	73%	99,271
19,247	Portland	11,109	26,662	44%	56,173	134,815	74%	75,420
2,273	Clackamas	1,796	4,310		8,290	19,896	78%	10,563
3,422	Washington	2,826	6,782		11,497	27,593	77%	14,919
13,552	Multnomah	6,487	15,569		36,386	87,326	73%	49,938
45,680	Total	24,168	58,003	100%	129,011	309,626	74%	174,691

Table 3-5. Oregon's Unmet Rental Housing Needs by County

HUD Assisted Units 99	County	Increase in Eligible Families 1990-2000	Increase in Individual Eligible 1990-2000	Total Current Eligible Families	Total Current Eligible Individual	% of Unmet Need	Unmet Need Rank
-	Wheeler	3	7	55	132	100%	1
12	Morrow	1	2	408	979	97%	2
6	Gilliam	(3)	(7)	58	139	91%	3
68	Jefferson	180	432	497	1,193	88%	4
857	Benton	(121)	(290)	4,705	11,292	85%	5
133	Curry	113	271	647	1,553	83%	6
50	Lake	5	12	243	583	83%	7
314	Columbia	184	442	1,275	3,060	80%	8
710	Umatilla	830	1,992	2,862	6,869	80%	9
4,352	Lane	3,445	8,268	16,579	39,790	79%	10
2,273	Clackamas	1,796	4,310	8,290	19,896	78%	11
3,422	Washington	2,826	6,782	11,497	27,593	77%	12
20	Sherman	13	30	69	165	77%	13

Oregon’s Unmet Rental Housing Needs by County

(continued)

HUD Assisted Units 99	County	Increase in Eligible Families 1990-2000	Increase in Individual Eligible 1990-2000	Total Current Eligible Families	Total Current Eligible Individual	% of Unmet Need	Unmet Need Rank
122	Crook	65	155	407	976	77%	14
219	Tillamook	120	288	697	1,673	76%	15
280	Hood River	194	464	889	2,132	76%	16
2,248	Jackson	1,654	3,970	7,100	17,040	76%	17
849	Klamath	428	1,027	2,609	6,262	75%	18
72	Harney	54	130	213	511	75%	19
13,552	Multnomah	6,487	15,569	36,386	87,326	73%	20
1,215	Douglas	392	941	3,200	7,680	72%	21
576	Clatsop	48	115	1,502	3,605	72%	22
1,420	Linn	694	1,666	3,620	8,688	72%	23
1,015	Coos	414	994	2,561	6,146	72%	24
950	Deschutes	399	956	2,165	5,195	69%	25
1,136	Yamhill	423	1,015	2,540	6,096	69%	26
999	Josephine	502	1,205	2,207	5,297	69%	27
104	Grant	24	58	222	533	68%	28
505	Malheur	271	650	1,066	2,558	68%	29
286	Baker	54	130	598	1,435	68%	30
102	Wallowa	10	24	200	480	66%	31
771	Lincoln	341	818	1,490	3,576	66%	32
4,672	Marion	2,178	5,227	8,589	20,614	65%	33
1,106	Polk	311	746	2,027	4,865	65%	34
588	Union	71	170	891	2,138	60%	35
674	Wasco	(236)	(567)	649	1,557	49%	36

Source: HUD Report, “Oregon Unmet Rental Housing Needs,” 1999

HOUSING AFFORDABILITY

Three years ago the Oregon Housing Lobby Coalition and the Coalition to Fund Affordable Housing stated that Oregon was in a housing crisis that needed state intervention. According to their 1998 report, *Addressing Oregon’s Housing Crisis*, housing costs are “too high for many elderly and others on fixed incomes, for the disabled, for service workers, and to a considerable extent for low-to-middle income workers. The result for these groups is that they can’t afford to purchase a home, or rent payments are so high they can’t afford adequate housing, food, clothing, child care, transportation, health care, or education.”

A HUD Portland Area Office document published in November 1997 noted that over 107,000 Oregon households earning less than 50% of median income pay more than 30% of that income for housing. OHCS shelter counts show that approximately 1,500 families and 1,800 children seek emergency shelter every night because they are priced completely out of the housing market.

The National Low Income Housing Coalition (NLIHC) lists Oregon in the top ten of least affordable states for rental housing outside of metropolitan areas. According to NLIHC, in 1999 45% of combined non-metro renters are unable to afford the Fair Market Rent

(FMR) for a two-bedroom apartment. NLIHC estimates the FMR for a two-bedroom unit in Oregon averages \$597. An extremely low-income household (earning 30% of the AMI of \$45,296) can afford monthly rent of no more than \$340. A 3-person household receiving the maximum TANF grant can afford monthly rent of no more than \$138. A minimum wage earner, earning \$10,712 annually, can afford monthly rent of no more than \$267.80. FMR for a one-bedroom unit is \$472. A household on Social Security Income (SSI) can afford monthly rent of no more than \$146. A unit is considered affordable if it costs no more than 30 % of the renter's income. NLIHC estimates that a worker earning the Federal minimum wage (\$5.15 per hour) has to work 89 hours per week in order to afford a two-bedroom unit at the FMR of the area. In order for a worker to work 40 hours per week and afford a two-bedroom unit at the area's FMR, the worker would have to earn \$11.48 per hour, nearly 223% of present minimum wage.

Table 3-6. Housing Wage						
County Name	Hourly Wages Needed To Afford @ 40hrs/wk.		As % of Federal Min. Wage (\$5.15)		Wrk Hrs/wk @ Min. Wage to Afford	
	1bdr FMR	2bdr FMR	1 bdr FMR	2 bdr FMR	1bdr FMR	2bdr FMR
Baker	\$7.08	\$9.17	137%	178%	55	71
Benton	\$9.25	\$11.73	180%	227%	72	91
Clackamas	\$10.06	\$12.40	195%	241%	78	96
Clatsop	\$8.17	\$10.69	159%	208%	63	83
Columbia	\$10.06	\$12.40	195%	241%	78	96
Coos	\$7.29	\$9.67	142%	188%	57	75
Crook	\$7.08	\$9.17	137%	178%	55	71
Curry	\$8.13	\$10.79	158%	209%	63	84
Deschutes	\$8.48	\$11.35	165%	220%	66	88
Douglas	\$7.08	\$9.17	137%	178%	55	71
Gilliam	\$7.54	\$9.17	146%	178%	59	71
Grant	\$7.08	\$9.17	137%	178%	55	71
Harney	\$7.08	\$9.17	137%	178%	55	71
Hood River	\$7.90	\$10.73	153%	208%	61	83
Jackson	\$8.65	\$11.56	168%	224%	67	90
Jefferson	\$7.08	\$9.17	137%	178%	55	71
Josephine	\$7.25	\$9.33	141%	181%	56	72
Klamath	\$7.08	\$9.17	137%	178%	55	71
Lake	\$7.08	\$9.17	137%	178%	55	71
Lane	\$8.81	\$11.48	171%	223%	68	89
Lincoln	\$7.37	\$9.81	143%	190%	57	76
Linn	\$8.52	\$11.06	165%	215%	66	86
Malheur	\$7.08	\$9.17	137%	178%	55	71
Marion	\$8.52	\$10.92	165%	212%	66	85
Morrow	\$7.08	\$9.17	137%	178%	55	71
Multnomah	\$10.06	\$12.40	195%	241%	78	96
Polk	\$8.52	\$10.92	165%	212%	66	85
Sherman	\$7.08	\$9.17	137%	178%	55	71
Tillamook	\$7.08	\$9.17	137%	178%	55	71
Umatilla	\$7.08	\$9.17	137%	178%	55	71
Union	\$7.08	\$9.17	137%	178%	55	71
Wallowa	\$7.08	\$9.17	137%	178%	55	71
Wasco	\$9.00	\$10.08	175%	196%	70	78
Washington	\$10.06	\$12.40	195%	241%	78	96
Wheeler	\$7.08	\$9.17	137%	178%	55	71
Yamhill	\$10.06	\$12.40	195%	241%	78	96
Oregon	\$9.08	\$11.48	176%	223%	71	89
Oregon Non-Metro	\$7.74	\$10.04	150%	195%	60	78

- Maximum Affordable Housing Cost represents the generally accepted standard of spending not more than 30% of income on housing costs.
- AMI= Area Median Income (HUD, 1999).

Table 3-7. 1999 FAMILY INCOME BASED ON FAMILIES OF FOUR						
Estimated Median Family Income- HUD			Max. Affordable Monthly Housing Cost by % of Family AMI			
LOCATION	ANNUAL	MONTHLY	30%	50%	80%	100%
Oregon	\$45,296	\$3,775	\$340	\$566	\$906	\$1,132
Non-Metro	\$37,741	\$3,145	\$283	\$472	\$755	\$944
Baker	\$28,182	\$2,349	\$212	\$353	\$564	\$705
Benton	\$43,806	\$3,561	\$329	\$548	\$876	\$1,095
Clackamas	\$52,821	\$4,402	\$396	\$660	\$1,056	\$1,320
Clatsop	\$31,609	\$2,634	\$237	\$395	\$632	\$790
Columbia	\$39,935	\$3,328	\$299	\$499	\$798	\$998
Coos	\$28,390	\$2,366	\$213	\$355	\$568	\$710
Crook	\$31,142	\$2,595	\$234	\$390	\$623	\$779
Curry	\$29,695	\$2,475	\$223	\$371	\$594	\$742
Deschutes	\$36,249	\$3,021	\$272	\$453	\$725	\$906
Douglas	\$30,115	\$2,510	\$226	\$377	\$602	\$753
Gilliam	\$37,837	\$3,153	\$284	\$473	\$757	\$946
Grant	\$30,879	\$2,573	\$232	\$386	\$618	\$772
Harney	\$26,651	\$2,221	\$200	\$333	\$533	\$666
Hood River	\$32,961	\$2,747	\$247	\$412	\$659	\$824
Jackson	\$34,684	\$2,890	\$260	\$343	\$694	\$867
Jefferson	\$30,673	\$2,556	\$230	\$384	\$614	\$767
Josephine	\$25,178	\$2,098	\$189	\$315	\$503	\$629
Klamath	\$29,847	\$2,489	\$224	\$373	\$597	\$746
Lake	\$29,568	\$2,464	\$222	\$370	\$591	\$739
Lane	\$35,752	\$2,979	\$268	\$447	\$715	\$894
Lincoln	\$31,309	\$2,609	\$235	\$392	\$627	\$783
Linn	\$35,226	\$2,936	\$264	\$441	\$705	\$881
Malheur	\$26,282	\$2,190	\$197	\$329	\$526	\$657
Marion	\$39,086	\$3,257	\$263	\$439	\$702	\$877
Morrow	\$26,922	\$2,244	\$202	\$337	\$538	\$673
Multnomah	\$42,783	\$3,565	\$321	\$535	\$856	\$1,070
Polk	\$36,458	\$3,038	\$273	\$456	\$729	\$911
Sherman	\$30,403	\$2,534	\$228	\$380	\$608	\$760
Tillamook	\$31,285	\$2,607	\$235	\$391	\$626	\$782
Umatilla	\$32,143	\$2,679	\$241	\$402	\$643	\$804
Union	\$27,700	\$2,308	\$208	\$347	\$554	\$693
Wallowa	\$24,992	\$2,083	\$188	\$313	\$500	\$625
Wasco	\$32,371	\$2,698	\$243	\$405	\$647	\$809
Washington	\$54,971	\$4,581	\$412	\$687	\$1,097	\$1,374
Wheeler	\$17,083	\$1,424	\$128	\$214	\$342	\$427
Yamhill	\$41,177	\$3,431	\$309	\$515	\$823	\$1,029

Table 3-8. INCOME NEEDED TO AFFORD FAIR MARKET RENT

County Name	Amount		% of Family AMI		% of Estimated Renter Median		Est. No. of Renters Unable to Afford FMR	
	1 bdrm	2 bdrm	1 bdrm	2bdrm	1 bdrm	2 bdrm	1 bdrm	2 bdrm
Baker	\$14,720	\$19,080	40%	52%	69%	89%	37%	45%
Benton	\$19,240	\$24,400	37%	47%	83%	105%	43%	52%
Clackamas	\$20,920	\$25,800	40%	49%	68%	84%	35%	43%
Clatsop	\$17,000	\$22,240	45%	59%	81%	106%	41%	52%
Columbia	\$20,920	\$25,800	40%	49%	73%	90%	38%	45%
Coos	\$15,160	\$20,120	45%	60%	77%	102%	40%	51%
Crook	\$14,720	\$19,080	43%	55%	60%	78%	32%	40%
Curry	\$16,920	\$22,440	49%	65%	64%	85%	33%	43%
Deschutes	\$17,640	\$23,600	43%	56%	65%	87%	34%	44%
Douglas	\$14,720	\$19,080	42%	55%	64%	83%	33%	43%
Gilliam	\$15,680	\$19,080	41%	49%	63%	76%	33%	39%
Grant	\$14,720	\$19,080	39%	50%	56%	73%	30%	38%
Harney	\$14,720	\$19,080	43%	55%	64%	83%	33%	43%
Hood River	\$16,440	\$22,320	44%	60%	66%	89%	34%	45%
Jackson	\$18,000	\$24,040	46%	62%	77%	103%	40%	51%
Jefferson	\$14,720	\$19,080	41%	53%	55%	72%	28%	38%
Josephine	\$15,080	\$19,400	45%	57%	70%	90%	37%	45%
Klamath	\$14,720	\$19,080	39%	51%	67%	87%	35%	44%
Lake	\$14,720	\$19,080	43%	56%	68%	88%	35%	44%
Lane	\$18,320	\$23,880	44%	57%	78%	101%	40%	50%
Lincoln	\$15,320	\$20,400	42%	56%	66%	87%	34%	44%
Linn	\$17,720	\$23,000	45%	57%	72%	93%	38%	47%
Malheur	\$14,720	\$19,080	44%	56%	82%	106%	41%	52%
Marion	\$17,720	\$22,720	41%	53%	68%	87%	35%	44%
Morrow	\$14,720	\$19,080	38%	50%	61%	79%	32%	41%
Multnomah	\$20,920	\$25,800	40%	49%	70%	86%	37%	43%
Polk	\$17,720	\$22,720	41%	53%	83%	106%	43%	52%
Sherman	\$14,720	\$19,080	43%	55%	79%	102%	41%	51%
Tillamook	\$14,720	\$19,080	42%	55%	68%	89%	35%	45%
Umatilla	\$14,720	\$19,080	40%	52%	67%	87%	35%	44%
Union	\$14,720	\$19,080	40%	52%	76%	99%	39%	49%
Wallowa	\$14,720	\$19,080	42%	55%	59%	77%	31%	40%
Wasco	\$18,720	\$20,960	51%	57%	94%	105%	48%	52%
Washington	\$20,920	\$25,800	40%	49%	68%	84%	35%	53%
Wheeler	\$14,720	\$19,080	59%	76%	85%	110%	43%	53%
Yamhill	\$20,920	\$25,800	40%	49%	69%	85%	37%	43%
Oregon	\$18,883	\$23,872	42%	53%	71%	90%	37%	45%
Oregon Non-Metro	\$16,106	\$20,880	43%	55%	71%	92%	37%	45%

Table 3-9. 1999 FAIR MARKET RENTS BY NUMBER OF BEDROOMS					
County Name	Zero	One	Two	Three	Four
Baker	\$311	\$368	\$477	\$657	\$732
Benton	\$371	\$481	\$610	\$918	\$975
Clackamas	\$425	\$523	\$645	\$897	\$974
Clatsop	\$358	\$425	\$556	\$758	\$851
Columbia	\$425	\$523	\$645	\$897	\$974
Coos	\$311	\$379	\$503	\$701	\$732
Crook	\$311	\$368	\$477	\$657	\$732
Curry	\$311	\$423	\$561	\$718	\$883
Deschutes	\$384	\$441	\$590	\$822	\$951
Douglas	\$311	\$368	\$477	\$657	\$782
Gilliam	\$311	\$392	\$477	\$657	\$732
Grant	\$311	\$368	\$477	\$657	\$732
Harney	\$311	\$368	\$477	\$657	\$732
Hood River	\$365	\$411	\$558	\$726	\$858
Jackson	\$343	\$450	\$601	\$835	\$931
Jefferson	\$311	\$368	\$477	\$657	\$732
Josephine	\$311	\$377	\$485	\$657	\$766
Klamath	\$311	\$368	\$477	\$657	\$777
Lake	\$311	\$368	\$477	\$657	\$732
Lane	\$334	\$458	\$597	\$833	\$963
Lincoln	\$377	\$383	\$510	\$710	\$771
Linn	\$373	\$443	\$575	\$790	\$881
Malheur	\$311	\$368	\$477	\$657	\$732
Marion	\$376	\$443	\$568	\$782	\$819
Morrow	\$311	\$368	\$477	\$657	\$732
Multnomah	\$425	\$523	\$645	\$897	\$974
Polk	\$376	\$443	\$568	\$782	\$819
Sherman	\$311	\$368	\$477	\$657	\$732
Tillamook	\$311	\$368	\$477	\$657	\$732
Umatilla	\$311	\$368	\$477	\$657	\$732
Union	\$311	\$368	\$477	\$657	\$732
Wallowa	\$311	\$368	\$477	\$657	\$732
Wasco	\$378	\$468	\$524	\$714	\$802
Washington	\$425	\$523	\$645	\$897	\$974
Wheeler	\$311	\$368	\$477	\$657	\$732
Yamhill	\$425	\$523	\$645	\$897	\$974
Oregon	\$383	\$472	\$597	\$829	\$913
Oregon Non-Metro	\$338	\$403	\$522	\$725	\$815

Table 3-10. Affordability for TANF Single Parent Family of 3 with No Earnings			
Location	Monthly Benefit	Annual Benefit	Max Affordable Housing Cost Per Month
Oregon	\$460	\$5,520	\$138
Metro	\$460	\$5,520	\$138
Non-Metro	\$460	\$5,520	\$138



Table 3-11. Maximum SSI Benefits for Individuals Living Independently, January 1997			
Location	Monthly Benefit	Annual Benefit	Max Affordable Housing Cost Per Month
Oregon	\$486	\$5,832	\$146
Metro	\$486	\$5,832	\$146
Non-Metro	\$486	\$5,832	\$146

Another way to look at affordability is via an index based on “median value”. Median value is derived from assessors’ records on property taxes. Homes are re-assessed periodically or upon sale and so unless a recent sale occurred, the value is usually lower than current market prices even though Oregon is required to assess true market value. Still, this provides a useful means of comparing counties and of looking at affordability over time. The lower the numbers, on the affordability index, the more affordable the county is. Conversely, the higher the number, the less affordable the county is.

Table 3-12. Oregon Owner-Occupied Housing Affordability by County*

County	Median H/H Income 1989	Median H/H Income 1999	Median Home Value 1990	Median Home Value 1999	Affordability Index 1990	Affordability Index 1999	% Increase Median Income 1989-99	% Increase Median Home Value 1990-99
Baker	\$22,122	\$28,182	\$42,107	\$49,808	1.904	1.767	27.5%	18.3%
Benton	\$27,327	\$43,806	\$72,872	\$114,132	2.667	2.605	60.3%	56.6%
Clackamas	\$35,472	\$52,821	\$85,087	\$138,090	2.399	2.614	48.9%	62.3%
Clatsop	\$25,205	\$31,609	\$62,508	\$75,869	2.480	2.400	25.4%	21.4%
Columbia	\$29,563	\$39,935	\$62,825	\$98,288	2.125	2.461	35.1%	56.4%
Coos	\$22,199	\$28,390	\$49,848	\$62,390	2.246	2.198	27.9%	25.2%
Crook	\$24,165	\$31,142	\$50,335	\$65,004	2.083	2.087	28.9%	29.1%
Curry	\$22,573	\$29,695	\$83,437	\$102,173	3.696	3.441	31.6%	22.5%
Deschutes	\$27,327	\$36,249	\$74,549	\$96,985	2.728	2.676	32.6%	30.1%
Douglas	\$23,719	\$30,115	\$56,029	\$67,690	2.362	2.248	27.0%	20.8%
Gilliam	\$23,816	\$37,837	\$31,638	\$43,500	1.328	1.150	58.9%	37.5%
Grant	\$24,913	\$30,879	\$46,875	\$56,167	1.882	1.819	23.9%	19.8%
Harney	\$22,189	\$26,651	\$37,795	\$43,390	1.703	1.628	20.1%	14.8%
Hood River	\$25,437	\$32,961	\$77,161	\$99,099	3.033	3.007	29.6%	28.4%
Jackson	\$25,113	\$34,684	\$74,899	\$99,893	2.982	2.880	38.1%	33.4%
Jefferson	\$23,555	\$30,673	\$53,652	\$63,769	2.278	2.079	30.2%	18.9%
Josephine	\$20,990	\$25,178	\$74,727	\$89,198	3.560	3.543	20.0%	19.4%
Klamath	\$23,073	\$29,847	\$52,745	\$67,456	2.286	2.260	29.4%	27.9%
Lake	\$24,730	\$29,568	\$41,909	\$46,667	1.695	1.578	19.6%	11.4%
Lane	\$25,305	\$35,752	\$65,849	\$102,182	2.602	2.858	41.3%	55.2%
Lincoln	\$22,912	\$31,309	\$69,425	\$92,058	3.030	2.940	36.6%	32.6%
Linn	\$25,237	\$35,226	\$51,324	\$69,322	2.034	1.968	39.6%	35.1%
Malheur	\$20,248	\$26,282	\$46,327	\$57,759	2.288	2.198	29.8%	24.7%
Marion	\$26,889	\$39,086	\$59,911	\$84,285	2.228	2.156	45.4%	40.7%
Morrow	\$23,875	\$26,922	\$43,493	\$49,658	1.822	1.845	12.8%	14.2%
Mult.	\$26,970	\$42,783	\$61,767	\$104,278	2.290	2.437	58.6%	68.8%
Polk	\$26,304	\$36,458	\$63,602	\$84,477	2.418	2.317	38.6%	32.8%
Sherman	\$24,865	\$30,403	\$30,595	\$34,914	1.230	1.148	22.3%	14.1%
Tillamook	\$22,095	\$31,285	\$61,288	\$82,396	2.774	2.634	41.6%	34.4%
Umatilla	\$22,917	\$32,143	\$47,757	\$64,765	2.084	2.015	40.3%	35.6%
Union	\$22,443	\$27,700	\$43,903	\$51,818	1.956	1.871	23.4%	18.0%
Wallowa	\$21,216	\$24,992	\$47,371	\$54,375	2.233	2.176	17.8%	14.8%
Wasco	\$24,885	\$32,371	\$50,049	\$64,542	2.011	1.994	30.1%	29.0%
Wash.	\$35,571	\$54,971	\$85,461	\$140,255	2.403	2.551	54.5%	64.1%
Wheeler	\$15,068	\$17,083	\$30,446	\$32,273	2.021	1.889	13.4%	6.0%
Yamhill	\$28,422	41,177	\$62,264	\$101,717	2.191	2.470	44.9%	63.4%

*These figures vary from HUD projected costs. The HUD model uses a standard family size of 4 to estimate affordability figures. The OHCS model is based on actual median incomes for the typical Oregon H/H size of 2.5

BARRIERS TO HOUSING AFFORDABILITY

Oregon Housing and Community Services wishes to create an environment that encourages housing developers to produce high quality, affordable homes and apartments to meet the ever-growing need of Oregon's Low and Moderate Income residents. OHCS researched and compiled a list of the barriers affecting the production of affordable housing and considers the following obstacles to be highly significant.

Most Frequently Mentioned Barriers

- Lack of and high cost of private land
- Lack of coordinated response to problems and effective partnerships
- Lack of and high cost of rural infrastructure
- Lack of economic development/low wages
- Community attitudes/"Not In My Backyard" (NIMBY)/Stigma of affordable housing
- Lack of statewide housing policy and need for lead entity
- Exclusionary zoning ordinances
- Lack of local government interest in low to moderate income housing development
- Availability of private financing/Rural areas considered high risk
- Development fees
- Shortage of skilled workers and subcontractors
- Lack of incentives for private development of affordable housing
- Local Design review guidelines
- Property assessment practices
- Poor credit worthiness of low-income people/Access to credit for mortgage loans
- Outreach on First Time Home Buyer programs
- Lack of capacity and operating or predevelopment funds for non-profits
- Lack of support services for special needs groups
- Public funding inadequate, too competitive and hard to obtain
- High construction cost in rural communities
- Lack of public transportation
- Tax-exempt bond allocation system
- Building code inconsistency
- Absence of Tax Increment Financing (TIF)/Special Improvement Districts (SID) financing
- Rental laws and practices
- Lack of state funds for Indian Reservations
- Lack of code compliance emphasis
- Inconsistent guidelines for infrastructure
- Shortage of apartments in rural communities
- High cost of utilities in rural areas
- Environmental regulations
- Fair Housing/Cultural and language

POTENTIAL HOUSING LOSSES

Starting in 1975, HUD signed 20-year contracts with private owners of multifamily housing to subsidize their properties with project-based Section 8 funds. The project-based subsidies provided lower rents for tenants living in units on particular subsidized properties. At the end of the contract period, owners have the option of renewing their contracts or opting out of the program altogether. Although contracts began expiring a number of years ago, the number of opt outs to date has been limited. Many owners have renewed their contracts on a short-term basis as they consider their options and wait to see what course Congress and HUD will follow in addressing the housing preservation issue.

The situation is growing more urgent. The expiration of the contracts creates widespread uncertainty about whether the properties will continue as affordable housing or whether owners will choose to opt out of the project-based Section 8 program. The Oregon Housing and Community Services is concerned about following areas:

- Expirations are increasing. During the next five years, over one-half of all project-based Section 8 contracts will expire, totaling over 5,000 subsidized housing units. As expirations increase, so does the risk of losing affordable housing.
- Contracts are expiring across the state. Over 5,000 units of affordable housing throughout the state may be lost over the next five years as contracts expire.
- One-year renewals compound the problem. Unlike the original long-term contracts, federal budget constraints have limited contract renewals to one year, multiplying the number of contracts that face expiration each year. Only recently did Congress reauthorize longer-term contracts. However, these contracts are still subject to yearly appropriations, giving residents, owners, and lenders little security that funds will continue to be available despite the fact that Congress has consistently provided money for all renewals. This lack of certainty magnifies the fears of residents and communities, increases both HUD's administrative burdens, and provides owners with one more reason to opt out of the program.
- A shortage of affordable housing means options are limited. Even if it were possible to preserve every project-based Section 8 property in the state, more than 107,000 households across the state would still be left without adequate housing. According to a recently released HUD study, "Despite 6 years of unprecedented economic growth, millions of families still struggle to secure decent, affordable housing. Ironically, the strong economy is an essential factor pushing rent levels to record highs. Rather than benefiting from the surging economy, low-income renters must compete for the dwindling supply of affordable rental housing available on the private market. Many of the most vulnerable low income renters spend years waiting in vain to obtain

needed rental housing assistance.” With few places to turn, residents’ fears about displacement from project-based Section 8 housing are magnified.

- Residents need better protection. There will always be some properties that leave the Section 8 program, either because the owner chooses to opt out or because HUD chooses not to renew their contract. Tenants with vouchers (vouchers can be taken by the tenant to another property that accepts Section 8 vouchers) often find that the amount of their voucher is lower than the true market rent. Therefore, they are unable to find housing they can afford.

HOUSING CONDITIONS

Safe and decent housing may not be affordable for lower income households where the condition of the housing unit is poor. For this reason, poor housing conditions may be another indicator of a subset of economically stressed households. Information on the condition of housing is also useful in assessing where housing rehabilitation efforts may be worthwhile. The condition of housing may also correlate with affordability, as households may choose affordability over suitability or quality. Information on condition of housing units statewide is not available. The only information available comes from the 1990 U.S. Census. The 1990 Census provides only some information on unit condition. Unit age may be a relative indicator of dwelling condition, as older units tend to be in relatively poorer condition than newly constructed units. For the FY2001-2005 Consolidated Plan purposes, any unit more than 50 years old is considered likely to have substantial maintenance problems.

The Census also provides information on the number of units:

- Without complete plumbing facilities;
- Without public/private sewer or a septic tank/cesspool;
- With source of water other than public/private system or individual well;
- Lacking complete kitchen facilities;
- Using no heating fuel.

Finally, the Census also gives information on the number of households by income group “with any housing problems.” While the definition of “any housing problems” is broad and subjective, this information may also be used to focus a future study where a large percentage of the units are considered by Census respondents to have problems. The information may also help determine the extent that lower income households need housing rehabilitation assistance. Based on the information provided, about 108,000 of all households (19%) in those areas covered by the statewide FY2000 Consolidated Plan reported housing problems.

Table 3-13. CONDITION OF HOUSING BY COUNTY

County Name	Total Housing Units	Units w/o complete Plumbing	Units w/o pub/pri. Sewer Septic Tank/ Cesspool	Units w/ h2o source other than pub/pri. Indiv. Well	Units Lacking complete Kitchen Facilities	Units Using No Heating Fuel (no heating source)	No. of Units More than 30 years old					
Baker	7,525	0	0%	172	2%	482	6%	342	5%	9	<1%	3,220
Benton	27,024	293	1%	172	1%	482	2%	329	1%	23	<1%	3,220
Clackamas	109,033	918	<1%	633	<1%	1,141	1%	1,117	1%	84	<1%	19,346
Clatsop	17,367	128	<1%	135	<1%	47	<1%	171	<1%	15	<1%	5,488
Columbia	14,576	160	1%	121	<1%	899	6%	156	1%	22	<1%	3,142
Coos	26,668	3	<1%	489	2%	2,650	10%	295	1%	0	0%	4,841
Crook	6,066	0	0%	128	2%	256	4%	109	2%	0	0%	663
Curry	9,885	0	0%	214	2%	1,007	10%	125	1%	16	<1%	675
Deschutes	35,928	0	0%	394	1%	1,543	4%	460	1%	18	<1%	2,737
Douglas	38,298	0	0%	239	<1%	2,317	6%	288	<1%	16	<1%	4,741
Gilliam	932	0	0%	54	6%	69	7%	54	6%	2	<1%	361
Grant	3,774	0	0%	254	7%	608	16%	143	4%	0	0%	865
Harney	3,305	0	0%	50	2%	124	4%	49	1%	0	0%	828
Hood River	7,569	222	3%	96	1%	191	3%	213	3%	9	<1%	2,014
Jackson	40,692	0	0%	345	<1%	835	1%	411	1%	47	<1%	4,746
Jefferson	6,311	5	<1%	46	1%	413	7%	120	2%	9	<1%	422
Josephine	26,912	4	<1%	532	2%	809	3%	390	1%	31	<1%	2,320
Klamath	25,954	1	<1%	276	1%	218	1%	299	1%	288	1%	4,976
Lake	3,434	0	0%	77	2%	100	3%	49	1%	0	0%	609
Lane	50,564	811	2%	679	2%	2,220	4%	544	1%	26	<1%	5,795
Lincoln	22,389	249	1%	226	1%	1,661	7%	209	1%	15	<1%	2,914
Linn	36,482	257	1%	260	1%	563	2%	263	1%	18	<1%	5,229
Malheur	10,649	23	<1%	227	2%	172	2%	163	2%	35	<1%	1,643
Marion	36,692	170	<1%	317	1%	651	2%	171	<1%	105	<1%	4,754
Morrow	3,412	7	<1%	82	2%	208	6%	130	4%	0	0%	660
Multnomah	255,751	1,265	1%	715	<1%	404	<1%	2,014	<1%	631	<1%	11,496
Polk	18,978	158	1%	41	<1%	294	2%	117	1%	9	<1%	3,030
Sherman	900	1	<1%	9	1%	32	4%	8	1%	3	<1%	404
Tillamook	13,324	59	<1%	71	1%	1,286	10%	79	1%	9	<1%	2,403

CONDITION OF HOUSING BY COUNTY

(Continuation.)

County Name	Total Housing Units	Units w/o complete Plumbing		Units w/o pub/pri. Sewer Septic Tank/ Cesspool		Units w/ h2o source other than pub/pri. System or Indiv. Well		Units Lacking complete Kitchen Facilities		Units Using No Heating Fuel (no heating source)		No. of Units More than 30 years old
Umatilla	24,333	15	<1%	228	1%	357	1%	281	1%	3	<1%	3,688
Union	9,974	0	0%	260	3%	578	6%	220	2%	11	<1%	3,129
Wallowa	3,755	8	<1%	207	6%	653	17%	201	5%	0	0%	1,487
Wasco	10,476	3	<1%	340	3%	381	4%	425	4%	14	<1%	2,376
Washington	124,716	409	<1%	194	<1%	822	<1%	704	<1%	96	<1%	12,276
Wheeler	782	0	0%	48	6%	200	26%	33	4%	0	0%	251
Yamhill	23,194	188	1%	192	1%	752	3%	135	1%	24	<1%	4,082
STATE CONPLAN AREAS TOTAL	568,124	2,765	<1%	6,981	2%	23,058	5%	6,982	2%	777	<1%	87,713
STATE OF OREGON TOTAL	1,193,567	14,360	1%	8,900	<1%	26,001	2%	11,991	1%	1,826	<1%	316,648

Table 3-14.

HOUSEHOLDS WITH ANY PROBLEMS

(Source: HUD CHAS Data Tables from 1990 U.S. Census)

County Name	Total Households	Very Low Income Households with 0-50% of HUD Adj. Median Income		Low Income Households with 51-80% of HUD Adjusted Median Income		Moderate Income Households with 81-95% of HUD Adj. Median Income	
		Renter	Owner	Renter	Owner	Renter	Owner
		Baker	6,174	441	581	150	175
Benton	26,256	4,657	1,080	909	747	116	297
Clackamas	103,635	6,186	5,642	2,806	4,254	515	1,667
Clatsop	13,473	1,388	849	432	426	30	136
Columbia	13,910	954	952	157	424	26	184
Coos	24,193	2,282	698	582	607	100	155
Crook	5,453	296	393	70	195	6	69
Curry	8,403	491	202	282	171	28	61
Deschutes	29,400	1,913	3,000	1,094	1,393	201	572
Douglas	36,059	2,615	1,330	961	1,086	112	339
Gilliam	695	39	51	10	11	2	5
Grant	3,124	181	227	36	107	4	56
Harney	2,815	11	177	41	111	2	17
Hood River	6,386	615	326	214	141	21	116
Jackson	38,501	2,894	1,706	1,149	1,273	295	520
<i>Medford</i>	<i>18,899</i>	<i>2,228</i>	<i>909</i>	<i>1,115</i>	<i>497</i>	<i>232</i>	<i>237</i>
<i>Ashland</i>							
Jefferson	4,757	350	353	181	181	38	33
Josephine	25,093	2,250	1,037	859	668	149	274
Klamath	22,414	2,253	1,400	665	786	78	290
Lake	2,787	181	203	59	98	0	33
Lane	50,564	2,993	3,692	945	1,891	241	747
<i>Eugene</i>	<i>46,385</i>	<i>7,820</i>	<i>1,577</i>	<i>2,595</i>	<i>1,274</i>	<i>415</i>	<i>450</i>
<i>Springfield</i>	<i>17,526</i>	<i>2,617</i>	<i>801</i>	<i>1,307</i>	<i>658</i>	<i>133</i>	<i>195</i>
Lincoln	16,455	1,407	1,288	507	718	96	221
Linn	34,813	3,023	2,198	1,016	1,215	137	491
Malheur	9,484	968	776	237	422	48	112
Marion	42,571	3,083	2,723	1,248	1,845	170	630
<i>Salem</i>	<i>41,151</i>	<i>5,170</i>	<i>1,933</i>	<i>1,909</i>	<i>1,289</i>	<i>331</i>	<i>458</i>
<i>Keizer</i>							
Morrow	2,796	193	185	70	162	7	29
Multnomah	242,320	32,792	12,950	9,047	7,421	1,285	2,524
Polk	18,022	1,788	1,024	535	673	79	207
Sherman	789	44	54	7	19	0	8
Tillamook	8,856	619	581	189	397	23	114
Umatilla	22,047	2,164	1,363	555	798	138	267
Union	6,257	983	617	202	270	38	75
Wallowa	2,804	151	246	40	119	5	26
Wasco	8,598	878	436	145	218	18	102
Washington	119,158	9,185	4,452	5,349	3,888	930	1,907
Wheeler	591	55	55	2	26	0	0
Yamhill	22,399	2,016	1,669	495	806	77	314

STATE CONSOLIDATED PLAN AREAS

OVERCROWDED UNITS

Overcrowded units may indicate a severely constricted housing market and point to another subset of the population in need of additional affordable housing. It may also indicate a group of hidden homeless persons, who double up with family and friends in crowded conditions because they lack the financial resources to obtain adequate housing.

Generally, a unit is considered “overcrowded” if the ratio of residents to the number of rooms (not including halls, baths, porches, laundry rooms, storerooms, etc.) is more than one-to-one.

For all of Oregon, the 1990 U.S. Census reported about 37,000 units (approximately 3.0 %) were overcrowded, with nearly twice as many rental units overcrowded as owner-occupied units. In those areas of Oregon covered by the statewide Consolidated Plan, a total of 19,582 units were overcrowded (about half the state total), or about 4 % of the total housing stock. Rental units were more than three times as likely to be overcrowded as owner-occupied units in the statewide regions. While some crowding may be linked to ethnic cultural patterns, most overcrowding of units in Oregon indicates a constricted supply of affordable units.

Table 3-15. OVERCROWDED HOUSEHOLDS

Source: 1990 US Census, STF3

County Name	Units with 1.01-1.5 Persons Per Room		Units with 1.51 Persons or More Per Room		Total Crowded Households		TOTAL Households		%age of Total Households	
	Owner	Renter	Owner	Renter	Owner	Renter	Owner	Renter	Owner	Renter
Baker	47	87	12	19	59	106	4,210	1,908	1%	6%
Benton	152	310	67	245	219	555	14,392	11,734	2%	5%
Clackamas	995	834	262	469	1,257	1,303	74,207	29,323	2%	5%
Clatsop	95	152	87	70	182	222	8,459	4,915	2%	5%
Columbia	172	129	59	65	231	194	10,314	3,596	2%	5%
Coos	286	280	166	129	452	409	16,041	8,093	3%	5%
Crook	77	12	35	25	112	37	3,897	1,558	3%	2%
Curry	96	88	62	47	158	135	6,026	2,285	3%	6%
Deschutes	507	580	189	185	696	765	20,734	8,483	3%	9%
Douglas	507	580	189	185	696	765	24,709	11,163	3%	7%
Gilliam	2	0	4	0	6	0	464	232	1%	0%
Grant	48	23	7	20	55	43	2,189	903	3%	5%
Harney	42	29	13	14	55	43	1,940	820	3%	5%
Hood River	60	113	36	212	96	325	3,077	1,667	3%	19%
Jackson	435	432	213	256	648	688	27,213	11,158	2%	6%
Jefferson	72	126	64	125	136	251	3,077	1,667	4%	15%
Josephine	292	345	115	170	407	515	17,668	7,413	2%	7%
Klamath	246	399	73	233	319	632	14,562	7,779	2%	8%
Lake	32	44	17	15	49	59	1,876	889	3%	7%
Lane	477	541	330	186	807	727	35,305	11,773	2%	6%
Lincoln	159	184	100	89	259	273	10,864	5,591	2%	5%
Linn	271	446	117	220	388	666	22,757	11,959	2%	6%
Malheur	133	244	78	187	211	431	6,066	3,391	3%	13%
Marion	506	620	308	445	814	1,065	24,696	9,530	3%	11%
Morrow	63	32	53	26	116	58	1,906	897	6%	6%
Multnomah	1,607	3,000	556	2,362	2,163	5,362	133,981	108,159	2%	5%
Polk	155	218	46	143	201	361	12,064	6,103	2%	6%
Sherman	2	4	2	1	4	5	518	266	<1%	2%
Tillamook	43	70	31	24	74	94	6,306	2,540	1%	4%
Umatilla	274	453	118	327	392	780	13,647	8,373	3%	9%
Union	90	134	18	47	108	181	5,823	3,212	2%	6%
Wallowa	31	18	2	1	33	19	1,935	861	2%	2%
Wasco	72	74	20	114	92	188	5,601	3,006	2%	6%
Washington	604	1,399	331	981	935	2,380	72,336	46,661	1%	5%
Wheeler	7	6	1	0	8	6	413	171	2%	45%
Yamhill	258	320	70	253	328	573	15,168	7,256	2%	8%
Statewide Consolidated Plan Area Total	5,709	7,093	2,702	4,078	8,411	11,171	343,917	161,192	4%	7%
State of Oregon Total	9,525	4,197	14,095	9,221	23,620	13,418	695,957	407,356	3%	3%

MANUFACTURED HOMES

Manufactured homes are a major source of affordable housing. Many buyers who cannot afford a conventional home have been able to buy a manufactured home for less cost, which has particular appeal to first time homebuyers. The Manufactured Housing Institute defines manufactured homes and differentiates them from the broader classification, “factory-built housing”.

The homes may be financed by a variety of means such as personal property loans, real property loans when purchased as a home/land package, and construction loans. Other aspects of affordability in addition to the purchase price, loan costs, and loan terms include the monthly land rent charges in parks or communities, assessments of improvements in parks, personal property tax on manufactured home or property taxes for homes with land purchases. A recent nationwide survey found that 12% of Oregonians had purchased their manufactured homes before 1977, 14% bought them between 1977-1981, 15% between 1982-86, 28% from 1987-1991, and 32% between 1992-1996. A 1996 statewide survey of Oregon manufactured home owners showed that 43% lived in parks where they did not own their lot, 48% owned the lot on which the home sat, and 8% lived on someone else’s property.

Although the number of homes manufactured in Oregon had fallen to 9,979 in 1999 from 12,547 in 1995, prices are also plummeting due to unsold inventory and low demand. Problems such as relentless land rent increases, variable interest rate loans that jump significantly after an initial period, questionable loan approval practices with poor history buyers, and simple over-development have contributed to rising home abandonment. OHCS estimates the total inventory of manufactured dwelling housing in the state to be 60,000 units located in about 1,500 dwelling parks. The industry estimates that there are 800 to 1,000 manufactured homes sitting empty in parks around the state.

Table 3-16. Manufactured Dwelling Park Space Inventory					
County	Family	55+	62+	Unknown	Total
Baker	99	24	0	47	170
Benton	293	136	0	897	1,326
Clackamas	5,664	1,538	0	63	7,265
Clatsop	198	112	0	369	679
Columbia	194	111	0	771	1,076
Coos	115	253	0	1,105	1,473
Crook	63	29	0	493	585
Curry	754	271	0	48	1,073
Deschutes	843	598	0	1,225	2,666
Douglas	1,049	322	0	2,092	3,463
Gilliam	75	0	0	44	119
Grant	15	0	0	206	221
Harney	51	0	0	65	116
Hood River	379	24	0	12	415
Jackson	1,077	1,696	25	3,403	6,201
Jefferson	159	37	0	225	421
Josephine	0	0	0	1,567	1,567
Klamath	166	123	0	1,265	1,554
Lake	47	0	0	157	204
Lane	0	0	0	6,534	6,534
Lincoln	137	165	0	666	968
Linn	0	0	0	2,702	2,702
Malheur	0	0	0	774	774
Marion	781	1,324	134	4,116	6,355
Morrow	171	0	0	158	327
Multnomah	223	0	0	4,996	5,216
Polk	437	25	0	524	986
Sherman	22	0	0	10	32
Tillamook	130	0	0	323	453
Umatilla	316	14	0	1,337	1,667
Union	108	0	0	451	559
Wallowa	0	0	0	73	73
Wasco	97	0	0	550	647
Washington	1,111	882	0	2,912	4,905
Wheeler	N/A	N/A	N/A	N/A	N/A
Yamhill	575	407	0	1,166	2,148
State Total	15,680	7,796	159	41,300	64,935

Source: Oregon Manufactured Dwelling Park Directory, Manufactured Dwelling Park Ombudsman Program, Oregon Housing and Community Services, 2000.

INVENTORY OF HOMELESS AND SPECIAL NEEDS FACILITIES BY COUNTY

The Consolidated Plan rules require that each jurisdiction provide information on the various housing and service providers targeting homeless persons. While Oregon Housing and Community Services has information on Homeless shelters, voucher programs and safe houses, it additionally sought information in all Oregon counties on social service programs to prevent homelessness, transitional housing, soup kitchens, day shelters, and permanent housing for homeless persons with disabilities.

Of the counties that have shelter facilities, most have only domestic violence shelters that serve specific populations.

The following listing summarizes the known programs for each county in Oregon's non-entitlement areas. This inventory does not account for the homeless and special needs populations who are serviced by hotel/motel vouchers. This represents the most complete information on facilities and service providers at the current time.

Table 3-17. Shelters in Non-entitlement Areas Statewide

SHELTER*		CITY*	BED*	DESIGNATION*
CSC - ALBANY 1	250 BROADALBIN ST SW STE 2A	Albany	0	Transitional Shelters
FISH OF ALBANY	1880SE HILL	Albany	16	Emergency Shelters
FISH OF ALBANY (1)	1140 SW 12TH AVENUE	Albany	16	Emergency Shelters
FISH OF ALBANY	1880SE HILL	Albany	16	Transitional Shelters
HUMAN SOLUTIONS	2900 SE 122ND AVENUE	Albany	0	Transitional Shelters
OAK HILL COMM CHURCH - EMERGENCY SH	1616 SE WAVERLY DRIVE	Albany	25	
SIGNS OF VICTORY	705 SOUTH LYONS STREET	Albany	25	Emergency Shelters
ST MARYS - LINN CO	728 ELLSWORTH STREET	Albany	0	
OAK HILL COMMUNITY CHURCH OF GOD	103 SE MAIN STREET	Albany	0	
ALBANY HELPING HANDS	1977 SANTIAM HIGHWAY	Albany		Soup Kitchens
ALBANY HELPING HANDS	1977 SANTIAM HIGHWAY	Albany		Emergency Shelters
LINN CO MENTAL HEALTH	PO BOX 100, 315 SW FOURTH STREET	Albany	0	
FISH OF ALBANY (2)	432 SW FERRY ST	Albany	22	ASTORIA POLICE DEPARTMENT
	555 30TH STREET	Astoria	0	
CLATSOP COMMUNITY ACTION	1010 DUANE STREET	Astoria		HMOF
COLUMBIA COUNTY RESERVE CENTER	1010 DUANE STREET	Astoria		HMOF
COAST REHABILITATION SERVICES	340 15TH STREET	Astoria		Transitional Shelters
PIONEER HOUSE SHELTER	PO BOX 685, 76 WEST BOND STREET	Astoria	25	Emergency Shelters
ASTORIA RESCUE MISSION	PO BOX 114, 62 WEST BOND STREET	Astoria	21	Emergency Shelters
CLATSOP CO WOMENS CRISIS SERVICES	10 NORTH SIXTH STREET, SUITE 104	Astoria	0	Emergency Shelters
CLATSOP CO WOMENS RESOURCE CENTER	#10 NORTH SIXTH STREET, SUITE 205	Astoria	9	Emergency Shelters
CAT - CLATSOP CO	1010 DUANE STREET, SUITE 207	Astoria	0	Transitional Shelters
CCN - BAKER CO	2610 GROVE STREET	Baker City	0	
MAYDAY	104 ELM STREET	Baker City	0	Emergency Shelters
AMERICAN RED CROSS - DESCHUTES CO	PO BOX 6839	Bend	0	
CENTRAL OREGON BATTERING & RAPE ALL	PO BOX 646	Bend	28	Emergency Shelters
CENTRAL OREGON BATTERING & RAPE ALL	PO BOX 646	Bend	28	Transitional Shelters
SALVATION ARMY - DESCHUTES CO (MENS)	PO BOX 6177, 34 NW FRANKLIN STREET	Bend	11	Transitional Shelters
ST VINCENT DE PAUL - DESCHUTES CO	PO BOX 1011, 950 SE THIRD STREET	Bend	30	Transitional Shelters
ALPINE WEST LODGE	61440 S. HWY 97	Bend		HMOF
CHALET MOTEL	510 SE 3RD STREET	Bend		HMOF
CASCADE LODGE MOTEL	420 SE THIRD STREET	Bend		HMOF
BEND-AID		Bend		
BLUE SPRUCE	61265 S. HWY 97	Bend		HMOF
BEND RAINBOW MOTEL	154 NE FRANKLINE AVE	Bend		HMOF
BEND CASCADE HOSTEL	19 SW CENTURY DRIVE	Bend		HMOF
SEVENTH DAY ADVENTIST CENTER	515 NE DEKALB	Bend		HMOF
WESTWARD HO MOTEL	904 SE 3RD STREET	Bend		HMOF
SONOMA LODGE	450 NE 3RD STREET	Bend		HMOF

ROYAL GATEWAY	475 SE 3RD ST.	Bend		HMOF
PLAZA MOTEL	1430 NW HILL ST.	Bend		HMOF
CASCADE YOUTH AND FAMILY	1900 NE DIVISION, SUITE 205	Bend		Emergency Shelters
ST VINCENT DE PAUL - DESCHUTES CO	PO BOX 1011, 950 SE THIRD STREET	Bend	30	Emergency Shelters
SALVATION ARMY - DESCHUTES CO	PO BOX 6177, 1530 NW LAVA STREET	Bend	26	Emergency Shelters
LEARN & EARN	1236 NW WALL STREET	Bend	13	
HEALY CENTER	1900 NE BEAR CREEK ROAD	Bend	75	Transitional Shelters
GRANDMAS HOUSE OF CENTRAL OREGON	PO BOX 6372	Bend	8	Emergency Shelters
OUTREACH GOSPEL MISSION	17501 HWY 101	Brookings		Emergency Shelters
OUTREACH GOSPEL MISSION	17501 HWY 101	Brookings		Transitional Shelters
HARNEY CO SENIOR CENTER	17 SOUTH ALDER STREET	Burns	0	Emergency Shelters
HHOPE	PO BOX 26, 85 NORTH DATE STREET	Burns	7	Emergency Shelters
HHOPE	PO BOX 26, 85 NORTH DATE STREET	Burns	7	Transitional Shelters
CCN- GRANT CO	PO BOX 506, 108 SOUTH WASHINGTON ST	Canyon City	0	
BLANCHET FARM SHELTER	11750 FINN HILL LOOP ROAD	Carlton	49	Emergency Shelters
ILLINOIS VALLEY COALITION	PO BOX 1549, 321 REDWOOD HWY,SUITE	Cave Junction	0	
ST. MATHIAS CHURCH	25904 REDWOOD HWY	Cave Junction	0	Soup Kitchens
KLEOS CHILDRENS COMMUNITY	32700 RIVER BEND ROAD	Chiloquin	21	Transitional Shelters
TURNING POINT	97 NE CONYERS STREET	Clatskanie	0	
BAY AREA EXTENDED HOUSING	2110 NEWMARK	Coos Bay	0	Transitional Shelters
BAY AREA RESCUE MISSION	675 NEWMARK AVENUE	Coos Bay	30	Emergency Shelters
MISC FOR SWOCAC		Coos Bay		
ARC - SOUTH COAST CHAPTER	P O BOX 1175	Coos Bay	0	
T.H.E. HOUSE	745 COOS BAY BOULEVARD	Coos Bay	24	Emergency Shelters
SW OREGON COMMUNITY ACTION COMMITTE	PO BOX 929, 2110 NEWMARK STREET	Coos Bay	0	
SALVATION ARMY - COOS CO	PO BOX 836, 1155 FLANAGAN AVENUE	Coos Bay	0	Emergency Shelters
COMMUNITY SHARING PROGRAM	20 THORNTON LANE	Cottage Grov	0	Soup Kitchens
DALLAS COMMUNITY RESOURCE CENTER	326 MAIN STREET	Dallas	0	
SABLE HOUSE	PO BOX 783, 289 E ELLENDALE AVE, ST	Dallas	20	Emergency Shelters
POLK CO HOUSING AUTHORITY	204 SW WALNUT STREET	Dallas	0	Transitional Shelters
AMERICAN RED CROSS - WALLOWA CO	PO BOX 158, 303 NE SECOND STREET	Enterprise	0	
SAFE HARBORS	764 NW FIRST STREET	Enterprise	12	
CCN - WALLOWA CO	702 NW FIRST STREET	Enterprise	0	
SIUSLAW AREA WOMENS CENTER	PO BOX 2144; 1576 WEST 12TH STREET	Florence	0	Emergency Shelters
FOREST GROVE POLICE	2102 PACIFIC AVE	Forest Grove	0	Emergency Shelters
OASIS SHELTER HOME	PO BOX 932	Gold Beach	15	Emergency Shelters
OASIS SHELTER HOME	PO BOX 932	Gold Beach	15	Transitional Shelters
CHRISTIAN SERVICE NETWORK	1360 NE NINTH STREET	Grants Pass	0	
JOSEPHINE CO MENTAL HEALTH	1349 CONKLIN AVENUE	Grants Pass	5	Emergency Shelters
JOSEPHINE CO SHERIFFS OFFICE (1)	317 NW "B" STREET	Grants Pass	0	
FLAMINGO	728 NW 6TH ST.	Grants Pass		HMOF
HAWKS INN	1464 NW 6TH ST.	Grants Pass		HMOF
CREST	1203 NE 6TH ST	Grants Pass		HMOF
SHERIFFS DEPARTMENT	A STREET	Grants Pass		Soup Kitchens

HANNAH'S HOUSE	1464 SW BRIDGE ST.	Grants Pass		Transitional Shelters
TRAVELERS	423 SE 6TH	Grants Pass	0	HMOF
BUNNY'S	707 NE 6TH	Grants Pass	0	HMOF
JOSEPHINE COUNTY JUVENILE DEPT	301 NW F STREET	Grants Pass	0	
JOSEPHINE COUNTY SHERIFF	A ST	Grants Pass	0	
ST. VINCENT DE PAUL	757 SE 7TH	Grants Pass	0	
HAWK'S INN	1464 NW 6TH ST	Grants Pass	0	
JOSEPHINE COUNTY CRISIS TRANSITION	714 NW A ST	Grants Pass	0	Transitional Shelters
THE LAMP	310 NW 6TH #3	Grants Pass	0	Transitional Shelters
TALSUNNE HOUSE	748 NW 5TH ST	Grants Pass	0	Emergency Shelters
HANNAH'S HOME	1464 SW BRIDGE	Grants Pass	0	Transitional Shelters
FAITH HOUSE	220 NW A ST	Grants Pass	10	Transitional Shelters
WOMENS CRISIS SUPPORT TEAM	748 NW FIFTH STREET	Grants Pass	0	Emergency Shelters
ST VINCENT DE PAUL - JOSEPHINE CO	220 SW "H" STREET	Grants Pass	0	Soup Kitchens
SALVATION ARMY - JOSEPHINE CO	PO BOX 1065, 143 NW "E" STREET	Grants Pass	0	
ROGUE RECOVERY PROGRAMS	208 NW SIXTH STREET	Grants Pass	22	
JOSEPHINE CO SHERIFFS OFFICE (2)	500 NW SIXTH STREET	Grants Pass	0	
JOSEPHINE CO SHERIFFS OFFICE	500 NW SIXTH STREET	Grants Pass	0	
JOCO	317 NW "B" STREET	Grants Pass	0	Transitional Shelters
GOSPEL RESCUE MISSION - JOSEPHINE C	244 NE E STREET, PO BOX 190	Grants Pass	32	Emergency Shelters
INN BETWEEN SHELTER & EVALUATION CE	314 NW FOURTH STREET	Grants Pass	12	
JOCO	317 NW "B" STREET	Grants Pass	0	Emergency Shelters
GOSPEL RESCUE MISSION - JOSEPHINE C	244 NE E STREET, PO BOX 190	Grants Pass	32	Soup Kitchens
NEIGHBORHOOD CENTER SMC	441 NORTH MAIN STREET	Heppner	0	
OHDC - UMATILLA CO	950 SE COLUMBIA DRIVE, SUITE A	Hermiston	0	
HARNEY CO MINISTERIAL ASSOCIATION	777 NORTH SAGINAW STREET	Hines	0	Transitional Shelters
HELPING HANDS	PO BOX 441	Hood River	0	Emergency Shelters
HOUSING FOR PEOPLE (HOPE) - HOOD RI	PO BOX 435	Hood River	0	Emergency Shelters
MID COL - HOOD RIVER CO	205 OAK STREET, SUITE 4	Hood River	0	
HOUSING FOR PEOPLE (HOPE)	PO BOX 435	Hood River	0	
INDEPENDENCE RESOURCE CENTER	769 NORTH MAIN STREET, SUITE B	Independence	0	HMOF
KALEIDOSCOPE HOUSE	1323 WILLIAMS DRIVE	Independence		
IRRIGON-BOARDMAN EMERGENCY ASSTISTA	290 NORTH MAIN STREET	Irrigon	0	
ADULT & FAMILY SERVICES - KLAMATH C	700 KLAMATH AVE, SUITE 100	Klamath Fall	0	
GOSPEL RESCUE MISSION - KLAMATH CO	PO BOX 87, 823 WALNUT AVENUE	Klamath Fall	60	Emergency Shelters
AMERICAN RED CROSS - KLAMATH CO	925 HIGH ST	Klamath Fall	0	
INTERGRAL YOUTH SERVICES - STEP-UP	1011 MAIN ST	Klamath Fall	0	Emergency Shelters
SOCO DEVELOPMENT	135 SOUTH NINTH STREET	Klamath Fall	0	Emergency Shelters
SALVATION ARMY - KLAMATH CO	1803 MAIN STREET	Klamath Fall	0	Emergency Shelters
EXODUS HOUSE	829 KLAMATH AVENUE	Klamath Fall	0	Transitional Shelters
EXODUS HOUSE	829 KLAMATH AVENUE	Klamath Fall	0	Emergency Shelters
KLAMATH HOUSING AUTHORITY	1445 AVALON STREET	Klamath Fall	0	
KLAMATH CO CRISIS CENTER	1014 MAIN STREET, SUITE 201	Klamath Fall	0	Transitional Shelters
KLAMATH CO CRISIS CENTER	1014 MAIN STREET, SUITE 201	Klamath Fall	0	Emergency Shelters

SALVATION ARMY CROSSROADS		Klamath Fall		Transitional Shelters
SALVATION ARMY CROSSROADS		Klamath Fall		Emergency Shelters
ANGEL'S HAVEN	1500 ARTHUR STREET	Klamath Fall		Transitional Shelters
ANGEL'S HAVEN	1500 ARTHUR STREET	Klamath Fall		Emergency Shelters
INTEGRAL YOUTH SERVICES - STEP UP		Klamath Fall		Transitional Shelters
INTEGRAL YOUTH SERVICES - STEP UP		Klamath Fall		Emergency Shelters
GOSPEL MISSION KLAMATH FALLS	823 WALNUT AVENUE	Klamath Fall		Soup Kitchens
SENIOR & DISABLED SERVICES	700 KLAMATH AVE #400	Klamath Fall	0	
KLAMATH COUNTY MENTAL HEALTH	3314 VANDENBERG RD	Klamath Fall	0	Transitional Shelters
INTERGRAL YOUTH SERVICES - STEP-UP	1011 MAIN ST	Klamath Fall	0	Transitional Shelters
INTERGRAL YOUTH SERVICES - STEP-UP	1011 MAIN ST	Klamath Fall	0	SYRNWO/H
IVYS	1011 MAIN STREET	Klamath Fall	0	SYRNWO/H
INTEGRAL YOUTH SERVICES	PO BOX 1385, 303 WASHINGTON STREET	Klamath Fall	10	Transitional Shelters
INTEGRAL YOUTH SERVICES	PO BOX 1385, 303 WASHINGTON STREET	Klamath Fall	10	Emergency Shelters
CCN - UNION CO	1504 ALBANY STREET	La Grande	0	
SHELTER FROM THE STORM	PO BOX 173	La Grande	14	Emergency Shelters
OUR LADY OF THE VALLEY CATHOLIC CHU	1101 FOURTH STREET	La Grande	0	
SALVATION ARMY - UNION CO	PO BOX 897,	La Grande	0	HMOF
ADULT & FAMILY SERVICES - LAKE CO	108 NORTH F STREET, SUITE 101	Lakeview	0	
LAKE COUNTY SENIOR CENTER	11N G ST.	Lakeview		
LAKEVIEW POLICE DEPARTMENT	245 NORTH "F" STREET	Lakeview	0	
LAKE CO WEATHERIZAITON	11 N. G STREET	Lakeview	0	
LAKE CO MINISTERIAL ASSOCIATION (2)	264 NORTH "P" STREET	Lakeview	0	
LAKE CO MINISTERIAL ASSOCIATION (1)	264 NORTH "P" STREET	Lakeview	0	
LAKE CO CRISIS CENTER	100 NORTH "D" STREET, SUITE 75	Lakeview	0	
ST VINCENT DE PAUL - LA PINE	PO BOX 1008	LaPine	0	HMOF
CSC - LEBANNON	41 WEST MAPLE STREET	Lebanon	0	Transitional Shelters
LEBANON BASIC SERVICES	139 MAIN STREET	Lebanon	0	
CSC - LINCOLN	120 NE AVERY STREET	Lincoln City	0	Transitional Shelters
WOMENS VIOLENCE INTERVENTION PROGRA	PO BOX 426	Lincoln City	18	Emergency Shelters
COCAAN - JEFFERSON CO	645 SW MARSHALL	Madras	15	Transitional Shelters
COCAAN - JEFFERSON	634 SW MARSHALL	Madras	25	SYRNWO/H
BUDGET INN	133 NE 5TH STREET	Madras		HMOF
SEVENTH DAY ADVENTIST CENTER - MADR	346 SW CULVER HWY	Madras		HMOF
COCAAN - JEFFERSON COUNTY	635 SW MARSHALL	Madras	22	Transitional Shelters
JUNIPER MOTEL	414 N. HWY, 26	Madras		HMOF
COCAAN - JEFFERSON	634 SW MARSHALL	Madras	25	Transitional Shelters
COCAAN - JEFFERSON	634 SW MARSHALL	Madras	25	Emergency Shelters
COHSP - JEFFERSON CO	645 SW MARSHALL	Madras	5	
FAMILY CRISIS SHELTER - HENDERSON H	PO BOX 26, 618 EAST EIGHT STREET	McMinnville	15	Emergency Shelters
YCAP (3)	PO BOX 621, 1530 FRIENDLY COURT	McMinnville	1	
BRIDGES - YAMHILL CO MENTAL HEALTH	107 NE IRVINE ST	McMinnville		
HENDERSON HOUSE FAMILY CRISIS SHELT		McMinnville	15	Emergency Shelters
YCAP(4)	PO BOX 621, 1530 FRIENDLY COURT	McMinnville	86	

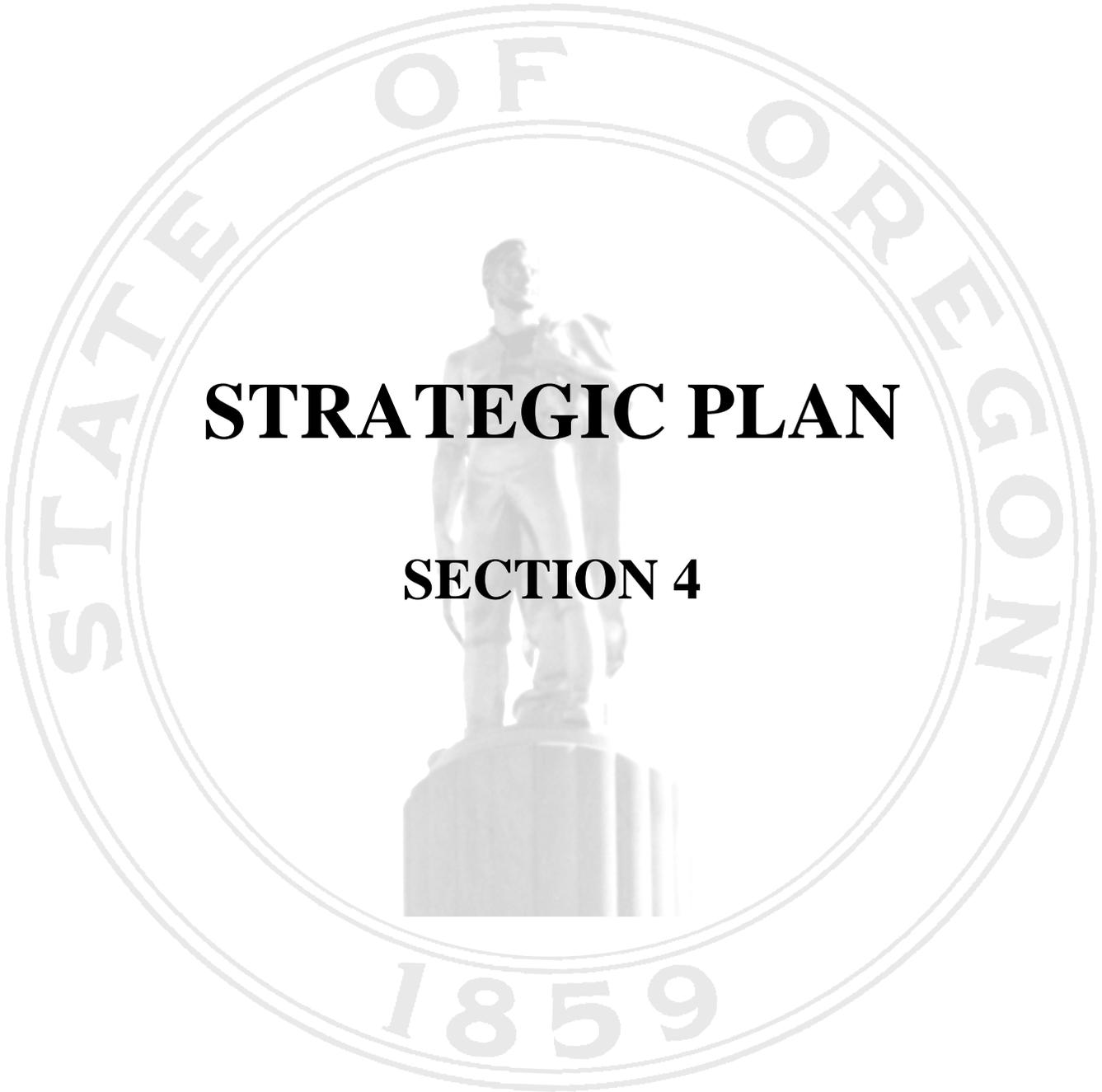
SHARING HOUSE AND HARVEST HOUSE	PO BOX 621, 327 & 329 SOUTH ADAMS S	McMinnville	30	
HARVEST HOUSE - MCMINNVILLE	800 NE 2ND	McMinnville	15	Transitional Shelters
YCAP	PO BOX 621, 800 NE SECOND STREET	McMinnville	0	
YCAP (1)	PO BOX 621, 1110 EAST FIRST STREET	McMinnville	13	
REFLECTIONS TRANSITION HOUSE	1110 EAST FIRST STREET	McMinnville	15	
CANYON CRISIS CENTER	PO BOX 500	Mill City	0	Emergency Shelters
CRISIS CHURCH SHELTER	412 WEST CLAY STREET	Monmouth	0	Emergency Shelters
ST JOSEPH SHELTER	925 SOUTH MAIN STREET	Mt Angel	170	Emergency Shelters
ST JOSEPH SHELTER	925 SOUTH MAIN STREET	Mt Angel	170	Transitional Shelters
HARVEST HOUSE - NEWBERG	615 NORTH COLLEGE ROAD	Newberg	19	Transitional Shelters
NEWBERG HUMAN RESOURCES CENTER	408 EAST THIRD STREET	Newberg	5	
CENTRO DE AYUDA	155 OLIVE STREET, SUITE 6	Newport	0	
WVIP	PO B 2152	Newport		
WOMENS VIOLENCE INTERVENTION-ALICE	PO BOX 2152	Newport	18	
SAMARITAN HOUSE	PO BOX 269	Newport	14	Transitional Shelters
SAMARITAN HOUSE	PO BOX 269	Newport	14	Emergency Shelters
LINCOLN CO COUNCIL ON ALCOHOL & DRUG	PO BOX 1277, 155 SW HIGH STREET	Newport	19	Emergency Shelters
CSC - NEWPORT INFO & REFERRAL SERVICES	133 SE CAPE STREET	Newport	0	
CONTACT INFO & REFERRAL SERVICES (2)	132 WEST OLIVE STREET	Newport	15	
CONTACT INFO & REFERRAL SERVICES (1)	132 WEST OLIVE STREET	Newport	30	
LCCODAA	PO BOX 1277	Newport		Emergency Shelters
CONTACT INFO & REFERRAL SERVICES	444 NE SECOND STREET	Newport	0	HMOF
CSC - NEWPORT	PO BOX 928, 208 NW 12TH STREET	Newport	0	Transitional Shelters
ATOLL	768 VIRGINIA STREET	North Bend	0	Emergency Shelters
ATOLL	768 VIRGINIA STREET	North Bend	0	Transitional Shelters
ATOLL	768 VIRGINIA STREET	North Bend	0	HMOF
COOS CO WOMENS CRISIS SERVICES - CL	PO BOX 791	North Bend	18	Transitional Shelters
COOS CO WOMENS CRISIS SERVICES - CL	PO BOX 791	North Bend	18	Emergency Shelters
MALHEUR COUNCIL ON AGING	PO BOX 937	Ontario	0	
PROJECT DOVE	PO BOX 245	Ontario	0	Emergency Shelters
ONTARIO AUTO COURT	92 NW 2ND AVENUE	Ontario		Transitional Shelters
MOTEL 6	275 NE 12TH	Ontario		HMOF
OREGON TRAIL MOTEL	92 E. IDAHO AVE	Ontario		HMOF
OHDC - MALHEUR CO	2880 SW FOURTH AVENUE, SUITE 4	Ontario	0	
CATHOLIC CHURCH - PENDLETON	800 SE COURT AVENUE	Pendleton	0	
ST MARYS - UMATILLA CO	24 SW COURT AVENUE	Pendleton	0	
DOMESTIC VIOLENCE SHELTER	PO BOX 152	Pendleton	24	Emergency Shelters
CAO - EAST CENTRAL OR	721 SE THIRD STREET, SUITE D	Pendleton	0	
CAPECO	721 SE 3RD STE D	Pendleton	0	Emergency Shelters
SALVATION ARMY - UMATILLA CO	PO BOX 1572	Pendleton	0	
COMMUNITY WORKS - YOUTH DIAGNOSTICS	5605 SOUTH PACIFIC HIGHWAY	Phoenix	12	SYRNWO/H
PRAIRIE BAPTIST CHURCH	PO BOX 572, 238 NORTH MCHALEY STREET	Prairie City	0	
COHSP - CROOK CO	225 EAST FOURTH STREET	Prineville	11	Transitional Shelters
COCAAN - CROOK	225 EAST 4TH	Prineville		Transitional Shelters

SEVENTH DAY ADVENTIST - PRINEVILLE	707 W. 2ND	Prineville		HMOF
ST. VINCENT DE PAUL - PRINEVILLE	30 MAIN ST. & E 1ST	Prineville		
CITY CENTER MOTEL (2)	509 E. 3RD STREET	Prineville		HMOF
CENTRAL OREGON COMMUNITY ACTION NET	225 E 4TH	Prineville	21	Transitional Shelters
CENTRAL OREGON COMMUNITY ACTION NET	225 E 4TH	Prineville	21	Emergency Shelters
CENTRAL OREGON COMMUNITY ACTION NET	225 E 4TH	Prineville	21	SYRNWO/H
RAINIER POLICE DEPARTMENT	106 WEST "B" STREET	Rainier	0	
COCAAN	2303 SW FIRST STREET	Redmond	129	Emergency Shelters
COHSP - DESCHUTES CO	2303 SW FIRST STREET	Redmond	7	
COCAAN - REDMOND OFFICE		Redmond		
ST. VINCENT DE PAUL - REDMOND	1114 SW EVERGREEN	Redmond		HMOF
VILLAGE SQUIRE	629 S. HWY 97	Redmond		HMOF
COCAAN - DESCHUTES	2303 SW 1ST	Redmond	175	
SALVATION ARMY - REDMOND STEP OF FA	516 NW LAVE ROAD	Redmond	11	
REDMOND MINISTERIAL ASSOCIATION	PO BOX 121	Redmond	0	
COCAAN	2303 SW FIRST STREET	Redmond	129	HMOF
COCAAN	2303 SW FIRST STREET	Redmond	129	Transitional Shelters
CITY CENTER MOTEL	350 NW 6TH STREET	Redmond		HMOF
SEVENTH DAY ADVENTIST (2)	945 W. GLACIER	Redmond		HMOF
LOWER UMPQUA MINISTERIAL ASSOCIATIO	2160 ELM AVENUE	Reedsport	0	
LUMA	2160 ELM AVE	Reedsport	0	
REEDSPORT POLICE DEPARTMENT	146 NORTH FOURTH STREET	Reedsport	0	
BATTERED PERSONS ADVOCACY	PO BOX 1942	Roseburg	53	Emergency Shelters
ROSEBURG RESCUE MISSION - SAMARITAN	806 SE PINE STREET	Roseburg	77	Emergency Shelters
ROSEBURG RESCUE MISSION - SAMARITAN	806 SE PINE STREET	Roseburg	77	Transitional Shelters
ROSEBURG RESCUE MISSION - SAMARITAN	806 SE PINE STREET	Roseburg	77	Soup Kitchens
UCAN - EMERGENCY SERVICES	2448 W. HARVARD	Roseburg		Emergency Shelters
DOUGLAS COUNTY AIDS COUNCIL	832 NW HIGHLAND ST	Roseburg	0	
UMPQUA COMMUNITY ACTION NETWORK (2)	2448 WEST HARVARD BOULEVARD	Roseburg	0	
UCAN - CASEMANAGEMENT	2448 WEST HARVARD BOULEVARD	Roseburg	0	
UCAN	2448 WEST HARVARD BOULEVARD	Roseburg	0	Emergency Shelters
SALVATION ARMY - DOUGLAS CO	PO BOX 187	Roseburg	0	
RUBY HOUSE	3035 LAUREL SPRINGS DRIVE	Roseburg	5	
ROSEBURG RESCUE MISSION	806 SE PINE STREET	Roseburg	106	Transitional Shelters
FISH OF ROSEBURG	PO BOX 1162	Roseburg	0	Transitional Shelters
CHESS ES	2448 WEST HARVARD BOULEVARD	Roseburg	0	Emergency Shelters
ROSEBURG RESCUE MISSION	806 SE PINE STREET	Roseburg	106	Soup Kitchens
ROSEBURG RESCUE MISSION	806 SE PINE STREET	Roseburg	106	Emergency Shelters
FISH OF ROSEBURG	PO BOX 1162	Roseburg	0	Emergency Shelters
SALVATION ARMY - CLATSOP CO	1325 NORTH HOLLADAY DRIVE	Seaside	0	
SEASIDE POLICE DEPARTMENT	1091 SOUTH HOLLADAY STREET	Seaside	0	
ILLINOIS VALLEY OPEN DOOR	PO BOX 1549, 18250 REDWOOD HWY, SUI	Selma	0	
SILVERTON RESOURCE AND REFERRAL CEN	204 NORTH WATER STREET	Silverton	0	
COLUMBIA CO WOMENS RESOURCE CENTER	PO BOX 982	St Helens	0	SYRNWO/H

CAT - COLUMBIA CO	125 NORTH THIRD STREET	St Helens	0	Transitional Shelters
COLUMBIA CO WOMENS RESOURCE CENTER	PO BOX 982	St Helens	0	Transitional Shelters
CAT	COLUMBIA BLVD	St Helens	0	Transitional Shelters
ST HELENS POLICE DEPARTMENT	150 SOUTH 13TH STREET	St. Helens	0	
STAYTON RESOURCE & REFERRAL CENTER	264 NORTH THIRD AVENUE	Stayton	0	
HOUSING FOR PEOPLE (HOPE) - LINN CO	PO BOX 351, 1086 12TH AVENUE	Sweet Home	10	
SHEM	PO BOX 694	Sweet Home	4	
S.W. HOPE INC.	PO BOX 351	Sweet Home		Emergency Shelters
HAVEN FROM DOMESTIC VIOLENCE	PO BOX 576	The Dalles	0	Emergency Shelters
HOPE	PO BOX 901	The Dalles		HMOF
HAMILTON	1301 W. 2ND	The Dalles		Transitional Shelters
ST VINCENT DE PAUL - WASCO CO	1222 WEST TENTH STREET	The Dalles	0	
MIRACLE ON NINTH STREET	923 WEST NINTH STREET	The Dalles	0	
MID COL - WASCO CO	PO BOX 901, 312 EAST FOURTH STREET	The Dalles	0	
MID COL- SHERMAN CO	PO BOX 901	The Dalles	0	
HOUSING FOR PEOPLE (HOPE) - WASCO C	PO BOX 901, 1210 EAST 12TH STREET	The Dalles	0	
CARE	2211 11TH STREET	Tillamook	18	Transitional Shelters
TILLAMOOK CO WOMENS CRISIS CENTER	PO BOX 187, 2215 11TH STREET	Tillamook	0	
WOMENS CRISIS CENTER	PO BOX 187	Tillamook	0	
COMMUNITY ACTION RESOURCES ENTERPRI	1904 11TH STREET	Tillamook		Transitional Shelters
COMMUNITY ACTION RESOURCES ENTERPRI	1904 11TH STREET	Tillamook		Emergency Shelters
COMMUNITY ACTION RESOURCE ENTERPRIS	2211 11TH STREET	Tillamook		HMOF
CARE HOMELESS FAMILY SHELTER	1904 SEVENTH STREET	Tillamook	18	Emergency Shelters
CAT- TILLAMOOK CO	310 COLUMBIA BLVD.	Tillamook	0	
CARE HOMELESS FAMILY SHELTER	1904 SEVENTH STREET	Tillamook	18	SYRNWO/H
VETERANS AFFAIRS DOMICILIARY	8495 CRATER LAKE HIGHWAY	White City	0	
WOLF CREEK COALITION	120 MAIN STREET	Wolf Creek	0	
HOUSE OF ZION	1430 EAST CLEVELAND STREET	Woodburn	20	Emergency Shelters
WOODBURN AREA CRISIS CENTER	2215 COUNTRY CLUB ROAD, SUITE 304	Woodburn	0	
WOODBURN COMMUNITY RESOURCE CENTER	476 NORTH SECOND STREET	Woodburn	0	

Designation Key

HMOF - Hotel Motel or other facilities
TNSOL - Targeted Non-sheltered Outdoor Locations
SYRNWO/H - Shelter for youth who are runaways, neglected or without housing
RSMFV - Regularly Scheduled Mobile Food Van



STRATEGIC PLAN

SECTION 4

Section 4: Strategic Plan

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SECTION 4: STRATEGIC PLAN

INTRODUCTION

This section sets forth the most effective strategies for addressing housing and community development needs in Oregon. Strategies are listed for the state as a whole. Not all strategies will apply to all regions or communities. Oregon is a diverse state, with most areas experiencing steady growth. Some areas have, and will continue to experience, explosive growth, while other areas are seeing stagnation or even decreases in population and employment. A primary objective of both OHCS and OECDD is to ensure that each activity that receives an allocation of resources is an activity that meets the specific needs of the community in which it occurs.

The Strategic Plan describes how federal and state resources, that are expected to be available, will address the state's needs to provide decent housing, a suitable living environment, and expand economic opportunities for extremely-low, very-low, and low-income Oregon residents.

In keeping with the Quality Development Objectives Executive Order #97-22,

“The State shall strive to ensure that its programs and activities help build and maintain quality communities which have clean air and water, housing that is affordable to community residents, a balance of jobs and housing in proximity to one another, development patterns that minimize the cost of public services, and a mix of residential, commercial, industrial, and institutional uses that support a balanced transportation system.”

Executive Order No. EO-00-07 charges the State of Oregon with “Development of a state strategy promoting sustainability in internal state government operations.” The strategies in this section come from a variety of sources. The strategies from the 1995 Consolidated Plan served as a starting point. More recent information and ideas were gathered from events and studies occurring over the past five years. Updated guidance from HUD played a large part in helping to reformulate the Strategic Plan. The resulting blueprint flows from the Needs Assessment, through the Market Analysis, to become the work plan for all Consolidated Plan activities. These strategies must be considered in the context of the entire state. While specific actions that the public sector could take are suggested, it is expected that their applicability will be determined locally.

Housing Strategies To Combat Homelessness

The homeless, near homeless, special needs and high-risk populations all benefit from a continuum of care delivery system. The lower the income, the greater the need for housing assistance. Regional coalitions of providers are best equipped to provide housing, support, and services to this target group.

A snapshot of the homeless population in Oregon and the challenges they face is contained in the Needs Assessment section of this plan. Strategy Four, contained in this section (pg. 4-7) summarizes the measurable objectives the State hopes to accomplish. This discussion outlines in more detail Oregon strategy to alleviate homelessness, address gaps in the need for emergency shelters and transitional housing, and provide a means of transitioning from shelters to more permanent housing and independent living. The reader should obtain and read the State's Rural Continuum of Care grant application for complete information.

In general, the State of Oregon's Rural Continuum of Care Homeless Assistance program brings together Community Action Directors of Oregon, Oregon Housing and Community Services, Adult and Family Services, Mental Health and Developmental Disabilities Services, Office of Alcohol and Drug Abuse Programs and a multitude of homeless housing and service providers from around the state to develop projects that begin to address the gaps in the continuum of care in the 26 rural counties of Oregon.

The vision is to develop a continuum of care system in each rural county that includes adequate resources for all fundamental continuum of care resources: outreach and assessment, prevention, emergency shelter, supportive services, transitional housing, and permanent, affordable housing. The Rural Oregon Continuum of Care (ROCC) Plan is to transform the current array of loosely connected programs available in rural Oregon into a coordinated and comprehensive system of housing and support services to prevent and reduce homelessness. The current CoC Committee intends to create partnerships that maximize opportunities through the creative and efficient use of resources. The planning efforts of communities and the State will focus on strengthening linkages to mainstream housing and service systems, and integration with other state sponsored planning processes. As each component is established, the focus will shift to pursuing adequate resources to maintain and expand these services to meet the demand. Additional expansion will need to occur in CoC services to reach such underserved homeless populations as youth, Native Americans, migrant farmworkers, veterans, and homeless people in underserved areas of the region such as small towns and rural areas. In summary the Continuum of Care plan is a five year strategy (separate but complementary from the strategies contained in this plan) designed to use services and housing in the local community to move homeless people from the streets to appropriate shelter, services, and housing programs and eventually assist them in achieving self-sufficiency and permanent housing.

Priority Housing Needs

Table 4-1, Priority Housing Needs Summary Table, is a HUD requirement for the state to indicate the relative priority in the Consolidated Plan by category of needs for FY 2000-2005. An "H" indicates that the state plans to use funds made available for activities that address this need during the period. An "M" indicates that the state may use funds available for activities that address this need during the period. An "L" means that the state does not plan to use funds made available for activities to address this need during this period, but will consider certifications of consistency for other jurisdictions'

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applications for federal assistance. There are no categories in which the state feels that there is “No Such Need”.

The number of estimated units indicates the number of households in need of assistance that the state considers a priority for the period of this Consolidated Plan. The estimated number of units was derived from U.S. Census projected data and Claritas, Inc. It is important to note that the numbers in the categories overlap. The State of Oregon cannot possibly provide assistance to all the households represented by these units. Nevertheless, these numbers provide some idea of the scope of the need for affordable housing throughout the state.

The “Estimated Dollars to Address” is the estimated expenditure that would be needed from public and private sources to address all of the priority needs. The total dollar amount needed to meet the projected need for affordable housing is immense. The total dollar amount changes as the various types of housing, project financing models, and tax credit schemes are applied to the figures. The dollars included here are truly “Best Estimates” and for this reason, no total dollar figure appears at the bottom of the table.

Table 4-2 lists the priority housing and supportive service needs of persons who are not homeless but require persons with supportive housing, i.e., elderly, frail elderly, persons with disabilities, persons with alcohol or other drug addiction, persons with HIV/AIDS and their families, and public housing residents to the extent reliable data is available.

Basis for Assigning Priorities

In assigning priorities, it is important to consider the type of activity being undertaken and the needs of the local jurisdiction. To this end, the State does not establish a preference for any specific type of project. The State does emphasize and support projects which meet both the social and market needs of the community and the tenant groups that are designed to serve. Priority is given to projects which best meet the local need for affordable housing; provide an appropriate market solution for the need; provide service and amenities for tenants; demonstrate community support; demonstrate organizational capacity; and demonstrate financial feasibility.

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Table 4-1. Priority Needs Summary Table					
Priority Housing Needs (households)		Priority Need Level High, Medium, Low		Unmet Need	Goals
Renter	Small Related	0-30%	H	11,038	\$114,795,200
		31-50%	H	9,939	\$103,365,600
		51-80%	M	15,475	\$160,940,000
	Large Related	0-30%	H	2,544	\$26,457,600
		31-50%	H	3,281	\$34,122,400
		51-80%	H	4,779	\$49,701,600
	Elderly	0-30%	H	6,683	\$69,503,200
		31-50%	H	7,156	\$74,422,400
		51-80%	M	5,170	\$53,768,000
	All Other	0-30%			
		31-50%			
		51-80%			
Owner		0-30%	H	16,965	\$176,436,000
		31-50%	H	25,032	\$260,332,800
		51-80%	M	35,602	\$370,260,800
Special Populations		0-80%	H		
Total Goals					
Total 215 Goals					

Table 4-2. Special Needs of the Non-Homeless			
Sub-Populations	Priority Need High Medium Low, No Such need	Estimated Priority Units	Estimated Dollars to Address
Elderly			
Frail Elderly	H	129,422	\$134,598,880
Severe Mental Illness	H	35,642	\$370,676,800
Developmentally Disabled			
Disabled	H	10,322	\$107,348,800
Persons w/Alcohol/ Other Drug Addictions	H	93,505	\$972,452,000
Persons w/HIV/AIDS	H	652	\$6,780,800
Other (Specify)			
Total			

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.

Issues to be addressed include:

- Expand housing opportunities for the “working poor” through the creation and/or rehabilitation of affordable housing.
- Secure additional tenant-based rental subsidies to increase rental availability for very low-income households, including persons with disabilities, throughout Oregon.
- Increase capacity in the state to develop housing that meets needs identified at the local level and would be locally owned and managed.
- Increase the ability of nonprofit housing groups to access available funds to build or rehabilitate agricultural worker housing and explore ways to facilitate the development of this type of housing.
- Encourage affordable housing developers to maximize the use of all possible private sources of funding to leverage the limited federal and state resources.
- Encourage property owners to rehabilitate substandard rental properties.
- Explore ways to increase the availability of housing options for seniors' transitioning from owner occupancy to assisted living.
- Expand and improve technical assistance available to affordable housing developers.
- Encourage the creation of employer-assisted housing programs in resort areas or other areas with limited development opportunities.
- Explore ways to address barriers to housing affordability in Oregon.
 - ◆ Reviewing and revising the structure and administration of housing programs and their related regulations to facilitate access to available funds
 - ◆ Examining, revising and implementing State laws which impact housing affordability
- Expand OHCS’s capability to identify affordable housing sites throughout the state.

Performance Measurement: Assist an estimated 700 total households with Tenant Based Rental Assistance annually. This effort is targeted for an estimated 350 households in the 0-30% of MFI range and 350 households in the 30-50% of MFI range.

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

Performance Measurement: Annually, HOME program will invest in approximately 13 rental housing developments (350 total units) targeted to meet the needs of people in the 50%-60% of MFI range. The mix will include

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affordable family, elderly, and special needs housing both permanent and transitional.

Performance Measurement: One hundred percent of OHCS administered grant and tax credit programs will be targeted to the construction or rehabilitation of quality rental housing for very low, low and moderate-income households. It is anticipated that all family rental projects invested in will be located in close proximity of quality jobs, transportation, and resident services such as quality affordable childcare.

Performance Measurement: At least 50% of OHCS funded rental projects will be completed within 24 months following reservation of funds.

STRATEGY TWO

Maintain and preserve in good condition the supply affordable homeowner units.

Issues to be addressed include:

- Continue the use of CDBG housing rehabilitation moneys to develop regional housing rehabilitation centers and encourage the development of housing rehabilitation projects in Oregon communities.
- Participate in programs offering financial restructuring opportunities for targeted subsidized housing projects.
- Encourage legislation responsive to the needs of low-income manufactured housing owners who are renting space for their homes.
- Expand programs addressing the rehabilitation needs of older manufactured homes (pre-1976).
- Support quality homeownership counseling for new homebuyers.

Performance Measurement: One hundred percent of all low-income first-time homebuyer programs will require that the eligible borrowers obtain quality homeownership counseling prior to the home purchase.

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

STRATEGY THREE

Promote independent housing options for Oregon's special needs populations.

Issues to be addressed include:

- Provide options for supportive social services along with affordable housing opportunities and improve the coordination between service providers and housing providers.

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- Cultivate awareness of funding for accessibility improvements (adaptive housing) and increase the funding available to low- and moderate-income owners and renters.

Objective 1: Invest in new construction and rehabilitation for rental housing projects for persons with special housing needs giving a priority for projects with close proximity to jobs, transportation, and resident services such as medical and support services.

Performance Measurement: To the greatest extent possible, OHCS administration grant and tax credits will be used to construct or rehabilitate quality rental housing for persons with special needs. It is anticipated that all newly constructed and rehabilitated rental units invested in will be located within close proximity to jobs, transportation and resident services such as medical and support services. Services will be brought on-site to residents.

STRATEGY FOUR

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.

Issues to be addressed include:

- Expand the supply and effectiveness of emergency shelter and transitional housing to alleviate the tragedy of homelessness.
- Increase participation in the One Night Shelter Count process.
- Encourage increased cooperation and collaboration at the regional level between shelter providers and agencies offering supportive service.
- Expand the effectiveness of services and housing options designed to prevent homelessness.
- Seek ways to address the systemic causes of homelessness.

Objective 1: The State of Oregon will use Emergency Shelter Grant Program (ESGP) funds for continued operation of existing shelters. ESGP funds will be linked with supportive housing dollars to add scattered site transitional housing units with services and permanent housing units for homeless individuals and families throughout 11 of the 15 rural regions in Oregon.

Performance Measurement: Over a three-year period it is anticipated that these additional transitional units with services will enable 692 persons the time and tools to prepare them to move into and maintain permanent housing. In addition, the State proposes a high priority, permanent housing project serving 12 persons.

Objective 2: Increase the number of community facilities for low- to moderate-income persons as identified by local communities in the CDBG program.

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

STRATEGY FIVE

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

Issues to be addressed include:

- Support safety improvements in affordable housing.
- Support energy efficient and environmentally sound construction/rehabilitation and utility programs.
- Explore tax-based incentives that promote housing affordability.
- Support initiatives to promote innovative and efficient housing design and construction. Collaborate with public and private partners, including regional universities.
- Support housing counseling programs throughout the state to serve homeowners and renters alike.
- Expand the availability of information about housing programs and development funding opportunities.
- Support efforts to train more skilled workers in the construction trades.
- Support reasonable contractor licensing efforts.

Objective 1: Publish a separate statewide Fair Housing Action Plan that addresses the Analysis of Impediments identified in the 1997 study.

Performance Measurement: Statewide Fair Housing Plan published separately by spring 2001.

Objective 2: Continue to expand Fair Housing information and education efforts and actions to address illegal discrimination.

Performance Measure: 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, OECDD, and fair housing advocacy groups as outlined in the Fair Housing Action Plan.

STRATEGY SIX

Identify and address a strategy for reducing lead-based paint hazards in rural areas of the state.

Issues to be addressed include:

- Aid in the design and implementation of a comprehensive survey of lead-based paint hazards throughout Oregon.
- Provide technical assistance for the design and implementation of programs to educate the public on the dangers of lead-based paint.
- Support efforts to increase funding for lead hazard surveys and test equipment purchases.
- Aid in the design of a lead-based paint hazard abatement program and in identifying financial resources for the program.
- Explore incentives for lead reduction programs in housing through loans, grants, and/or tax credits.
- Encourage the implementation of state licensing and certification programs for lead abatement trades.

Performance Measurement: The State of Oregon will work with the Health Division of the Oregon Department of Human Services to develop a statewide network of licensed lead risk assessors and trained lead-based paint workers.

STRATEGY SEVEN

Identify and address a coordinated strategy of housing and non-housing community development programs targeted to combat the effects of poverty on vulnerable Oregon households.

The State has adopted numerous policies and administers many programs designed to assist in the elimination of poverty conditions. The Department of Human Services, Oregon Housing & Community Services, Oregon Education Department, Oregon Commission on Children and Families, Oregon Economic and Community Development Department, and others will continue to work closely and coordinate their efforts to address issues related to poverty, such as lead-based paint abatement, homelessness, job training and the on-going reform of the welfare system.

In addition to the housing, community development, and social service programs previously described, which use a combination of federal and state financing resources, the State will continue to administer other programs specifically targeted to reducing conditions of poverty. The CSBG program, for example, administered by OHCS is an important component to the effort. This program assists poor families by providing services related to employability, transportation, the elderly, housing, alcohol and drugs, children, emergency assistance, and the prevention and elimination of homelessness.

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The State anticipates that the efforts of each of its housing, economic and community development and social service programs will assist in reducing the percentage of households with incomes below the poverty line and address the regional disparities in poverty and economic growth.

Issues to be addressed include:

- To provide a ranges of services and activities having a measurable and potentially major impact on conditions of poverty in the community, or those areas of the community where poverty is a particularly acute problem
- To provide activities designed to assist low-income participants, including the elderly poor:
 - ◆ secure and retain meaningful employment
 - ◆ attain an adequate education
 - ◆ make better use of available income
 - ◆ obtain and maintain adequate housing
 - ◆ obtain emergency assistance to meet immediate and urgent individual and family needs, including health services, nutritious food, housing and employment
 - ◆ remove obstacles blocking the achievement of self-sufficiency
 - ◆ achieve greater participation in the affairs of the community
- To provide for the emergency provision of supplies and services, nutritious foodstuffs, and related services necessary to counteract conditions of starvation and malnutrition among the poor
- To coordinate and establish linkages between governmental and other social service programs to assure the effective delivery of such services to low income individuals
- To encourage the private sector of the community to become involved in efforts to ameliorate poverty

Objective 1: Establish a focal point within OHCS for poverty-related issues.

Performance Measurement: A Poverty Program Representative is appointed.

Performance Measurement: A Poverty Web Page is designed and implemented

Performance Measurement: A Poverty Dynamics Model is designed to predict the impacts of state policy decisions on poverty in Oregon.

NON-HOUSING COMMUNITY DEVELOPMENT STRATEGIES

STRATEGY EIGHT

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. Community and economic development, including business expansion, cannot happen without adequate infrastructure.

STRATEGY NINE

Actively see 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.

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.

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.

STRATEGY TEN

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.

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 officials find the resources to build livable communities.

STRATEGIES SUMMARY

Figure 4-1 presents an easy-to-read summary of the strategies contained in this plan.

Figure 4-1. Consolidated Plan Summary of Strategies	
Housing	Community Development
<ol style="list-style-type: none"> 1. 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. 2. Maintain and preserve in good condition the supply of existing affordable homeowner units. 3. Promote independent housing options for Oregon’s special needs populations. 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. 5. Identify and address the barriers to affordable rental housing, support services, and shelters. 6. Identify and address a strategy for reducing lead-based paint hazards in rural areas of the state. 7. Identify and address a coordinated strategy of housing and non-housing community development programs targeted to combat the effects of poverty on vulnerable Oregon households. 	<ol style="list-style-type: none"> 8. Support community infrastructure planning and project development to accommodate sustainable economic growth and non-housing community development. 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. 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.

ANTI-POVERTY STRATEGY

Introduction

Poverty remains one of the most troubling and debilitating features of modern life. Despite general national and regional economic health, hundreds of thousands of Oregonians suffer unbearable economic stress while many others teeter each month on the brink of personal economic disaster. The percentage of Oregonians in poverty has remained relatively constant for a generation. But the actual number of persons in poverty has nearly doubled in the same period due to population increases.

This section of the State of Oregon Consolidated Plan summarizes the general discussion of poverty in the state and provides insight to the general strategies being pursued by Oregon to alleviate, if not eliminate, poverty. Some of the information contained in this section is repeated elsewhere in the Plan.

Discussion

Poverty is defined by the U.S. Department of Health and Human Services based on a formula first devised by the Social Security Administration. It is generally defined in terms of the income needed to meet a family's basic needs for food, housing, clothing, and transportation. Poverty guidelines are used by federal, state, and local government to determine who is eligible for many public assistance programs. The poverty guidelines are updated annually to account for inflation. In 1999, the poverty threshold for Americans was set at \$16,700 for a family of four.

Poverty may be impervious to changes in economic conditions. A Conference Board report found that "poverty has risen in both number and as a share of those employed full-time and year-round since 1973."¹ Indeed, the Conference Board's report concluded that nearly three decades of economic growth had little impact on poverty among full-time workers. The same holds true in Oregon. Economic prosperity and welfare reforms have had little effect on Oregon's poverty rate. In approximately 28,000 non-elderly families and individual households in the state, adults are working full-time, year-round, but still are not making enough to escape poverty.² Between 1996 and 1998 about 13% of all Oregonians were poor; not much different from the 12.4% of Oregonians who were poor between 1980 and 1982. According to the U.S. Census Bureau, Oregon's poverty rate has fluctuated in a narrow range of ten to fourteen percent for the last twenty years.

"Most of Oregon's poor are struggling in plain sight behind cash registers and restaurant counters. Many are single mothers with children. Many are elderly widows."³ While

¹ *Does a Rising Tide Lift All Boats? America's Full-Time Working Poor Reap Limited Gains in the New Economy*, The Conference Board, Research Report 1271-00-RR, 2000.

² *Prosperity in Perspective: The State of Working Oregon 2000*, Oregon Center for Public Policy, September 2000.

³ *Working Poor Dominate Poverty Rolls, A Portrait of Poverty in Oregon*, Oregon State University Extension Service, 1999.

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Oregon's overall poverty rate between 1996 and 1998 was 13.3%, the rate was considerably higher for children, single women, and minority group members. Among children the poverty rate reached 20%, 30% among households headed by single women, and 25% among Oregon's minority groups. Up to 70% of the people who are "living in poverty in Oregon are the so-called 'working poor'." The people usually working full-time but still not earning enough to "bootstrap" themselves out of poverty.⁴

Poverty is not limited to the metropolitan areas of Oregon. "The highest poverty rates in Oregon are spread across rural areas and concentrated in small pockets in the core of almost every city."⁵ HUD community planning data indicates that poverty is concentrated on the suburban fringes of almost all 243 of Oregon's cities and towns.

Strategies

Oregon does not have a single, consolidated, comprehensive, and holistic anti-poverty strategy as discussed in the HUD guidelines for consolidated plans. However, the State of Oregon is conducting a concerted campaign on several fronts to move lower income Oregonians out of poverty. In general, Oregon's anti-poverty strategy helps move "welfare" from a maintenance program to a system of transition and support; a continuum of care. The main goal of all services is to help individuals gain economic independence.

Our state strategic plan, Oregon Shines II, lays out a vision to improve the well-being of Oregonians both economically and socially by increasing the social and financial capital of the state. OS II hopes to create and expand Oregon's diversified technology-generating sector, professional services sector, and rural economy. The plan "assumes that this will increase financial capital, create jobs, lower unemployment rates, increase salaries, and reduce the poverty rate."⁶ Governor Kitzhaber's Executive Order Number EO-00-07 builds on the foundation of the vision created in Oregon Shines II by setting sustainable policies practices as the standard of excellence in Oregon state government. The result has been a more balanced approach to economic and community development in state planning.

The Oregon Strategy for Social Support, an initiative administered through the Governor's Healthcare, Human Services, and Labor Office, provides overall policy direction on issues relating to poverty. It requires that education, workforce, and social support investments by the state be carefully balanced and coordinated to be most effective in making Oregonians as self sufficient as possible. Under the "umbrella" of policy, four Oregon state agencies (Department of Human Services, Oregon Housing and Community Services, Oregon Department of Education, and the Oregon Commission on Children and Families) have coordinated their efforts in more than 200 programs to combat poverty and help Oregonians become self-sufficient, healthy, and safe. Each of

⁴ Ibid.

⁵ *Suburbs Thrive; Cities, Rural Areas Fall Behind, A Portrait of Poverty in Oregon*, Oregon State University Extension Service, 1999.

⁶ *Oregon Shines II*, Oregon Progress Board, 1997.

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these agencies has identified a number of programs and initiatives targeted to improve the quality of Oregonian's lives.

The Governor's recommended budget for OHCS for FY 2001-2003 added resources to help the Department combat homelessness and poverty. The budget diverts General Funds from the Housing Development Grant Program to address homelessness and poverty issues. It also added significant Other Funds and Federal Funds for housing affordability and community development issues. Because home prices have increased in recent years, fewer Oregonians can afford reasonable housing. By increasing funds to offset the increase in home prices, the Department hopes to help the growing population of working, low-income Oregonians who need, but can't afford, a place to live.

Oregon Housing and Community Services has partnered with a number of agencies to develop anti-poverty-related initiatives. Here are a few:

- OHCS has created a Community Incentive Fund that will be used to help rebuild downtowns and mainstreets, promote development of affordable housing near jobs and transportation; and rebuild rural and distressed communities. These and other initiatives support an overall strategy to provide a continuum of services that will move and keep Oregonians out of poverty.
- OHCS is developing a poverty dynamics simulation model designed to help agencies understand the relationship of the social and economic factors that are at work in poverty situations. The tool should provide practitioners and decision-makers with a means to study the effectiveness of Oregon's existing and proposed anti-poverty strategies.
- The Department provided technical support to develop legislation creating Individual Development Accounts (IDAs). IDAs are matched savings accounts that low income persons can use to help them invest in homeownership, additional education or training, or to start a business. The program encourages saving by matching each dollar a participant saves with at least one dollar from the program, allowing a low income person to leverage their savings. The Department is responsible for implementing the program and providing program oversight.
- The Department took a leadership role in pursuing hunger issues through the Interagency Coordinating Council on Hunger. Several initiatives have resulted from the Department's work with its partners. Adult and Family Services' offices will have expanded hours to allow working poor to access food stamps and the Oregon Food Bank will have expanded hours to provide greater access to emergency food supplies. In addition, the State now has a plan for statewide food stamp outreach, and the Governor is working with Oregon's Congressional Delegation and the Washington State Governor to address hunger issues at the federal level.
- The Department is working closely with the legislative Farmworker Housing Task Force to develop a strategic approach to solving farmworker housing problems in Oregon. The Department also administers a \$1 million fund for farmworker housing

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and has developed prototype modular farmworker housing units. Department of Corrections inmates will produce the units, fulfilling prison work requirements mandated by Oregon voters.

- The Department has been named as HUD's Section 8 Contract Administrator for federal HUD-financed Section 8 properties located throughout Oregon. With these new contract administration responsibilities, the Department will monitor and enforce compliance for HUD-financed projects throughout the state to ensure that safe, decent, sanitary, and affordable housing is available for low income Oregonians.
- In 1999, the Department expanded the range of single-family home loans it may purchase by including USDA Rural Development's Guaranteed Rural Housing Loan Program. The addition of the new loan type (100% financing, 0% down), allows the Department to help eligible rural homebuyers overcome the single largest barrier to homeownership: having enough cash to cover down payment and closing costs.

Oregon Department of Human Services has begun a complete corporate reorganization designed to respond more effectively to those with the greatest need with a comprehensive array of health and human services. Driven in part by the passage of Oregon Senate Bill 555 (1999), DHS is working toward greater integration in every county of localized planning as part of a single, comprehensive strategy.⁷ The reorganization plan envisions a new way of serving clients in the field. Department staff will continue to use their specialized expertise, work in teams, and develop integrated plans tailored to the circumstances of clients and families with complex, multiple needs.

The State of Oregon will continue to explore opportunities to better address the needs of lower income Oregonians.

GENERAL NON-HOUSING ASPECTS AND APPROACH TO RESOLVING COMMUNITY DEVELOPMENT NEEDS IN OREGON

The ground breaking federal, state and local partnership that was coordinated from the Northwest Economic Adjustment Initiative through the State Community Economic Revitalization Team began in 1993. This enhanced approach--listing all needed projects, assigning local prioritization and then having federal, state, and local partners work together to match resources available with the projects is unique. Oregon Economic and Community Development has taken the lead to develop a complete "Needs and Issues List". This list contains information submitted by communities within the state regarding their specific community needs. Refining and developing the "Needs and Issues" process enables local communities to submit project concepts at anytime to the state and federal

⁷ SB 555 requires counties to produce consolidated plans addressing issues facing children and youth through age 18. At a minimum, these plans must cover early childhood supports, alcohol, and other drug prevention and treatment, and crime prevention services for the highest risk youth.

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agencies. The State has also enhanced its assistance to local partners so they can complete these community projects.

In the past, the various state agencies charged with assisting or regulating various aspects of growth and development did so without a high level of coordination. There are now regional Community Solutions Teams comprised of representatives from the Economic and Community Development, Environmental Quality, Housing and Community Services, Land Conservation and Development and Transportation Departments. These teams work to develop consensus among all parties about appropriate solutions to local and regional problems.

Economic development today means building new partnerships that make good use of public resources. Oregon is emerging from some very difficult economic times, resulting in part from the endangered species issues that impacted the fishing and timber industries. The new focus is on strengthening relationships with partners to identify and prioritize projects and leveraging resources and to increase job opportunities while maintaining livable communities. The principles behind this approach include, flexible state structures and processes to meet community needs, use of partnerships in decision making, demonstrated accountability and efficient use of public resources. In distressed rural areas of the state this might mean increasing job opportunities while in urban areas it might mean assistance with growth management. Communities that are challenged by rapid economic growth will benefit from better access to roads, improved water and wastewater systems, enhanced telecommunications, safe public facilities, healthy industry, adequate schools, affordable housing and a good business climate.

Rapidly growing areas are confronted with challenges to meet the growing infrastructure needs such as water, wastewater and transportation. A lack of affordable housing means current or potential employees in lower wage jobs may have problems finding a place to live. Businesses in these areas have difficulty finding employees with sufficient skills and may be unable to expand despite strong marketing programs.

Rural and distressed communities require sound infrastructure that provides uncontaminated drinking water, proper wastewater systems, safe community buildings and other basic elements to enable citizens to prosper. Distressed areas suffer from a weak economy due to a downturn in a major industry, a highly seasonal or low-wage economic base, loss of population, or other challenges and are a primary focus of the state's Economic and Community Development Department. In the 1997-98 fiscal year the Oregon Economic and Community Development Department's grants to distressed communities increased from 27% to 40%, while the grants to non-distressed communities decreased from 50% to 19%. Recent data shows that the Economic and Community Development Department awarded 61.75% of all the Department's grant, loan, loan guarantees and technical service contracts to distressed areas from July 1998- June 2000. This equates to \$79,693,015 of the Department's \$129,049,185 awarded.

In the same 1997-98 fiscal year, community projects received almost three-quarters of the Economic Development Department's federal and state lottery fund investments. The two types of community investments were for needed infrastructure and community facilities.

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About one fourth of the Department's investments were smaller amounts for business and industry development projects, technical assistance and training.

SmartOregon is another effort to increase the economy is a project sponsored by the Oregon Economic and Community Development Department. This project will facilitate interaction between technical service providers and communities with information technology needs, specifically telecommunications.

COMMUNITY DEVELOPMENT NEEDS

State and federal agencies have identified more than \$1,347,017,321 in non-housing and projects that could begin, if there were enough available resources. These projects improve the livability and economic potential of Oregon communities and are constantly being updated in the Needs and Issues Priority List. The Needs and Issues list was summarized in the table format required for this plan and is entitled "Community Development Needs" following this section. The Needs and Issues database does not currently collect information pertaining to "Priority Need Level" or "Estimated Priority Units". Therefore, this information is not available. These Community Development Needs are discussed below by Community Development Block Grant eligible category.

PUBLIC INFRASTRUCTURE

Significant job creation cannot occur without adequate municipal water and wastewater systems, transportation whether by road, rail, air or sea, and telecommunications. Rural and distressed communities and rapidly growing and urban communities are faced with infrastructure problems. In many cases, water and wastewater systems regulations have increased requiring updated treatment facilities while funding resources have decreased. Transportation needs have also been growing rapidly. In many situations, the communities grow in population so rapidly that there has been little time to finance and complete the necessary road and street improvements. As telecommunications technology increases this makes enhancing the telecommunication capabilities throughout Oregon even more important. This is especially true for the rural areas of the state if they are to compete with the urban areas for a share of business and industry development. The Community Development Needs table shows that there is a \$ 1,001,293,175 short fall between the need for local infrastructure and available resources.

PUBLIC FACILITIES

Public facilities include a broad range of building, park, and downtown redevelopment projects. They may be under ownership of municipalities, nonprofit organizations, or even private enterprise. The primary program the State used to fund these facilities has been the Community Development Block Grant program. Recently, as of August 14, 2000, the Economic and Community Development Department adopted Administrative Rules for the state funded Special Public Works Fund that can also be used to provide loan financing for community facilities. This will provide a complementary source of funds to use with the Community Development Block Grant program and any other

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federal sources of funds, such as USDA Rural Development. When the state began funding community facilities, the primary needs appeared to be senior centers and community centers. Recently the demand has changed to Head Start facilities and the construction or renovation of buildings for social services. A total of \$261,230,866 is needed for public facilities which include senior centers, youth centers and child care centers from the Community Development Needs table.

ECONOMIC DEVELOPMENT

The State has a number of programs that assist businesses in establishing, expanding and retaining profitable, competitive operations that create jobs and income. The demonstrated business and industry development needs in Oregon are work force training, small business assistance and financing, tax credits, industrial development revenue bonds, and property tax abatement. Barriers to business development include regulatory issues, both environmental and land use and inadequate public infrastructure to serve the business or industry. Small businesses in rural distressed areas also face these problems in addition to lack of affordable housing and skilled labor force. Higher land and labor costs in the urban parts of Oregon increase the importance of developing sustainable businesses. Whereas the more rural areas continue to enjoy lower land and labor costs these areas are being assisted to benefit from these advantages. These advantages cannot be maintained indefinitely so developing sustainable business is a priority in these areas. The Community Development Needs table shows a total of \$69,851,136 infrastructure needed to address the economic development needs in Oregon.

OTHER NON-HOUSING DEVELOPMENTS

Not including sites with underground storage tanks, there are an estimated 2,300 Brownfields in Oregon. Brownfield redevelopment would benefit communities in a number of ways by using existing infrastructure, freeing up desirable site locations, mitigating development pressure on open space, and removing undesirable attractions. The Oregon Economic and Community Development Department received a grant from the U.S. Environmental Protection Agency to provide low interest rate loans for environmental assessments and cleanups to local governments and private parties to enable Brownfield redevelopment. The Economic and Community Development Department already has resources available to perform site assessments. The State anticipates a moderate demand for loan funds.

PUBLIC SERVICES

The Community Development Needs table show \$13,077,729 in public service needs. There are many other state and federal resources to pay for public services so the Economic and Community Development Department does not target funding resources to this area. The Community Development Block Grant program does offer to pay up to 15% of the total grant amount, for a community facilities project, to pay for labor, supplies and materials in connection with the assisted facility. This is an incidental

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expense to the successful completion of the facility to provide the service and is not considered the primary function/activity funded with the grant. The primary purpose is construction of the community facility and not providing long term services.

LOCAL CAPACITY BUILDING AND TECHNICAL ASSISTANCE

A total of \$1,564,415 was identified in the Needs and Issues data base summarized on the Community Development Needs table, for just community capacity building projects. These projects, although not very costly, may be difficult for communities to locate financing. Economic and Community Development offers the Community development Block Grant 1% funds for these projects, that do not meet a national objective, but are important to the viability and livability for that community.

LONG AND SHORT TERM COMMUNITY DEVELOPMENT OBJECTIVES

Long Term -The long-term objective of the Oregon Economic and Community Development Department is to invest in Oregon communities through a number of financing programs in addition to the Community Development Block Grant program. The Economic and Community Development Department is committed to assisting Oregon businesses and governments to create economic opportunities and build quality communities throughout Oregon. This means giving priority to:

1. **Rural and Urban Distressed Communities** - including all Oregonians in the increasing economic prosperity of the past decade.
2. **Oregon companies** - making sure that the state and local business climate helps business to compete.
3. **Livability** - helping communities cope with growth and managing environmental issues.
4. **Partnerships** - joining public and private partners, state and federal, to identify and meet common goals.

The State's Community Solutions Teams are working together to strengthen the ability of local communities to identify and address their needs. Need identification is done through the Needs and Issues process. Oregon Economic and Community Development has taken the lead to develop a complete "Needs and Issues Inventory". This list contains information submitted by Oregon communities regarding their specific community needs. Communities can submit project concepts at anytime to the state and federal agencies through this process. The Needs and Issues database will eventually be accessible by all state and federal agencies as well as local communities. In addition the state has also enhanced its staff and financial assistance provided to local partners to complete these high priority community projects.

Short Term - The specific short-term objectives are included in the 2001 Community Development Block Grant proposed Method of Distribution.

Table 4-3. COMMUNITY DEVELOPMENT NEEDS

PRIORITY COMMUNITY DEVELOPMENT NEEDS	Priority Need Level High, Medium, Low, No Such Need	Estimated Priority Units	Estimated Dollars to address
PUBLIC FACILITY NEEDS			
Neighborhood Facilities			\$50,851,020.00
Parks and/or Recreation Facilities			\$50,193,248.00
Health Facilities			\$9,035,847.00
Parking Facilities			\$4,605,600.00
Solid Waste Disposal Improvements			\$9,682,500.00
Asbestos Removal			
Non-Residential Historic Preservation			
Other Public Facility Needs			\$119,858,270.00
INFRASTRUCTURE			
Water/Sewer Improvements			\$353,839,017.00
Street Improvements			\$230,191,024.00
Sidewalks			\$26,890,687.00
Sewer Improvements			\$346,957,494.00

Flood Drain Improvements			\$19,878,800.00
Other Infrastructure Needs			\$23,536,153.00
PUBLIC SERVICE NEEDS			
Handicapped Services			\$194,000.00
Transportation Services			\$7,083,479.00
Substance Abuse Services			
Employment Training			\$319,250.00
Health Services			
Other Public Service Needs			\$5,481,000.00
ANTI-CRIME PROGRAMS			
Crime Awareness			
Other Anti-Crime Programs			
YOUTH PROGRAMS			
Youth Centers			\$326,000.00
Child Care Centers			\$12,469,872.00
Youth Services			
Child Care Services			
Other Youth Programs			
SENIOR PROGRAMS			
Senior Centers			\$4,208,509.00
Senior Services			
Other Senior Programs			
ECONOMIC DEVELOPMENT			
Rehab; Publicly-or Privately – Owned Commercial/Industrial			\$313,000.00
CI Infrastructure Development			\$46,354,916.00
Other Commercial/Industrial Improvements			\$10,306,338.00
Micro-Enterprise Assistance			
ED Technical Assistance			\$10,472,712.00
Other Economic Development			\$2,404,170.00
PLANNING			
Planning			\$1,564,415.00
TOTAL EST. DOLLARS:			\$1,347,017,321.00

Obstacles to Meeting Underserved Housing Needs

Many obstacles exist to meeting Oregon’s affordable housing needs. However, because of the complex nature of housing issues, many circumstances may exist which prevent the market from adequately providing affordable housing. Therefore, this list is not exhaustive. It outlines some of the important obstacles to affordable housing in Oregon.

- High land and construction costs in certain areas decrease the ability of housing providers to build affordable housing for low and moderate-income householders.

- Increasing market values drive up the property tax assessments. This is particularly hard on the elderly and others living on a fixed income.
- Rising interest rates decrease the ability of low and moderate-income householders to access structurally standard housing meeting their income and size requirements.
- Low fair market rents established by HUD are often too low in many of the state's rural areas to make new construction of affordable, multifamily housing financially viable. The rents frequently are well below the cost to construct and maintain a unit and, thus, prohibitive to constructing new multifamily housing.
- Appraisal values on properties are often lower than rehabilitation costs, making a project financially unfeasible.
- Not In My Back Yard (NIMBY) reactions by citizens and subsequent policies of local governments discourage and prohibit development of affordable housing opportunities in certain neighborhoods and communities.
- Discriminatory behaviors discourage development of affordable housing.
- Unwillingness of substandard property owners to maintain and improve housing conditions to decent, safe, and sanitary levels.
- Existing liens for back taxes, special assessments, and the inability to obtain clear title to a property prevent housing development in many inner-city neighborhoods, causing further blight and decline.
- Reluctance of some households, particularly the elderly, to assume additional debt and further encumbrance in order to rehabilitate their house.
- The cost of housing and necessities eat up the earnings of a low-income family making it hard for these households to obtain and maintain housing.
- Nonprofit housing providers have limited technical capacity and financial homeownership resources to meet affordable housing needs.
- Difficulty in securing construction subcontractors impedes the development of affordable housing opportunities.
- Multi-level finance packages for construction/permanent loans and closings increases the complexity of affordable housing development.
- Purchase Price Limits required under federal IRS guidelines for the State's use of tax exempt bond financing are too low, particularly in rural areas of Oregon.
- Lack of adequate, suitable funding sources prohibits the financing of accessibility modifications for elderly and disabled households. Federal regulations require entities to bring the entire unit up to specified rehabilitation standards and other standard codes in order to provide accessibility modifications.

Allocation of Housing Funds Based on Geography and Market Conditions

While the geographic allocation of funds based on market conditions is an important consideration, Oregon's program resources designed to preserve and expand the supply of affordable housing alternatives for low and moderate-income households are awarded competitively.

Consolidated Formula Funds

OECD D administers CDBG program only within non-entitlement communities. Oregon's entitlement communities receive a direct allocation of CDBG funds from HUD. The State competitively awards its CDBG funds on a first come first served process based upon the receipt of a completed application. The nature and quality of the application is the major funding determinant.

Leveraged Funds

- OECD D Funds

Most, if not all, CDBG projects for community facilities and infrastructure require more funds than allowed by the Method of Distribution. Simply because the cost to complete these projects are expensive and will involve more than one source of funding to complete. The reasons for this include but are not limited to, timing, fund availability, stage of the project, and the sheer expense is more than one funding source can handle. Therefore, numerous other funds are leveraged to complete projects. Examples of the other sources include:

Federal – USDA Rural Utilities Services, U.S. Environmental Protection Agency, U.S. Economic Development Administration, U.S. Forest Service Old Growth Program, and the Safe Drinking Water Fund.

State – Lottery funded Special Public Works and Water/Wastewater programs, Housing and Community Services programs, Strategic Reserve Fund, Community Response Fund, Department of Land Conservation and Development Planning Grants, Clean Water State Revolving Loan Fund.

Local – Regional Strategies Grants, local government funds

Private – Numerous sources of private foundation grants

- Low Income Housing Tax Credit Program

The LIHTC is allocated statewide. Under Section 42 of the Internal Revenue Code, OHCS is responsible for determining which applicants should receive the tax credit and the dollar amount of credits each should receive. In making these determinates, OHCS must comply with federal requirements and meet the following goals:

- Give preference to projects that provide housing to households with the lowest incomes for the longest period.
- Assist in affordable housing development in areas with the greatest low-income housing needs.
- Provide housing for special needs populations.
- Encourage approaches in design, planning, building, and financing of low income housing that maintains quality and long term sustainability of affordable units.
- Encourage equitable allocation of credits across the state.

- Encourage resident services and community involvement.
- Provide an allocation of tax credits in an amount sufficient to make the project financially feasible and viable as a low-income housing project throughout the compliance period.

In addition, OHCS may supplement these general goals with more specific local goals in order to meet local low-income housing needs. This may include but not be limited to:

- Mixed income projects where appropriate.
 - Mixed use projects where appropriate.
 - Acquisition and rehabilitation of expiring use projects.
 - Housing for families with children.
 - Housing near employment centers.
 - Housing in Qualified Census Tracts and/or areas where community revitalization is a local priority.
 - Others as determined locally or by OHCS.
- Housing Trust Fund

The Housing Trust Fund provides funds to expand the supply of housing for low- and very-low-income households by providing grants to construct new housing, or to acquire and/or rehabilitate existing structures. Projects applying for fund must include, as component, project-related resident opportunities, services (e.g. day care, drug/alcohol counseling, medical assistance, job placement, etc.), and must demonstrate a minimum period of affordability. Eligible applicants include for-profit, not-for-profit, and governmental organizations. The maximum grant per application is \$100,000. The funds are allocated regionally based on the region's percentage of the state's unmet housing need.

- Oregon Affordable Housing Tax Credit Program

Formerly the OLTC Program, the Oregon Affordable Housing Tax Credit Program provides tax credits to lower the cost of financing by as much as 4% for new housing development or acquisition. Credits are available for the term of the loan, or a period not to exceed 20 years. Eligible sponsors are individuals, for-profit, not-for-profit corporations, or state or local government entities. Sponsors must demonstrate that (for the term of the credit) benefits of the project's reduced interest rate will be passed to tenant households in the form of reduced rents. This applies to households whose earnings are less than 80% of the area median income at the time of initial occupancy.

- HELP Program

The HELP Program is a grant fund that provides financial assistance to projects housing very-low-income families or individuals. Funds for this program come from HUD under the McKinney Homeless Assistance Act. The Department has set aside funds for special needs populations including farm workers, the homeless, and victims of domestic violence.

Obstacles to Meeting the Needs of the Homeless

Many obstacles exist to meeting the needs of Oregon's homeless. The following points highlight some of these issues, however, because of the complex nature of homeless issues, many other circumstances may exist which make it difficult for the system of providers to adequately meet the needs of the homeless. Therefore, this list is not exhaustive. It outlines some of the important obstacles to assisting the homeless in Oregon.

- Lack of resources (both financial and other) available to meet the needs of the homeless.
- Competitive allocation process at the federal level to fund projects outside of the ESG program hinders continuous access to these funds.
- Red tape involved for the homeless person to access needed programs and services. Efforts are needed to streamline the intake process that gives homeless persons access to available services.
- Lack of unrestricted shelters available that do not only serve one particular segment of the homeless population.
- Lack of comprehensive and complete data available to quantify and describe the homeless as required by federal program applications and planning documents.
- Lack of coordination at each level of government makes it challenging service providers to obtain and maintain consistent levels of funding and to provide services from one year to the next.

Institutional Structure and Coordination of Programs

State Agencies

- Oregon Housing and Community Services

The Oregon Housing and Community Services Department (OHCS) proudly celebrates 26 years of helping generations of Oregonians to improve their quality of life. Through OHCS programs, families have been able to access the services and skills needed to move toward self-reliance, and obtain quality housing that is safe and affordable.

While both State Community Services and the Oregon Housing Division were established as separate agencies by Oregon's 1971 Legislative Assembly, the merger of the two in 1991 acknowledged the importance of the link between housing and services.

Working closely with its partners around the State of Oregon, OHCS has streamlined the processes used to deliver resources, and has positioned itself to move smoothly into the future. While lower-income families are the primary beneficiaries of the resources in the its programs, OHCS has chosen the model of healthy, viable communities as the way to facilitate a better quality of life for all Oregonians.

Most of the grants, loans, and services that come from the programs administered by the Department are actually provided through a network of organizations at the local level. Service resources are distributed through a system that includes Community Action Agencies, the Oregon Shelter Network, senior service agencies, and the Oregon Food Bank.

Along with Community Action Agencies, the Department partners with Housing Authorities, Community Development Corporations (CDC), Community Housing Development Organizations (CHDOs), not-for-profit and for-profit developers, local governments, and others to identify and address economic and revitalization needs in communities around Oregon, including the financing, preservation and maintenance of affordable housing for lower-income residents.

OHCS reaches out to communities around the state through its Regional Field Representatives. These individuals are on the front line in communities to promote the development of healthy, balanced communities. The RFRs are the Department's field representatives on the Governor's Community Solutions Team, and provide linkages to other state agencies.

- Oregon Economic and Community Development Department

The Oregon Economic and Community Development Department was created in 1973 as a cabinet-level agency directly accountable to the Governor. The agency invests lottery, federal, and other funds to help communities and regions build a healthy business climate that stimulates employment, enhances quality of life, and sustains Oregon's long-term prosperity. The Department helps provide the foundation for the kind of business growth and competition that best supports workers, families, the state, and the environment.

In response to direction from the 1997 Legislative Assembly, the OECDD reorganized in 1998 to provide more focused regional assistance and increased attention to rural communities.

The Department is organized into regional teams that provide technical assistance, strategic planning, infrastructure development, financial counseling, and market assistance to Oregon businesses, regions, communities, and ports. They are supported by specialty teams that assist in resolving local economic and community development problems and help businesses be more competitive worldwide. These regional teams also participate on the Governor's Community Solutions Team, linking and coordinating the activities of both OHCS and OECDD.

Policy and Advisory Groups

- State Housing Council

The State Housing Council (SHC) was established in 1971. The seven-member group serves as a housing policy-making board for OHCS. Members are appointed by the Governor to staggered four-year terms, and are subject to confirmation by the State Senate. They serve on a volunteer basis and come from a variety of occupations and geographical areas.

- Community Action Directors of Oregon

The Community Action Directors of Oregon (CADO) is a private, not-for-profit organization which consists of the directors of the Oregon community action agencies, Oregon Human Development Corporation and other private and public agencies. These agencies undertake anti-poverty initiatives and provide community-based services to lower income people throughout Oregon. CADO serves as an advisory body to OHCS on anti-poverty planning and program initiatives.

- Association of Oregon Community Development Organizations (AOCDO)

The AOCDO is Oregon's only statewide membership organization of community-based, non-profit developers. AOCDO, founded in January 1992, is dedicated to the success of its membership and assists their work through public policy advocacy, training, peer-to-peer networking, and other resources. AOCDO's mission is to promote and support community-based development organizations throughout Oregon in their efforts to strengthen communities with affordable housing and community development.

Federal Government

- Department of Housing and Urban Development (HUD)

HUD's cooperation and support in the State delivery system has been important. The HUD Community Builder representatives act as the Department's point of contact with local communities. They serve as the initial point of contact and critical link for the communities needing access to HUD's programs and services. The mission of the Community Builder corps is to partner with communities to: reduce homelessness, enhance public housing quality and availability, promote homeownership, fight for fair housing, and empower people and the cities and towns to promote sustainable development.

- USDA – Rural Development

Formerly known as the Farmers Home Administration, the agency offers programs to support rural development under three general categories: Housing, Community, and Business programs. Rural Development was designated by Congress as the lead federal agency for coordinating rural community development planning.

Local Government

Communities are actively involved in developing community, and economic development programs throughout non-metropolitan Oregon. Since the State prefers local autonomy, Oregon does not have a State Housing Authority. Public Housing Authorities (PHA) are community bodies set up by local governments to manage their public housing developments. A city, county, or town government signs a cooperative agreement with a PHA to manage a specific number of housing units. PHA boards, once established by local governments, operate under state statutes.

Non-Profits and Capacity Builders

- Community Housing Development Organizations

The role of CHDOs has become very significant. They are 501 (c)(3) and 501 (c)(4) non-profit organizations specifically created to own, sponsor and develop affordable housing. However, they are not always limited to housing development. Often CHDOs include activities such as human services, business development, advocacy, etc.

- Social Service Providers

While there are exceptions, the vast majority of Oregon's human services are provided through nonprofit providers. These agencies often receive funding through contracts with either the state or county governments. Social Service organizations have a wide diversity in the composition, housing related interests, and activities. Helping them understand housing programs is critical to efforts to improve linkages of housing and social service programs. Among social service providers, there are agencies interested in increasing housing opportunities for the special needs groups they serve.

- Community Action Agencies

This nonprofit network offers assistance in grant writing, community organizing, opinion surveys, day care, housing rehabilitation, homelessness programs, health-related services, youth and seniors programs, immunization clinics, transportation systems, and more.



ACTION PLAN

SECTION 5

Section 5: Action Plan

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SECTION 5: ACTION PLAN

INTRODUCTION AND SCOPE

While the Consolidated Plan provides the state's overall vision for community development, the Action Plan describes how the federal resources connected to this Plan will be used during the coming year. For the State of Oregon, HUD programs affected by the Consolidated Plan for Community Development will continue to be administered by two different agencies. The HOME Program and the Emergency Shelter Grant Program (ESG) will continue to be administered by OHCS. The Community Development Block Grant Program (CDBG) will continue to be administered by OECDD. Starting with this Plan, OHCS receives a sub-grant from OECDD for the Regional Housing Rehabilitation Program. An application for HOPWA funds had been submitted at the time of the writing of this Consolidated Plan. If the funds are awarded, the program will start in January 2001 and continue for three years. The Consolidated Plan will bring these four programs into a single program year, as well as converge the federal applications for funds and the annual reports to HUD.

RESOURCE PRIORITIES

For the State of Oregon Consolidated Plan, low-income households are the priority population for federal resources tied to the Consolidated Plan requirement. The Departments that administer these programs also administer several other community development programs. By Oregon statute, some of these funds may only be used for households making median income or less. The Consolidated Plan will not limit the use of these funds beyond statutory requirements. However, all things being equal in competitive programs, most programs administered by the two Departments give preference to proposals directed toward the priority population.

PROPOSALS THAT WILL NOT BE SUPPORTED

HUD directs participating jurisdictions to articulate circumstances in which they will not support affordable housing proposals. This will inform potential applicants of the types of activities a participating jurisdiction will (and will not) support as a matter of policy. For a state, this is a very difficult task. A single community may specify the types of affordable housing activities it wishes or proposes to undertake, thereby eliminating others. Oregon's Statewide Consolidated Plan serves over 200 cities and 33 counties, each with unique and specific worst-case needs. The State must keep the range of permitted activities broad to accommodate differences in the capacities and needs of communities. For these reasons, the conditions under which the State will not support a proposal as a matter of policy must be fairly general.

The overall policy direction of the Consolidated Plan is to focus resources toward worst-case needs and those aspects of the community most out of balance. Consolidated Plan-related federal affordable housing funds may only be used to serve low-income

individuals and households. The use of these funds to serve higher income categories is not consistent with the overall policy directive of this Plan.

Other criteria for not supporting a proposal primarily relate to how well a proposal achieves program objectives. Requests for use of Consolidated Plan-related federal housing funds administered by the OHCS are commonly reviewed against criteria which include the following:

- The proposed development or program must comply with the State of Oregon Consolidated Plan (or a local Consolidated Plan in the case of an entitlement area participating jurisdiction).
- The proposal must be founded on a local need, and project scale must be feasible when reviewed against local market conditions.
- Any project seeking funds administered by OHCS must meet OHCS underwriting criteria (i.e. cash flow, loan to value, etc.)
- The proposed project must comply with State land use laws and building codes, and be consistent with Federal Fair Housing Law.
- By statute, OHCS may only allocate funds to proposals serving households making less than median income. However, proposals should foster a mix of residents of various income levels in a neighborhood to avoid concentrating lower income persons in one part of a community.
- The social service capacity needed for any special population to be served by a housing development must be available and able to serve the proposed residents at time of occupancy.
- When accessing a funding source dedicated to a specific population, the proposal must serve the specified population.

MIXED INCOME DEVELOPMENT

The State of Oregon strongly supports the development of projects that house residents of mixed income levels, recognizing the value of developing vital, diverse neighborhoods and communities. Mixed income projects avoid concentrating or isolating lower income persons in one part of a community. While the State supports mixed income projects, the needs articulated in the Consolidated Plan Needs Analysis and public comments received suggest affordable housing problems for very low and low-income households far exceed all public resources related to the Consolidated Plan. For this reason, the use of these limited federal affordable housing funds will be required to be consistent with the principal Consolidated Plan priority.

SUPPORT OF OTHER THAN PRIORITY PROPOSALS

There are also limited circumstances in which the State will fund activities that may not be consistent with the highest priority identified in the Consolidated Plan. A number of federal programs are targeted for a specific population or activity. In those cases, the State may support a competitive application for affordable housing resources dedicated to a specific population or activity, when the proposed application is consistent with the funding source requirements.

OREGON'S HIGHEST PRIORITY FOR CONSOLIDATED PLAN PROGRAMS

Limited federal community development resources must be used wisely. The Needs Analysis explores the extensive needs for housing, infrastructure, public facilities, and economic development in the state. Public input during the May/June 2000 Consolidated Plan information and idea-gathering meetings underscores the facts in the profile. The facts suggest that community development needs remain severe and uniform throughout the state.

- Nearly 40% of all households in the Oregon Statewide Consolidated Plan areas make less than 80% of the statewide median household income, as reported by the 1990 U.S. Census.
- Using the income categories relative to HUD's Adjusted Median Family Income, about 40% of Oregon's households have very low or low incomes.
- Focusing on the most severely distressed subset of the latter groups, those making less than 30% of HUD AMI, the State determined that approximately 54,000 households suffer severe economic hardship.
- According to HUD data, more than 58,000 households in Oregon have unmet housing needs. These households, in other words, are living in cost-burdened conditions.
- The State of Oregon Employment Department reports that per capita incomes in Oregon continue to rise, but are also declining relative to the national average.
- The 1990 U.S. Census reports that about 18% (or 100,000) of all households in the Statewide Consolidated Plan area live in poverty. Between 1980 and 1990, the poverty rates for single-parent households increased substantially.
- HUD Statistical Abstract reports that over 120,000 very low and low income households reported having housing problems of some kind.
- The 1990 U.S. Census reports nearly 20,000 households live in overcrowded conditions, with renters more than twice as likely to be overcrowded as homeowners are.

- The waiting lists for many Public Housing Authorities in the state are so long that they no longer accept new names. Other housing authorities report declining lists, but suspect that inability to find appropriate housing may be part of the reason.
- Citizens reported that many communities have aging sewage and water systems that will not be able to accommodate anticipated growth.
- Citizens also reported that many communities are not in compliance with federal Clean Water Act standards.
- Citizens reported that the transportation system is inadequate in many communities, especially smaller rural cities and high growth areas.

CONCLUSION AND POLICY

Information in the State profile and public testimony, as reflected in the findings above, suggest that community development problems, in the Statewide Consolidated Plan areas far exceed public resources currently committed to relieve the problems. Therefore, it shall be the policy of the State of Oregon to direct Consolidated Plan-related federal resources toward the Consolidated Plan Priority of “serving those aspects of the community most out of balance, worst case needs first” rather than toward specific areas of the State (including areas of minority concentration). Programs will serve individuals and households with incomes less than 80% of HUD AMI. All else being equal in funding processes, Consolidated Plan-related funds will be awarded to those projects serving persons with the least financial resources.

OREGON COMMUNITY DEVELOPMENT BLOCK GRANT 2001 METHOD OF DISTRIBUTION

INTRODUCTION

The OECDDB administers the State's annual federal allocation CDBG funds for non-metropolitan cities and counties. Urban cities and counties are not included in the State's program because they receive CDBG funds directly from the U.S. Department of Housing and Urban Development.

The national objective of the program is the development of viable (livable) urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low- and moderate-income.

"Low income" means income equal to or less than 50% of the area median, adjusted by family size. "Moderate income" means income equal to or less than 80% of the area median, adjusted by family size. Applicable income limits are determined annually for all Oregon counties and metropolitan statistical areas by HUD.

OECDDB invests the State's CDBG funds for activities that support the agency's mission to "assist Oregon businesses and governments to create economic opportunities and build quality communities throughout the State" and to principally benefit low- and moderate-income persons.

Signed into Executive Order in December 1997, Use of State Resources to Encourage the Development of Quality Communities, articulates seven principles, known as the Quality Development Objectives, that express the State's interest in maintaining and increasing Oregon's livability. These objectives serve to guide and coordinate state agency actions and investments in community development for efficient use of public resources.

A healthy community contains at least four key systems which provide the foundation for all other community activities. These are: Housing, Infrastructure, Facilities and an Economic Base. In addition to these systems, a community needs a healthy environment.

Oregon CDBG objectives support healthy and livable communities by providing financial and technical assistance to cities and counties that need help to balance the four key physical systems. Specific objectives for rural Oregon include:

- Improving the availability and adequacy of public infrastructure and facilities;
- Conserving the existing housing supply and improving housing conditions;
- Increasing the quality and supply of housing affordable to low- and moderate-income persons, particularly those with the lowest incomes; and
- Supporting projects that will lead to increased business and employment opportunities.

To achieve these objectives, Year 2001 Oregon CDBG funds will be offered to eligible cities and counties for a wide range of activities. This document describes the method of distribution proposed by the State for the 2001 program year, beginning January 1, 2001 or as soon as the State receives approval from Housing and Urban Development for the Method of Distribution for 2001. The State expects to have approximately \$15 million in new federal funds available for grants to non-entitlement cities and counties for eligible community development projects during 2001. The CDBG funds covered by this method of distribution include, the new 2001 funds, unobligated 2000 program year funds, program income, and recaptured funds from prior years' grants.

PART 1 – FUNDING TARGETS/APPLICATION LIMITS

The range of activities that may be assisted with CDBG funds is defined in Section 105(a) of the Housing and Community Development Act of 1974, as amended. A state that administers the program can establish priorities for distributing the funds based on selected activities. Priorities for the 2001 CDBG funds administered by the State of Oregon are those activities necessary for the following types of projects:

1. Community Facilities
2. Housing Rehabilitation
3. Public Works Water and Sewer Improvements
4. Public Works Off-Site Infrastructure for New Affordable Housing
5. Emergency Projects
6. Section 108 Loan Guarantees for Brownfields
7. Grants for Float Loans
8. Community Capacity/Technical Assistance

Targeting Funds to Categories

Targeting is used to give the State investment flexibility. It does not obligate the State to award all funds targeted for each category. If a sufficient number of projects are not awarded in a particular category, applications in other categories may be funded. For example: Suppose all the applications received for category one have been funded and there are unobligated funds in that category. If there are applications waiting to be funded in category two, the State reserves the right to transfer funds between the categories to fund pending applications.

Targets for New 2001 Funds + Recaptured Funds

After subtracting amounts allowed for State administration and State technical assistance funds, the State intends to award available new and recaptured funds to projects in the categories listed below, using the percentages shown.

Table 5-1. Category	2001 Target	2001 Funds Available
Total Estimated Allocation from Housing and Urban Development		\$15,878,000
Amount subtracted for State Administration- The required match for administration expenses comes from the Special Public Works Fund from the OECDD	2% plus \$100,000 no-match funds	\$417,560
Amount Set Aside for Technical Assistance	1%	\$158,780
Subgrant to OHCS for Housing Rehabilitation Projects	\$3,000,000	\$3,000,000
Total Remaining for Projects by Economic and Community Development		\$12,301,660
Community Facilities	50%	\$6,150,830
Public Works Projects	42.5%	\$5,228,205
Public Works for New Housing	7.5%	\$922,625

Targets for 2000 Program Year Funds Remaining on December 31, 2000 or after Housing and Urban Development approval of the Method of Distribution

Oregon will continue to award 2000 CDBG funds after January 1, 2001 by following its 2000 program rules. The State expects to have sufficient 2000 funds available in each target category to fund most, if not all, applications that are ready for award before the 2001 program can begin.

The State will continue to award money remaining in each 2000 funding category until the 2001 Method of Distribution is approved by HUD. Following their approval, any unobligated funds and recaptured funds will be applied to the target percentages adopted for the new 2001 program year. The Regional Housing Rehabilitation category does not have a target percentage because it will receive an annual allocation of \$3,000,000 for the next two years.

Limits on Applications

1. Three open grants limit.

Applications will not be invited or accepted from jurisdictions with **three** or more open CDBG projects, projects that are administratively closed will not count against this total.

NOTE: A CDBG grant for disaster recovery projects and applications submitted to OHCS for Regional Housing Rehabilitation are not considered open grants or applications for the purpose of this program.

2. A city or county may have only one application for CDBG funds under consideration by the State at any one time. A jurisdiction may, however, be working with a regional team on developing more than one project concept at any time.

3. Cities and counties with an open CDBG project from 1997 or earlier may not apply for funding from the 2001 program unless a Project Completion Report has been submitted and the grant remains open only for submission and State approval of the required audit. An exception to this rule may be granted if the city or county can demonstrate that timely completion and closeout of a grant has been delayed by the actions of a federal or state agency.

4. A city or county may not apply for a project where the project to be constructed will be owned and operated by another eligible applicant, by a state or by a federal agency. However, cities and counties, may undertake projects to improve existing facilities owned by other public bodies, such as sanitary districts and community water systems, including water supply authorities, or other political subdivisions of the State and organizations operated on a not-for-profit basis, such as associations and cooperatives which provide drinking water to primarily residential areas.

5. Two or more local governments, *e.g.*, a city and a county, or two cities, may work on an application for a regional project. In such cases, one jurisdiction must be the applicant and if a grant is awarded, act as the responsible party under contract with the State. Joint applications, under which two or more parties are equally responsible, will not be accepted.

Consistency with Oregon's Consolidated Plan

The State's priorities for the use of CDBG funds and its method of distribution for the funds must be consistent with the policies and priorities in the Fiscal Year 2001-2005 State of Oregon Consolidated Plan for Housing and Community Development. The 2001-2005 plan was approved by the U.S. Department of Housing and Community Development on _____. The method of distribution for 2001 CDBG funds is included in the 2001 Annual Update to the 2001-2005 Consolidated Plan.

These guidelines have been developed with the participation of staff of the OHCS and HUD. More information about the Oregon Consolidated Plan is available from OHCS, 1600 State Street, Salem, OR 97301-4246, (503) 986-2000.

Recaptured and Program Income Funds

Recaptured funds are those which are returned to the State through closeout of a grant, termination for cause, or other means. Recaptured funds may be used in the following ways:

- For projects in any funding category.
- Either recaptured or unobligated funds for grants to eligible applicants for projects arising from bona fide emergencies.

Recaptured funds remaining on the last day of the program year will be added to the next program year's total allocation and disbursed through the regular grant award process for that program year.

Program income received by the State will be distributed in the same manner as described for recaptured funds.

PART 2 – DESCRIPTION OF FUNDING CATEGORIES

2001 Community/Public Facilities Grants

Description

The OECD will finance or help to finance community/public facilities using CDBG funds and other sources of funds. The funding sources and grant amounts for each project will depend on the type of facility and other circumstances of the project. Depending on the type of facility being funded, there are two maximum grant amounts of \$300,000 and \$600,000 possible. These grant limits are explained in more detail later in this section.

Applications Accepted

Applications for Community Facilities projects can be submitted at any time during the program year according to the process described in this section. Community Facilities applications accepted, but not funded, before the end of the program year (December 31, 2000) will be considered for a year 2001 award, if they meet year 2001 program eligibility criteria.

Funds Available

The State is targeting 50% of its 2001 program year funds for Community Facilities projects. This means that an estimated \$6,150,830 will be awarded. A maximum of \$1,500,000 will be awarded either through Downtown Revitalization or Brownfield Redevelopment projects involving environmental actions.

Grants can be made for each of two phases: 1) Preliminary engineering/architectural (planning) work and, 2) final design and construction, necessary to complete community facility projects. These are outlined in a table later in this section. The maximum grant amount available for a single community facility project is either \$300,000 for general community services/facilities projects or \$600,000 for urgent or life threatening community facilities projects, as identified in more detail later in this section. The \$300,000 or \$600,000 per project limitation covers both phases of a capital improvement project. A city or county may not separate a single project into phases, such as building one a portion of the entire facility now and building the remaining portion later, in order to apply for more than one \$300,000 or \$600,000 grant. The department's goal is to award the minimum amount of grant funds needed to complete the project successfully.

Eligible Applicants

Only non-metropolitan cities and counties in rural Oregon can apply for and receive grants. Urban cities (Salem, Corvallis, Ashland, Medford, Eugene, Springfield, Portland) and counties (Multnomah, Washington and Clackamas) are not included in the State's program because they receive CDBG funds directly from HUD.

All grant funds must be used first for the benefit of persons living within the grant recipient's jurisdiction unless:

1. Other jurisdictions agree to be “joint applicants” for the purpose of defining a larger project area in which the initial grant funds may be used; or
2. The lead city or county can show that reasonable benefits will accrue to its residents even if some grant-funded activities are located outside its political or urban growth boundary.
3. Counties may apply for projects located inside city limits. Cities may apply for projects located outside city limits, but within their acknowledged urban growth boundaries. Actual project activities may be located anywhere permitted by State statute.

Grant Limits and Eligible Projects

Grant limits are set for different categories of community facility projects. Project types not listed in this section will not be funded with 2001 CDBG funds.

Up to \$600,000 may be awarded to facilities which serve people in urgent or life-threatening situations. These types of facilities principally benefit low- and moderate-income people and serve a critical local or area need, but rarely produce a reliable or sufficient revenue stream to repay a loan. Most facilities are owned and operated by non-profit organizations and are not facilities normally financed through local bond elections.

- Shelters for victims of domestic violence
- Emergency or homeless shelters
- Head Start centers
- Day care centers, elder care or adult day care centers
- Transitional housing
- Child/adolescent assessment, advocacy and treatment centers
- Community centers with ongoing, programmed activities for community residents
- Senior centers that provide meal service (on-site and/or home delivered) a minimum of five times per week.
- Shelters or workshops for people with disabilities
- Non-profit health clinics
- Food banks
- Mental health treatment facilities
- Drug & alcohol treatment facilities
- Family resource centers (multi-service facilities)

- Fire Stations (For a project to qualify, it must be documented that the service area of the fire district must be comprised of primarily low- and moderate-income persons and the income data must be approved by the Department.)

Up to \$300,000 may be awarded to projects which provide services to the community in general and which may have a greater possibility of generating loan repayment revenue through space rental, service fees, or derive public support through taxes or user charges. It is expected that many of these projects will require additional matching funds from other public and private sources.

- **Community Centers** primarily used as meeting spaces
- **Senior centers** which provide no meal service or meal service fewer than five times per week (center serves a primarily recreational role)
- **Youth centers, including Boys & Girls clubs**
- **Removal of accessibility barriers** from public buildings; curb cuts and sidewalks approaches for accessibility; other improvements to existing publicly owned facilities to meet federal Americans with Disability Act requirements. (**Only for communities that are listed on the Department's distressed area list and/or primarily low- and moderate-income in nature. The department intends to sunset this activity in three years, by 2004.**)
- **Libraries** (For a project to qualify, it must be documented that the service area of the library district must be comprised of primarily low- and moderate-income persons and the income survey must be approved by the Department.)
- **Downtown Revitalization projects** (Clearance of abandoned buildings and/or improvement to publicly owned facilities or infrastructure—curbs, gutters, necessary storm drainage, sidewalks, streetlights, landscaping, water and sewer lines, benches as long as they are permanently fixed in the concrete, environmental actions such as site assessments and cleanups, *etc.*—to help carry out a plan for revitalization of a downtown area.) Grants will not be awarded for facilities owned and maintained by another state or federal agency.
- **Brownfield Redevelopment projects** (Eligible environmental actions include but are not limited to: site investigation, sampling, and characterization; feasibility studies; remediation plans; demolition or clearance; removal of structures; decommissioning of fuel storage tanks and distribution systems; mitigation; cleanup, removal or disposal of environmental contamination consistent with state cleanup law.)

Application Threshold Requirements for all Community/Public Facility projects

Applications/projects must meet the following two threshold requirements to be considered for funding review.

1. The project being submitted for funding must be listed in the top 10 ten projects prioritized on the local governments' (city or county) Needs and Issues Priority List.

2. A minimum amount equal to five percent (5%) of the requested grant, must be in the form of local match. The match must be in the form of:
 - A. **Cash** - Funds raised through fund drives, local general funds, Regional Investment/Rural Investment funds, and/or other locally controlled funds, private foundation grants or other private funds. Cash match does not include funds from other state or federal funding agencies. Documentation that cash match has been secured must be provided with the application and could include a copy of the local governments account balance, bank account statement or written documentation that any foundation grant has been secured.
 - B. **Donations** - Donations of real property or buildings. Documentation of the value of the donation must be provided with the application and can include either a copy of a recent independent appraisal of the property or the last tax appraisal.
 - C. **Debt Financing** - Loans for the project from state or federal funding agencies.

Application Threshold Criteria for Projects that Involve Environmental Actions

To be eligible to receive funds for **Downtown Revitalization** or **Brownfield Redevelopment** projects that include environmental actions, the site must receive some level of oversight or review from the Department of Environmental Quality. Oversight and review can be achieved through the Voluntary Cleanup Program, Independent Cleanup Pathway, Underground Storage Tank Program, or other agreement with the Department of Environmental Quality.

- Evidence of this oversight must be provided with any application submitted to the Department for funding.
- Cost estimates prepared by a certified professional (Registered Geologist, Professional Engineer, etc.) must be provided with any application to conduct environmental actions such as cleanup or remediation.

Table 5-2. Oregon CDBG Program 2001 Community Facilities Projects Eligibility, Project Type, and Maximum Grant Awards		
	Preliminary Engineering/Architectural Planning	Final Design and Construction
Grant Maximum	No maximum - Overall project limit of \$300,000 or \$600,000, depending on type of project. (Including all CDBG awards for preliminary engineering or architectural planning and final design and construction.)	No maximum - Overall project limit of \$300,000 or \$600,000, depending on type of project. (Including all CDBG awards for preliminary engineering or architectural planning and final design and construction.)
Project Activities to be Funded (Includes, but is not limited to these activities.)	<ul style="list-style-type: none"> • Feasibility studies • Problem Identification Studies • Preliminary Engineering/architectural report and cost estimates • Remediation Plans • Identification of Funding Options • Preparation of applications for the next phase of the project • Grant administration and audit 	<ul style="list-style-type: none"> • Final Engineering or Architectural designs, bid specifications and updated cost estimates • Financial Feasibility Information • Environmental review of project • Construction • Construction engineering/architectural services and project management • Acquisition of property/permanent easements • Grant administration and audit
Project Period (all activities must be completed and the final report submitted in this time)	24 Months from contract execution with the State	36 Months from contract execution with the State

Note: Contracts with recipients of combined design and construction (design/build) grants will have a contract condition prohibiting the Department from releasing construction funds until the recipient provides evidence that all necessary construction funding, to complete the project, has been secured and, if applicable, regulatory agency approvals are received.

National Objective

All Community Facility projects must meet one of the three National Objectives. We expect most proposed projects will meet the objective of providing “principal benefit to low- and moderate- income people.” The three national objectives are: principle benefit to low- and moderate-income persons, elimination of slums and blights (area or spot basis), and urgent need.

Eligible Activities

For eligible projects, CDBG funds may be used for the following activities unless otherwise limited above:

- Property acquisition (including appraisal costs), clearance and disposition by the city or county grant recipient.
- Construction, rehabilitation, reconstruction or installation of improvements.
- Purchase and installation of equipment that is an integral structure fixture.
- Architectural and engineering services. Refer to Part 3, item B5 for limits.
- Relocation assistance to meet federal requirements.
- Administrative services necessary to ensure that federal requirements for the grant project are met. Refer to Part 3 item B6 for more information.
- Provision of public services (including labor, supplies, and materials) in connection with the assisted facility. The cost of such services is limited to 15% of the total grant and must be for either a new service or a quantifiable increase in the level of existing service.
- Construction contingencies, as approved by the OECDD.
- Clearance - Demolition of buildings and improvements, removal of demolition products (rubble) and other debris, physical removal of environmental contamination or treatment of such contamination to render harmless and movement of structures to other sites.

Financial Review

All community/public facility applications will have a financial review completed to determine the funding package that will be offered. A funding package may be comprised of all loan, a combination of loan and grant, or all grant funds. Loans for publicly owned community facility(ies) may be offered from the department's Special Public Works Fund or could come from some other public or private lender. Other sources of funds that are available to assist community facilities projects include, loans and guaranteed loans through U.S. Rural Development, short-term loans from the Rural Community Assistance Corporation, and grants from private foundations. The department's financing goal is to award the minimum amount of grant funds needed to complete the project successfully.

Description of the Two Types of Community Facilities Projects

1. Preliminary Engineering/Architectural and Planning Grants

These grants will help communities pay for plans, feasibility studies etc..The applicant must demonstrate that the specific future construction project will meet a CDBG national objective in order for the proposed project to meet a national objective requirement. This rule applies even where the applicant does not intend to seek grant assistance for final design and construction from the CDBG program.

CDBG funds may be requested for projects which can reasonably be expected to result in a construction project within two years of the grant award for preliminary engineering/architectural planning. There is no limit to the size of these grants except the limit of no more than \$300,000 or \$600,000 depending upon the type of facility, for the overall project. Some common activities include:

- Feasibility Studies

- Preliminary Design
- Site Investigations or Remediation Plans
- Grant Administration/audit. Refer to Part 3 item B6 for more information.
- Project description, including an explanation of the basis for the size and or capacity of the proposed facility.
- Maps showing the general location of the project, tax lots or parcels in the project area and the specific location of the project.

Preliminary engineering/architectural grants must, at a minimum, result in a plan which addresses the community facility need and matches the cost of the future improvements to anticipated revenues. These plans must be coordinated with the local planning and budget process. It must also include a time table for carrying out future improvements with a determination of project priorities, project timing, estimation of cost and consideration of financing methods.

Applicants for projects that will address environmental actions must coordinate all phases of the project and resulting products with the appropriate regulatory agency. Documentation of this oversight and review must be provided to the Department. Oversight and review can be achieved through the Voluntary Cleanup Program, Independent Cleanup Pathway, Underground Storage Tank Program or by other agreement with the Department of Environmental Quality.

2. Final Design and Construction Grants

Grant funds are available to help the applicant design and construct the proposed community facility project. The maximum grant per project will be \$300,000 or \$600,000, depending upon the type of facility, less any preliminary engineering/architectural and planning grant award(s). Grants will be awarded for the minimum amount considered necessary to provide the improvements needed.

An applicant may apply for a final design and construction grant without having been awarded a grant for preliminary engineering/architectural planning. Applicants who already completed the work involved in preliminary project planning may apply directly for a final design and Construction grant. The department may determine upon review of the application that an award for a preliminary engineering/architectural and planning grant is necessary to obtain information to justify a final design and construction grant. The most common activities for design and construction grants are:

- Project description, including an explanation of the basis for the size and or capacity of the proposed facility.
- Final engineering/architectural design and bid specifications. Refer to Part 3 item B5 for more information

- Detailed cost estimates.
- Identification of permits and approvals necessary to construct the project with a schedule showing a realistic review and approval process for each.
- Financial Feasibility Information
- Maps showing the general location of the project, tax lots or parcels in the project area and the specific location of the project.
- Environmental review of the proposed project that complies with National Environmental Policy Act (NEPA) other applicable federal authorities and implementing regulations of HUD.
- Grant Administration/audit. Refer to Part 3 item B6 for more information.
- Construction
- Bid Process
- Engineering/Architectural construction management. Refer to Part 3 item B5 for more information.
- Construction Contingencies
- Acquisition of real property or permanent easements, appraisals
- Preparation of as-built drawings and operation and maintenance plans
- Applicants for projects that will address environmental actions must coordinate all phases of the project and resulting products with the appropriate regulatory agency. Documentation of this oversight and review must be provided to the Department. Oversight and review can be achieved through the Voluntary Cleanup Program, Independent Cleanup Pathway, Underground Storage Tank Program or by other agreement with the Department of Environmental Quality.

2001 Regional Housing Rehabilitation Grants

Description

Oregon CDBG funds are used by cities and counties to rehabilitate single-family housing owned and occupied by low- and moderate-income persons. The assistance is provided as loans to eligible owners. Income generated by the loans (repayments and interest) can be kept by the locality only if it is used continuously in compliance with federal CDBG regulations.

A new approach to financing local housing rehabilitation programs was implemented by the State of Oregon, beginning in 1999. The State's goal is to increase the capacity of

localities and housing providers to meet community and regional housing needs by expanding revolving loan funds to serve more than single communities.

Maximum flexibility for regional revolving loan funds can be achieved through the use of sub-recipient agreements between the grant recipient and a nonprofit organization. The nonprofit organization will carry out the CDBG funded housing rehabilitation loan program. When the loan repayments are paid back to the nonprofit the funds are no longer subject to the federal program income monitoring and tracking requirements. Revolving fund income can be used according to locally determined priorities for meeting housing needs. Nonprofit organizations must have documentation from the Internal Revenue Service to verify their nonprofit status at time of application. The management of the housing rehabilitation loan program must be the responsibility of the qualifying nonprofit organization. Grant administration can be contracted out to another entity refer to Part 3, Item B6 of this document for a description of the eligible grant/project administration activities.

On a case by case basis, city and county grant recipients may be permitted to use other sub-recipients (e.g., public housing authorities and councils of government) or private contractors that do not qualify as a nonprofit organization to setup and manage a regional fund. Although this approach does not have the benefit of creating flexible future funds from loan repayments, it would help to build the capacity of program operators to serve local jurisdictions. Circumstances that might permit this approach include a situation where there is no local nonprofit capacity. Local capacity will be based upon several measures, including but not limited to the experience of any local nonprofit organization and its staff to undertake similar activities, past performance and readiness to proceed, etc. Conditions may be placed on the award that would require the city of county to contract with a nonprofit sub-recipient within a set time period.

New for 2001 - OECD and OHCS entered into an Inter-Agency Agreement. Effective January 1, 2001, this agreement transfers the management of the CDBG program funded Regional Housing Rehabilitation program to OHCS. This change will provide better use of the funds as they can be matched with and compliment numerous other programs administered by Housing and Community Services for greater rural benefit to low- and moderate-income persons.

OHCS will maintain the Regional Housing Rehabilitation program for 2001 and intends to expand on the concept through the development of "regional housing centers" to meet multiple housing needs of low- and moderate-income persons in 2002. During 2001 OHCS will be working with or encouraging some nonprofit organizations and some communities to setup a demonstration on how regional centers can work. More information about regional housing centers will be available in the 2002 proposed Method of Distribution. The 2001 application materials will be developed and made available by Housing and Community Services after January 1, 2001. For more information, call (503) 986-2000. The application materials are expected to be similar to the 2000 applications. Should the materials be substantially changed the OHCS will take into consideration providing another public comment period on these materials.

Funds Available

The State is targeting \$3,000,000 of its 2001 program year funds for Housing Rehabilitation projects.

Eligible Applicants

Only non-metropolitan cities and counties in rural Oregon can apply for and receive grants. Urban cities (Salem, Corvallis, Ashland, Medford, Eugene, Springfield, Portland) and counties (Multnomah, Washington and Clackamas) are not included in the State's program because they receive CDBG funds directly from HUD.

A combination of cities and counties can be involved in a regional project; however just one jurisdiction can apply for, receive and incur the responsibility of the 2001 grant funds. Joint applications, under which two or more units of local government are equally responsible, will not be accepted. All grant funds must be used first for the benefit of persons living within the grant recipient's jurisdiction unless:

1. Other jurisdictions agree to be "joint applicants" for the purpose of defining a larger project area in which the initial grant funds may be used, or
2. The lead community can show that reasonable benefits will accrue to its residents even if some grant-funded activities are located outside its urban growth boundary.

Grant Limits

The maximum grant in this category is \$500,000.

Loan Portfolio Requirements

To maintain maximum local flexibility for the use of these funds, the state is requiring that all loan portfolios as result of this grant are managed by and re-paid to the eligible nonprofit organization. However, on a case by case basis, if warranted, the state will allow recipients to retain all of their loan portfolios, rather than transferring them to a nonprofit. Retaining their loan portfolios will delegate the federal program income monitoring and tracking requirements to the recipient of these funds, for the portion of the loan portfolio that is maintained in the recipients ownership. This approach must receive prior approval from Housing and Community Services before an application is submitted for funding. Annual statements on program balance, program income and all earnings will be required annually using similar forms developed by the Economic and Community Development Department.

Eligible Projects

To be eligible for 2001 funding, the project must be one of the following:

1. A single city or county applicant, that wants to join an existing regional revolving loan fund, must provide the following information with any application submitted for funding.
2. A copy of the program policies and procedures from the existing regional revolving loan fund.

3. A list of property owners interested in, and eligible for the loan program.
4. If there is private lender participation, then include a commitment from the lender to invest in low income households with rehabilitation needs.
5. A city or county applicant that wants to form a new regional revolving loan fund. To form a new regional revolving loan fund the following requirements must be met:
 - A. City or county partnership with an organization to develop and manage a regional revolving loan fund for housing rehabilitation in the applicant's jurisdiction. The service area for a regional fund may or may not coincide with other established regions.
 - B. If the city or county intends to partner with a nonprofit organization to maximize the flexible uses of future repayments of loan funds, the organization must have documentation from the Internal Revenue Service that it is a nonprofit organization. It must also meet requirements of HUD for entities that carry out community development projects. The nonprofit organization must have as one of its primary purposes, as outlined in its bylaws, article of incorporation or charter, to provide fair affordable housing that is decent safe and sanitary for low- and moderate-income Oregonians.
 - If there is private lender participation, then include a commitment from the lender to invest in low-income households with rehabilitation needs.
 - Commitment from two or more other cities and/or counties in the applicant's region to transfer all of their CDBG-funded loan portfolios to the fund to be created as a result of the 2001 grant project.
 - Complete rehabilitation program policies and procedures and a documented list of property owners interested in, and eligible for, the loan program.

Eligible Activities

The following costs associated with the rehabilitation of single-family, owner-occupied housing and single family and duplex rental housing are eligible activities. All housing must be occupied by low- and moderate-income households. A rental unit is eligible if it meets the national objective requirements described later in this section.

- Construction, rehabilitation, reconstruction or installation of improvements. (Such as electrical, plumbing, roofing, siding, insulation weatherization and structural work)
- Purchase and installation of equipment that is an integral structural fixture. (Items not normally removed from the home, such as heating systems, hot water heaters, light fixtures and built-appliances)
- Engineering and architectural services.
- Program management services necessary for the delivery of the housing rehabilitation program and the local revolving loan fund.

- Administrative services necessary to ensure that federal and state contract requirements for the grant project are met. See note below.
- Public services (including labor, supplies, and materials) in connection with the housing project. The cost of such services is limited to 15% of the total grant and must be for either a new service or a quantifiable increase in the level of existing service.
- Construction contingencies, as approved by the OHCS.

NOTE - No more than 20% of the grant funds can be used for the combined costs of grant administration and program management. Of this amount, no more than \$15,000 can be used to pay for grant administration costs, including overall grant/project administration, coordination, monitoring, and evaluation.

National Objective

All Housing Rehabilitation projects must meet the federal national objective of principal benefit to persons of low- and moderate-income. Owner-occupants must have household incomes below the federal low- and moderate-income limit for households of their size. For a rental unit, the local policies shall ensure that:

1. The unit is initially occupied by an income-qualified household, and
2. The rent charged shall be affordable to low- and moderate-income persons. Federal program regulations require the State to define “affordable rent.” The following definition of affordable rent shall be the maximum permitted. The city or county grant applicant may elect to define a lower rent which is affordable to a lower income target population. Approval from the State for a different local definition will be required. Federal program regulations require the State to define “**affordable rent.**” The following definition of affordable rent shall be used unless the city or county grant applicant receives approval from the State for a different local definition:

<p>“Affordable rent” means that a household is paying no more than 30% of its gross monthly income for the monthly rent plus the monthly cost of utilities. The rent for a unit occupied by a household receiving a subsidy (e.g., Section 8 rental assistance) may be higher than that charged to an unsubsidized household.</p>
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2001 Public Works – Water and Sewer Projects Grants

Description

Oregon’s CDBG Public Works funds are targeted to public water and sewer systems because they are the basic infrastructure necessary for the health and economic well being of every community. Federal laws, the Clean Water and Safe Drinking Water acts in particular, require municipalities to make extensive improvements in existing systems to comply with national standards. There are few sources of outside funds that communities can use to pay for such complex projects.

The OECDD is committed to helping Oregon's communities make the necessary improvements in their water and sewer systems by providing state and federal funds according to financial need. Projects must include all improvements necessary to bring the facilities into compliance with applicable laws for the appropriate planning period.

Construction of new water and sewer facilities in areas outside urban growth boundaries is subject to the State Planning Goal 11: Public Facilities and Services, as amended on July 16, 1998, and the Department of Land Conservation and Development requirements in the Oregon Administrative Rules Chapter 660, Division 11 (Public Facilities Planning), Chapter 660, Division 4 (Interpretation of Goal 2 Exception Process and Chapter 660, Division 22 (Unincorporated Communities). Projects outside urban growth boundaries must access funding through a city or county and must include verification from their county that the proposed activities are allowed under current state law.

Funds Available

Forty-two and one half percent (42.5%) of the 2001 funds are targeted to Public Works. An estimated \$5,228,205 will be available for Water and Sewer projects.

Grants can be made for each of the three phases (preliminary engineering, final design, and construction) necessary to complete water and sewer systems improvement projects. These are outlined in the table later in this section. When appropriate, a single grant for both final design and construction may be offered. The maximum amount available for a single water or sewer project is \$750,000. The \$750,000 per project limitation covers all phases of a major capital improvement project. A city or county may not separate a project into phases, such as collection system improvements in one-phase and treatment system improvements in another, in order to apply for more than one \$750,000 grant. The department's financing goal is to award the minimum amount of grant funds needed to complete the project successfully.

Applications Accepted

Year-round.

Application Threshold Requirement

Applications/projects must meet the following threshold requirement to be considered for funding review:

- The project being submitted for funding must be listed in the top 10 ten projects prioritized on the local governments' (city or county) Needs and Issues Priority List.

Eligible Applicants

Only cities and counties are eligible to apply for and receive CDBG funds. They may not "pass through" some or all of the awarded funds to another entity to carry out project activities. The recipient remains fully responsible for the grant-funded project and compliance with all federal and state requirements.

Cities and counties may undertake projects to improve existing facilities owned by other public bodies, such as sanitary districts and community water systems which include

water supply authorities, or other political subdivisions of the State and organizations operated on a not-for-profit basis such as associations and cooperatives which provide drinking water to primarily residential areas. These other public bodies need to contact their city or county to discuss sponsorship.

Eligible Projects

Grants are available for preliminary engineering, final engineering and construction of water and sewer projects. Eligible projects include:

1. Projects necessary to bring municipal water and sewer systems into compliance with:
 - The requirements of the Safe Drinking Water Act or the Clean Water Act administered by the Oregon Health Division (OHD)
 - The requirements of water quality statutes, rules or permits administered by the Oregon Department of Environmental Quality (DEQ) or the Environmental Quality Commission
 - The preparation of water management and conservation plans as required by the Oregon Water Resources Department through permitting processes. These may be combined with projects for the preparation of Water System Master plans required by the Oregon Health Division.
2. Projects where the municipal system has not been issued a notice of non-compliance from the Oregon Health Division or the Department of Environmental Quality, the department may determine that a project is eligible for assistance upon finding that:
 - A recent letter, within the previous twelve months, from the appropriate regulatory authority (OHD, DEQ) or their contracted agent, which indicates a high probability that within two years the system will be notified of non-compliance, and department staff deems it reasonable and prudent that program funding will assist in bringing the water or sewer system into compliance with current regulations or requirements proposed to take affect within the next two years.

Table 5-3. Oregon CDBG Program 2001 Public Works Projects Eligibility, Project Type, and Maximum Grant Awards			
	Preliminary Engineering and Planning	Final Engineering	Construction
	These two phases may be combined in one grant, if so the project period would be 36 months from contract execution with the state. (See note at bottom of table for more information)		
Grant Maximum	No maximum. Overall project limit of \$750,000 (including all CDBG awards for preliminary engineering & planning, final engineering, and construction).	No maximum. Overall project limit of \$750,000 (including all CDBG awards for preliminary engineering & planning, final engineering, and construction).	Up to \$750,000 (less awards for preliminary engineering & planning, and final engineering)*
Project Activities to be Funded	<ul style="list-style-type: none"> • Master plans, facilities plans for municipal drinking water or sewer systems • Problem identification studies • Preliminary engineering report and preliminary cost estimates • Identification of funding options • Preparation of a financing application to the OECD or other agencies for final engineering • Grant administration and audit 	<ul style="list-style-type: none"> • Final engineering designs, bid specifications, and updated cost estimates • Project financial feasibility information • Environmental review of project (does not include publishing of notices for public comment) • Preparation of application for construction financing • Grant administration and audit 	<ul style="list-style-type: none"> • Construction • Construction engineering and project management • Acquisition of property, including easements • Grant administration and audit
Project Period (all activities must be completed and the final report submitted in this time)	24 months from contract execution with the State	24 months from contract execution with the State	24 months from contract execution with the State
* CDBG Technical Assistance grant awards received in 1992 or earlier program years do not count against this \$750,000 limit.			

Note: Contracts with recipients of combined design and construction (design/build) grants will have a contract condition prohibiting the Department from releasing construction funds until the recipient provides evidence that all necessary construction funding, to complete the project, has been secured.

Eligible Activities

Eligible activities are those necessary for the construction, improvement or expansion of publicly owned water and sewer projects critically needed for the benefit of current residents. Eligible activities are:

- Sewage treatment facilities including all facilities necessary for collecting, pumping, treating and disposing of sanitary sewage. Included is correction of infiltration and inflow (I&I) through replacement of lines or sliplining.
- Separation of storm drainage from sanitary sewers, if necessary to meet federal or state water quality statutes, rules, orders or permits.
- Domestic water systems including all facilities necessary for supply development, storage, filtration, treatment, transmission and metering.

- Equipment that is an integral and permanent part of a water or sewer facility. Purchase or lease of other equipment, including vehicles is not eligible.
- The acquisition of real property, including permanent easements, necessary for the proposed water or sewer project.
- Installation of distribution or collection lines on private property (e.g., household laterals) and associated plumbing connections if necessary to ensure the overall system meets state and federal requirements.
- Television inspection and internal grouting of sewer lines if approved in advance by the department. Since this work can also be a method of maintaining the lines, case by case determinations must be made because operation and maintenance expenses are considered not eligible under federal regulations for the CDBG program.
- Preliminary planning (wastewater facilities plans, water system master plans and water management and conservation plans) and preliminary and final engineering, surveying, architectural and other support activities necessary to the construction of a water or sewer project.
- Construction contingencies, as approved by the Economic and Community Development Department.
- Payment of special assessments to recover non-CDBG costs of a water or sewer project for properties occupied by low- and moderate-income persons. However, systems development charges, hook-up fees, impact fees, and connection charges are ineligible under federal regulations for the CDBG program.
- Administrative costs necessary to ensure that federal requirements for the grant project are met. Refer to Part 3 item B6 for more information.

National Objective

All projects must meet a national objective of the CDBG Program. The low- and moderate-income national objective is the only one that is realistically available to applicants for Public Works projects. Federal rules for documenting the other two objectives (“Activities that aid in the prevention or elimination of slums or blight,” and “Activities designed to meet community development needs having a particular urgency”) make them virtually useless for the type of public water and sewer improvements needed by rural cities and counties. The 2001 application package includes guidance for documenting a national objective.

Federal CDBG rules limit program assistance to activities that are necessary to benefit current residents in a primarily residential area. This means that if the main reason for doing the project is to provide capacity for population and economic growth, other funding sources should be sought. CDBG funds are intended to solve problems faced by current residents, such as poor drinking water quality or inadequate sewage treatment. CDBG funds may be used for projects needed to benefit current residents (e.g., water

treatment improvements to comply with Safe Drinking Water requirements) but which will be built with capacity for future development. In these cases, the CDBG participation will be limited to that portion of the project cost that is necessary to serve the current population.

Financial Feasibility Review

In addition to a CDBG, applicants for design and/or construction grant assistance may be offered a funding package, structured by the department, that includes loans, grants and/or bond financing from other department programs (e.g., the Safe Drinking Water Revolving Loan Fund, Water/Wastewater Financing Program, Special Public Works Fund, and Oregon Bond Bank). All projects will be subject to financial review by the department using the procedures listed below. The department's financing goal is to award the minimum amount of grant funds needed to complete the project successfully. Projects that are not financially feasible, as determined by the Department, will not be funded.

1. Grant-Making Policy. To the extent possible, the Department shall consider awarding a grant, in combination with other sources, to reduce the annual rate of [water/sewer] service for the community served by the Recipient to 1.75 percent of the community median household income, such that:
 - A. The 1.75-percent ratio shall be determined as described in 2.
 - B. Applicable sources of grant funding or loans includes financing programs administered by other state or federal agencies, as well as the Department, that are being used to pay for the funded project.
 - C. As appropriate, grants from applicable sources shall be limited to avoid the annual service rate falling below the 1.75-percent ratio.

2. Criterion. The Department shall employ a standard criterion that measures how affordable the future [water/sewer] rates are relative to the prevailing income of residents—a community-wide “ability-to-pay” test—as follows:
 - A. To be eligible for a grant the projected annual residential rate for the new/upgraded facilities [drinking water/wastewater disposal] must be at or above 1.75 percent of the median annual household income of the area generally served by the water system.
 - B. The annual [water/sewer] rate is 12 times the monthly fee that the system would need to charge its residential service connections, on average for [7,500 gallons of water consumption and similar wastewater consumption] per month, as calculated by the applicant and verified by the Department after taking into account the projected operations, maintenance, replacement reserves, debt repayment and all other reasonable system expenses, including the funded project.
 - C. As applicable, this annual user rate will incorporate fee-equivalents derived from other local funding sources that are or will be used to pay specifically for the

system/facility that is being upgraded/constructed with this project. This could include special levies on taxable property within the system's service area being used to pay for the system. This does not include system development charges.

D. The median household income is based on the corresponding 1990 Census figure for the city or a more appropriate census statistical unit (e.g., census tract) that contains and is representative of the system's residential users.

E. The Recipient should consult with the Department if the 1990 Census figure might significantly overstate the relative level of current household income in the local area. In such cases, a special survey that either exists already or is newly commissioned, consistent with the Department's usual procedures may be used to establish a comparable, up-to-date median income figure, which is then deflated to 1990 dollars.

3. Future Adjustments with Current Census. The 1.75-percent criterion is intended to account for general increases in prices/incomes since the time of the 1990 Census. When applicable figures from the 2000 Census are available, changes will be instituted to the computational factors described here, along with a method to account for annual inflation of prices/incomes in the years following release of the new data.

4. Implementation of Sufficient Service Rates. Prior to complete disbursement of the Department's award, the system must take final administrative and legal action for instituting fees sufficient to satisfy the user rate criterion in 2 that allowed for grant-type subsidization of the funded project. Pursuant to financial contracting provisions, the Department may cease disbursements, restructure the amortization schedule or take other suitable actions in the event that this requirement is not fulfilled.

Description of the Three Types of Public Water and Sewer Grants

1. Preliminary Engineering and Planning Grants

These grants will help communities pay for master plans, wastewater facility plans, capital improvement plans, and problem identification studies (e.g., sanitary surveys). Funding for the future project may come from other sources, but the future project must meet a national objective.

CDBG funds may be requested for projects which will result in a comprehensive assessment of a community's entire water or sewer system and which can reasonably be expected to result in a construction project within two years of the grant award for preliminary engineering and planning. There is no limit on the size of these grants except the limit of no more than \$750,000 in CDBG assistance for a community's overall project.

The preliminary engineering and planning grant applicant must demonstrate that the specific future construction project will meet a CDBG national objective in order for the proposed project to meet the national objective requirement. This rule applies even where the applicant does not intend to seek grant assistance for the construction. Examples include, but may not be limited to:

- The facilities plan for a wastewater system which is required by the Oregon Department of Environmental Quality prior to its funding of a capital construction project.
- The preliminary engineering report and other information required by U.S.D.A. Rural Development prior to issuance of a Letter of Conditions by that agency for a water or sewer system project.
- The master plan for municipal drinking water systems required by the Oregon Health Division.
- Water Management Plans or Conservation Plans are required by the Oregon Water Resources Department.

Preliminary engineering and planning grants for comprehensive system assessments must result in a plan with at least a 20-year time frame which addresses the public facility (wastewater or water) needs of the jurisdiction and matches the costs of future improvements to anticipated revenues. Applicants must contact Department staff about the contents that must be included in the specific scope of work in all circumstances. These plans must be coordinated with the local planning and budget processes. It must include a timetable for carrying out future improvements with a determination of project priorities, project timing, estimation of cost and consideration of methods of financing.

The scope of work and final product description will be determined for each project on a case-by-case basis by the recipient or its representative, the OECDD, and the appropriate state or federal regulatory agency. In the case of wastewater facilities planning projects, the department will require, as an attachment to the application, a scope of work that has been reviewed and accepted by the Oregon Department of Environmental Quality. Scopes of work for water system master plans must result in plans which comply with Oregon Administrative Rules of the Oregon Health Division.

The grant contract will require recipients of preliminary engineering and planning grants to obtain a review of draft reports and documents by the appropriate regulatory agencies. The regulatory agency comments must be obtained before the recipient accepts a final product. If the preliminary engineering and planning grant is for a wastewater facilities plan or a water system master plan, the draft must be accepted by the regulatory agency.

Some of the preliminary engineering and planning grant may be used to pay for preparation of an application for a final engineering grant or for an application to another funding agency.

2. Final Engineering Grants

Grant funds are available to help the applicant obtain the products listed below, which will be required elements of a construction application. There is no limit on the size of these grants except the limit of any more than \$750,000 in CDBG assistance for a community's overall project. A single grant may be awarded for both final engineering and construction. The most common eligible activities include but are not limited to:

- Project description, including an explanation of the basis for the size and/or capacity of the proposed facility.
- Pre-design reports.
- Final engineering design and bid specifications.
- Detailed cost estimates, including all items necessary to complete the project.
- Identification of all permits and approvals necessary to construct the project with a schedule showing a realistic review and approval process for each.
- Financial feasibility information, including information regarding the applicant's or utility system's financial situation. For projects where a financial review was prepared by another funding source (e.g., U.S.D.A. Rural Development) a copy needs to be provided to the Department for review with the application.
- Maps showing the general location of the project, tax lots or parcels in the project area, and the specific location of the project, including, if applicable, line sizes, road widths, etc.
- Environmental review of the proposed project that complies with National Environmental Policy Act (NEPA), other applicable federal authorities and the implementing regulations of HUD. The review would not include issuance of a Finding of No Significant Impact or publishing of a Request for Release of Funds, since these are not appropriate until construction financing is obtained. For applicable situations, publishing flood plain notices as part of the "8 step" process should be done as part of the final engineering grant project.
- Grant administration/audit. Refer to Part 3 item B6 for more information.

In addition to the above products, the applicant can use some of the final engineering grant to pay for preparation of a construction application or an application to another federal or state program for construction financing.

Final engineering projects may not include the use of grant funds to pay for the actual acquisition of property, whether sites or easements. Costs for activities leading up to acquisition, such as appraisals, are allowable.

Recipients of grants for final engineering only must have regulatory agency approval of final plans and specifications before the grant is administratively closed and before a CDBG construction application is submitted.

Note: An applicant may apply for a final engineering grant without having been awarded a grant for preliminary engineering and planning. Applicants who already have completed the work involved in what these rules term a preliminary engineering and planning project may apply directly for a final engineering grant. The department

may determine upon review of the application that an award for a preliminary engineering and planning grant is necessary to obtain information to justify a final engineering award.

3. Construction Grants

The maximum CDBG assistance per project will be \$750,000, less any preliminary engineering and planning or final engineering grant award(s). Grants will be awarded for the minimum amount considered necessary to provide the improvements needed to benefit current residents. A single grant may be awarded for both final engineering and construction.

CDBG funds for construction may be used to pay for activities such as the bid process, construction of improvements, construction management, construction contingencies, appraisal and acquisition of real property including permanent easements, and grant administration/audit.

Applicants may apply for a construction grant without having been awarded a preliminary engineering and planning or a final engineering grant from the CDBG program. Applicants who already have completed the work involved in what these rules term as preliminary engineering and planning and final engineering projects may apply directly for a construction grant. The department may determine upon review of the application that an award for preliminary engineering and planning or final engineering is necessary to obtain information to justify a construction award.

Additional Project Requirements

- **Coordinated Solutions:** To the greatest extent possible, 2001 Public Works funds will be awarded only to projects that will result in coordinated solutions to water quality management problems and water and sewer systems to comply with all applicable federal and state standards for safe drinking water and sewer collection and treatment.
- **Water Meters:** Projects for water supply, storage and/or treatment facility improvements will be considered only if the service connections are metered or if the project will include installation of meters. Projects that include the installation of new water lines must include installation of water meters at all service connections to those lines. The water meter requirement provides a useful tool for the applicant or system-operating entity to use in operating and maintaining the community water system. Meters are used for fair and accurate billing, water-use monitoring, conservation purposes, and as a means of problem detection.
- **Water Quality Limited Streams:** Additional review will be done for applications involving sewage treatment facilities that discharge into “water quality limited” streams for which the Oregon Department of Environmental Quality has not yet established TMDLs (Total Maximum Daily Loads). Consultation with DEQ will take place to determine if the project can or should be designed and constructed without established TMDLs. The applicant will be kept informed as this review takes place. The consultation will consider the following:

- DEQ's anticipated schedule for completion of the TMDL study for the affected stream.
- The specific water quality standards being violated in the affected stream and how this information may affect the nature and extent of work needed for the treatment system.
- If the project is designed and constructed prior to establishment of TMDLs, is it likely the community will face another design and construction project soon after completion of the grant-funded improvements?
- Is funding the design and construction of the proposed project prior to establishment of TMDLs for the affected stream a wise investment of public funds?

• **Limitations on engineering costs:**

Refer to Part 3 item B5 for the specific engineering limits. Applicants may select their consultant prior to award of grant funds if they carry out a competitive selection and obtain department approval of the scope of work and draft contract. CDBG funds cannot be used to pay for engineering costs incurred prior to the grant award.

2001 Public Works – Off-Site Infrastructure for New Affordable Housing Grants

Description

Oregon CDBG funds are available to pay for the cost of publicly owned off-site improvements necessary for the construction of affordable new multi-family rental housing or single family home ownership homes to be occupied primarily by low- and moderate- income persons.

The OECD is working with the State's housing agency and federal programs, including U.S.D.A. Rural Development, to promote balanced community development through the coordination of funding for affordable housing (described below) in the non-metropolitan areas of the State. Funding of public works projects for new housing will be coordinated with the OHCS Department for efficient and effective use of public funds in compliance with the State's 2001-2005 Consolidated Plan for Housing and Community Development.

Funds Available

Seven and one half percent (7.5%) of the funds available for the 2001 program year is reserved for public works projects to serve new multi-family rental housing. This means an estimated \$922,625 will be awarded. The maximum amount for a single grant is \$225,000.

Application Threshold Requirement

Applications/projects must meet the following two threshold requirement to be considered for funding review.

- The project being submitted for funding must be listed in the top 10 ten projects prioritized on the local governments' (city or county) Needs and Issues Priority List.

Eligible Applicants

Only non-metropolitan cities and counties can apply for and receive grants. The city or county grant recipient must contract for all professional services (e.g., engineering) and construction for the public works improvements, unless the recipient has staff that can complete the work. In these cases contact the department for guidance. These off-site public works improvements cannot be combined with contracts for design or construction of the housing or other on-site work.

Eligible Activities

1. Construction, rehabilitation, reconstruction or installation of off-site publicly owned water, sewer, street, sidewalk, curb, and storm drainage improvements. Public works improvements that will be owned and operated by an entity other than the applicant city or county are not eligible except where another public utility is the legal owner. Work on the housing project site (e.g., the extension of water and sewer lines from the property line to the buildings) is not eligible for CDBG assistance. Those costs are part of the new housing construction.
2. Acquisition of real property and permanent easements, necessary for the publicly owned off-site improvements.
3. Final engineering, surveying, and other support activities, procured by the local government, necessary to construction of the public works.
4. Construction contingencies, as approved by the OECDD.
5. Payment of special assessments to recover non-CDBG costs of the public works project for residential properties owned and occupied by low- and moderate- income persons. However, systems development charges, hook-up fees, impact fees, and connection charges are ineligible under federal regulations for the CDBG program.

If the proposed public works improvements will serve other properties besides the one on which the new housing is located, the owners of the other benefited properties must pay their fair share of the cost. When special assessments against all benefited properties are used to pay for the share of the project benefiting those other properties, grant funds can pay the assessments of low- and moderate-income owner-occupied housing

6. Administrative costs necessary to ensure those federal requirements for the grant project are met. Up to 10% of the grant award, but not more than \$15,000, may be used to pay for grant administration costs, including overall project management, coordination, monitoring and evaluation. Recipients may use some of the grant administration allowance to conduct activities to further Fair Housing in their communities. Refer to Part 3 item B6 for more information.

National Objective

Projects must meet the low- and moderate-income national objective of the CDBG program. Each applicant must document that no less than 51% of the new rental or single family home ownership units to be constructed will be held for, and occupied by, low- and moderate-income persons and families.

Affordable Rent

Federal program regulations require the State to define “affordable rent.” The following definition of affordable rent shall be used unless the city or county grant applicant receives approval from the State for a different local definition:

“Affordable rent” means that a household is paying no more than 30% of its gross monthly income for the monthly rent plus the monthly cost of utilities. The rent for a unit occupied by a household receiving a subsidy (e.g., Section 8 rental assistance) may be higher than that charged to an unsubsidized household.

Engineering Feasibility Review

Each project will be subject to review of the applicants existing local construction codes. The requested infrastructure must be the minimum necessary to comply with the required local codes and to accommodate the new affordable housing complex. Provide a copy of any applicable construction codes with the application, for example, street construction requirements, sidewalk requirements etc.. If a funding request to the department is for asphalt streets and sidewalks, and there are no existing local construction codes requiring asphalt streets or sidewalks the community will not be awarded funds for these activities.

2001 Emergency Grants

Description

The State may use unobligated funds, and/or recaptured funds, at any time during the program year for grants to eligible applicants for projects arising from bona fide emergencies. The maximum grant per project will be \$500,000.

To be considered a bona fide emergency, the situation must be officially declared by the Governor as a state emergency that needs immediate action. Complete applications for emergency projects must be received by the State within ninety days of the event that creates the emergency.

Prior to awarding an emergency grant, the State must determine that the proposed use of grant funds will meet a national objective and that it is for one or more eligible activities. Funds available for emergency grants will be limited to 5% of the State’s annual allocation from HUD. In the event that an emergency grant is needed while there are one or more projects on the backup funding list, the emergency project will have priority.

2001 Section 108 Loan Guarantees for Brownfield Projects

Description

“Brownfields” are polluted commercial or industrial sites that must be cleaned before redevelopment can occur. One example of a potential Brownfield is a closed timber mill

site that cannot be sold or used unless contamination from processing chemicals is removed.

The OECDD will support nonmetropolitan cities and counties that want to apply for a Brownfields Economic Development Initiative (BEDI) Grant from HUD. The federally administered grant program requires a Section 108 loan to be part of approved projects. Oregon can provide a guarantee for the required Section 108 loan through its CDBG program.

Requests for Section 108 guarantees for other purposes will not be considered under the 2001 program rules. The State may propose expanding the Section 108 loan guarantee opportunity for other types of economic development projects in 2001 and later.

Section 108 of the federal Housing and Community Development Act authorizes HUD to help local governments obtain loans for economic development and community revitalization purposes. The loans are guaranteed with future CDBG allocations. Nonmetropolitan cities and counties can qualify for the loans only if their state CDBG program will provide guarantees for the loans.

Section 108 guaranteed loan funds are raised through notes issued by the local government or, more commonly, through a pooled public offering by HUD. The taxable notes have competitive rates of interest comparable to issuances by the U.S. Treasury. Repayment of Section 108 loans is the responsibility of the local city or county government, but the funds may be loaned to a third party, including private for-profit businesses.

The Brownfields Economic Development Initiative (BEDI) was enacted in 1998. Grant funds are awarded by HUD on a competitive basis. The grants are used to support and enhance the financial viability of projects assisted with Section 108 loan funds. By helping to ensure that the project is financially successful and able to repay the Section 108 loan, a BEDI grant helps to protect the State's CDBG funds which are pledged as partial collateral for the Section 108 loan.

More information about Section 108 loan guarantees and the Brownfield Economic Development Initiative grants are provided on the Web site of HUD:
www.hud.gov:80/cpd/108fact.html and www.hud.gov/bfields.html

The minimum amount of funds to be borrowed with a Section 108 loan guarantee from the State of Oregon is \$100,000 per project. The maximum Section 108 loan guarantee that any one city or county can receive is \$5,000,000. Federal regulations limit the amount of future CDBG funds the State can provide for guarantees of Section 108 loans to nonentitlement cities and counties. The maximum is no more than five times the amount of the most recent grant received by the State.

Section 108 loan and Brownfields Economic Development Initiative grant funds may be used for CDBG eligible activities that support the cleanup and economic redevelopment of targeted Brownfields sites by public and private developers. Such activities include:

- **Land Writedowns.** Local governments may use a combination of Section 108 and BEDI funds to acquire Brownfield site for purposes of reconveying the site to a private developer at a discount from its purchase price. This would provide the developer with an asset of enhanced value to be used as collateral for other sources of funding.
- **Site Remediation Costs.** Local governments can use the funds to support clearance, demolition, removal and rehabilitation of buildings and improvements.
- **Funding Reserves.** A grant can establish loan reserves to cover the early stages of a project when there is potentially insufficient cash flow to meet operating expenses and debt service obligations.
- **Over-Collateralization or Direct Enhancement of the Security for the Section 108 loan.** Grant funds can be used to protect the State's loan guarantee through a standby letter of credit, or by improving the likelihood that project-generated cash flow will be sufficient to cover debt service on the loan.
- **Financing to for-profit businesses at below market interest rates.** Grant funds can "buy down" the interest rate at the front of the project or make full or partial interest payments during the early start-up period.

A local government interested in Section 108 guaranteed loan funds must first discuss its proposal with appropriate regional team staff. At this stage, the department's staff will review the concept to determine if it fits the general requirements of both the federal Brownfields Economic Development Initiative grant and the Section 108 loan rules. The project time line will be considered to determine whether it is feasible for the community to meet the next federal grant application deadline.

If the regional team staff finds that the preliminary proposal represents the type of project that the department will pursue, then finance, business development and program staff of the department will work with the local government to further develop and refine the proposal for the application to be submitted to HUD.

2001 Grants for Float Loans

Description

Up to 25% of the State's CDBG funds that have been awarded to cities and counties, but are not yet expended, will be available for interim financing of infrastructure and community facilities projects that meet national objective and eligibility requirements.

Potential projects are those that will receive permanent financing through other state and federal programs including: Special Public Works Fund, Water/Wastewater Fund, Oregon Bond Bank, Transportation TEA-21, and federal Rural Development.

Recipients of grants for float loans must be cities and counties eligible for the State-administered CDBG funds. The projects may, however be owned by another unit of government (e.g., special district) or a nonprofit organization.

In order to award a grant to be used as a float loan, the department must be assured of repayment in no more than 2.5 years. Therefore, permanent “take-out” financing from another funding source must be committed before CDBG funds can be used as a float loan.

Benefits of using grant funds for float loans include:

1. Lower interim financing costs
 - Projects owned by the grant recipient city or county: Grant funds are used for interim financing. No interest can be charged by the State.
 - Projects owned by other entities: Interest will be charged, but the rate offered will be 0.35 to 0.65 basis points below other interim financing options (e.g., bank anticipation notes or tax anticipation notes).
2. Using block grant funds for interim financing instead of lottery funds will conserve the department’s interest-earning lottery cash reserves and enable the State to offer permanent financing for more projects. Interest income received from float loans made to other entities will generate a return on the State’s investment and will increase the overall amount of block grant funds available for Oregon communities.

Community Capacity/Technical Assistance Grants

One-percent (1%) of the state’s allocation will be used to make grants for the development of local capacity and providing technical assistance to units of general local government and non-profits. These funds will also be used by the state to provide funding to organizations such as the Fair Housing Council of Oregon and RARE Program. All funds will be used for projects that comply with Community Planning and Development Notice CPD 99-09. The state has used and will continue to use unobligated, prior year One-Percent (1%) funds for local capacity development and technical assistance projects in accordance with the requirements of CPD 99-09.

PART 3 – POLICIES

A. Method of Distribution Policies

1. Appeals

Appeals of local government decisions regarding an application or grant project must be made at the local level. Copies of the appeal and the findings resolving it must be sent to the OECD by the local government within 45 calendar days of the appeal filing. The department will review the appeal and findings.

2. Waivers

The department Director may waive non-statutory requirements of these program rules. A request for a waiver will be approved only when it is determined necessary to further the objectives of the CDBG program.

3. Pre-Agreement Costs

Costs incurred prior to execution of a grant contract are not eligible for reimbursement from CDBG funds unless there are provisions in the contract allowing payment of specific preagreement costs and the activities are eligible and undertaken in accordance with the requirements of the CDBG program and the federal environmental review rules at 24 CFR Part 58. Consult with department staff during project development.

4. Work Performed by Staff of the City or County Recipient

Applicants should be aware that federal law governing the CDBG program states that: “It is the intent of Congress that the Federal assistance made available under this title may not be utilized to reduce substantially the amount of local financial support for community development activities below the level of such support prior to the availability of such assistance” (Public Law 93-383.101(c)).

This means that if the applicant intends to use existing budgeted staff to administer the grant or to work on other grant activities (such as construction), CDBG funds cannot be used to pay for that staff unless the applicant demonstrates that the grant funds will not supplant or substantially reduce the applicant’s financial support for other community development activities. Grant funds should only be used to increase local community development activities.

Cities and counties planning to pay their own staff with grant funds for administration and/or force account work including, but not limited to, engineering, design and inspection services, construction labor and operation of locally owned equipment should consult with state staff prior to submitting an application.

5. Unexpended Grant Funds

Grant funds not used for activities as shown in the approved budget will be recaptured by the State and made available to other communities in accordance with the rules in Part 1, General Information.

6. Program Income

Program Income includes, but is not limited to, the following:

- Payments of principal and interest on loans made from CDBG funds.
- Proceeds from the lease or disposition of real property and equipment acquired with CDBG funds.
- Interest earned on CDBG funds held in a revolving fund account.
- Interest earned on any program income pending disposition of such income.

Funds derived from CDBG funded activities are considered Program Income except when:

- The total amount of funds received in a single year (July 1 to June 30) is less than \$25,000, or

- The funds are generated by housing rehabilitation or other activities eligible under Section 105(a)(15) of the Housing and Community Development Act and carried out by an entity under the authority of section 105(a)(15) of the Act. Such entities are limited to public nonprofit organizations which (1) Meet the Internal Revenue Service requirements for nonprofit status, and (2) Are serving the development needs of non-entitlement areas, and (3) Carry out community economic development projects. Such projects can include management of revolving funds for the purpose of housing rehabilitation.

The full definition of program income and federal rules governing its use are found in 24 CFR 570.489(e) and the preamble to the final rule and guidelines published by HUD in the Federal Register on January 5, 1995.

All requirements of 24 CFR 570 Subpart I apply to the use of program income retained by a unit of general local government. Failure to use program income as required may result in sanctions against the recipient.

Recipients shall not expend any income anticipated to be less than \$25,000 until after the end of the applicable annual period unless it is spent in compliance with CDBG rules. A report shall be submitted each year, in a form to be specified by the State, on the amount of program income and other funds received as a result of CDBG assistance to a unit of general local government.

Program Income shall be paid to the State except where the income is to be used by the recipient to continue the activity from which such income is derived. For example, a housing rehabilitation grant, where the grant funds are loaned by the grantee to private property owners, the loans re-paid to the grantee and used to conduct more housing rehabilitation work.

Applicants desiring to retain program income must describe in the grant application how the program income would be used. The OECD will determine if the proposed use is for an activity, which is the same as the approved activity from which the program income is derived, and will deny or approve the applicant's request when the grant award is made.

B. Local Grant Administration

1. "Pass Through" Grants

The city or county grant recipient is fully responsible for the grant-funded project and compliance with all applicable federal and state requirements. Recipients may not "pass through" some or all of the grant funds to another entity to undertake project activities, except where the department has approved a subrecipient agreement for regional housing rehabilitation activities.

2. Grant Contract Execution

Grant contracts must be signed by the highest elected official and returned to the department within 45 days of receipt of contract documents.

3. Grant Amendments

Grant amendments must have prior written approval by the department if they change the cost, scope of work, location, objectives, or time frame of the approved activities or program beneficiaries. Any proposed increase in grant administration amounts and any use of contingency funds for activities other than construction require an amendment. Failure to gain prior approval for amendments may result in sanctions.

4. Project Period

All grants must be administratively closed within two years from the date the grant contract is fully executed, except for water and sewer grants, and community facility grants where design and construction activities are combined into one grant (design/build). These projects must be administratively closed within 36 months from the date the grant contract is fully executed.

5. Limitations on Architectural and Engineering Costs

As a general rule, the department will not approve proposed project budgets, which include more than the following percentages for architectural and engineering work—no matter whether the item is paid for with grant funds or other monies:

- Architectural - 12% of project construction costs
- Engineering - 20% of project construction costs

Proposed amounts in excess of the above percentages must be fully explained in the application. The work in these percentages generally includes: project design, preparation of bid and contract documents, review of bids, project construction oversight, preparation of as-built drawings and operation and maintenance plans.

6. Grant(Project) Administration/Activity Delivery Costs/Equipment

For all categories, up to 10% of the grant award, but not more than \$15,000, may be used to pay for grant/project administration costs, including overall project management, coordination, monitoring, and evaluation.

Recipients may use some of the grant/project administration allowance to conduct activities to further Fair Housing in their communities.

Grant Administration Costs include:

- Preparing budgets, schedules and amendments;
- Developing agreements with contractors to carry out project activities;
- Developing systems for assuring compliance with state and federal program requirements;
- Evaluating project results against the State-approved budget and scope of work and monitoring project activities, progress and compliance with CDBG and federal program requirements;

- Preparing cash requests, reports, and other compliance documents for submission to the State;
- Provision of information to residents and citizen organizations participating in the planning, implementation, or assessment of activities being assisted with CDBG funds; and
- Coordinating the resolution of audit and monitoring findings and closing out the grant.
- Attending local training on grant administration requirements.

Activity Delivery Costs: Activity delivery costs are expenses directly related to carrying out eligible activities such as property acquisition. These costs are not considered to be grant/project administration costs. For example, professional appraiser fees and attorney charges necessary to complete the acquisition of property with CDBG funds are eligible as part of the acquisition activity and do not fall under the grant/project administration limit.

Equipment: Grant funds may be used to buy equipment for grant/project administration purposes. Examples include computers, file cabinets and other office equipment.

The following table provides responses to the most frequently questions about grant/project administration costs.

Table 5-4. Guide for Grant/Project Administration Costs (including staff time and materials)*	
	Grant/Project Administration Cost
Preparing budgets, schedules, contract amendments.	Yes
Drafting Requests for Proposals and agreements with consultants for grant administration or other consulting work (arch, eng.).	Yes
Setting up systems to assure compliance with state and federal program requirements, e.g., labor standards file, grant accounting system, etc.	Yes
Preparing cash requests, reports, and other documents for submission to the State.	Yes
Monitoring project progress against grant contract scope of work and budget; reporting to elected officials.	Yes
Participating in state monitoring visits and responding to monitoring findings.	Yes
Preparing a project completion report; assisting an auditor with required grant information.	Yes
Preparation of an Environmental Assessment or other environmental documents; publishing required environmental notices.	No
Conducting on-site employee interviews for Davis-Bacon compliance; verifying payroll data and obtaining compliance with these requirements	No
Attorney's fees for preparation or review of contract documents or property acquisition activities.	No
Professional appraiser's fees related to property acquisition.	No
Costs of publishing notices for the Fair Housing resolution and the Residential Antidisplacement and Relocation Assistance Plan.	Yes
Purchase of capital equipment, e.g., computers and file cabinets for grant administration.	Yes
Training on grant administration requirements.	Yes

*Note: CDBG funds cannot be used to pay staff already included in the recipient's adopted budget.

7. Work Performed by Volunteers or Prison Inmates

Applicants planning to use volunteers or prison inmates for a project must consult with their OECD regional coordinator prior to submitting an application.

Donated labor can help reduce the cost of construction and other program costs. However, the use of volunteers may also result in coordination problems with contractors, quality of work issues, and potential local government liability for personal injury and property damage. Applicants should consider both the benefits and the drawbacks of volunteer labor before finalizing their project budgets.

Volunteers

In general, the following rules apply to volunteers:

- A person cannot be a volunteer if the person is otherwise employed at any time on the project in the construction or maintenance work for which the person volunteers.
- Volunteers cannot be paid to provide materials or supplies unless the recipient has obtained the materials/supplies through a competitive process under appropriate procurement rules.

- Persons providing work subject to the Davis-Bacon Act (laborers and mechanics in the construction trades) must be paid the federal prevailing wage unless they meet the requirements for volunteers contained in 24 CFR Part 70.3 (Use of Volunteers on Projects Subject to Davis-Bacon and HUD-Determined Wage Rates). This rule is available, on request, from the OECDD.

Prison Inmates

There is no prohibition against the use of prison inmate labor on CDBG funded construction work. Prisoners are generally not considered volunteers because they have no choice in the matter so prisoners must be paid Davis-Bacon wage rates. There are a few rare situations where prisoners may be participating in a voluntary program and they are truly volunteering their services to a unit of local government.

In-Kind Value of Volunteer Labor

For the purpose of documenting local match, the OECDD has established that volunteer labor is to be valued as follows:

- The time of persons who are donating their professional skills (e.g., an electrician who donates his time to install wiring) shall be credited at their standard hourly rate.
- The time of persons who provide labor for which they are not normally paid (e.g., a teacher who volunteers to do carpentry work) shall be credited at the State's minimum wage—\$6.50/hour as of January 1, 1999.

8. Procurement

When procuring property or services to be paid for in whole or in part with CDBG funds, city and county recipients shall comply with Chapter 279 of the Oregon Revised Statutes (ORS), Chapters 137 (Divisions 030, 035, 040) and 125 (Divisions 300, 310, and 360) of the Oregon Administrative Rules and ORS Chapter 244.

The State's performance under a grant contract is conditioned upon the recipient's compliance with provisions of ORS 279.312, 279.314, 279.316, 279.320, and 279.555 (1997), which are incorporated by reference in the grant contract.

The State's model rules for public bidding and public contract exemptions shall govern procurement under grant contracts even if the recipient or its public contract review board does not adopt those, or similar rules. If the recipient or its public contract review board has adopted similar rules, those rules shall apply.

All public contracts using CDBG funds shall be based upon competitive bids or proposals except those listed in ORS 279.015, Competitive Bidding Exceptions and Exemptions. These include, but are not limited to, the following exceptions:

- Contracts with other units of local government or public agencies. Public agencies include Councils of Government (COGs) or other associations or consortia formed under State law, public housing authorities, and water and sewer districts.

The following types of organizations are not public agencies: community development corporations, community action agencies, and certified development corporations.

- Contracts for supplies if the value of the contract is less than \$5,000.
- Contracts that the local contract review board exempts after finding that the exemption will not encourage favoritism or substantially diminish competition and that it will result in substantial cost savings.

An agreement between a grant recipient and a consultant to administer or perform a professional service (ex. engineering) for a CDBG project will generally be a “personal services contract” that is not subject to State competitive bidding rules because the primary selection factor is qualifications and not price. Recipients are encouraged to use competitive procurement even when another governmental entity is available to perform services under an intergovernmental agreement.

9. Grant/Project Management and Local Record-Keeping

Grant recipients must maintain records that are sufficiently accurate and complete for project monitoring by the State. All records pertaining to the project must be kept for three years following final closeout of the project.

The department will provide staff technical assistance and a Grant/Project Management Handbook, which includes detailed written information regarding required record-keeping and other aspects of grant/project management.

10. Conflicts of Interest

Oregon Government Standards and Practices laws in the Oregon Revised Statutes (ORS) Chapter 244 apply to the procurement of supplies, equipment, construction and services, to be paid for in whole, or in part, with grant funds.

The following provisions from 24 CFR 570.489(h) shall also apply to the following activities that are carried out in whole or in part with CDBG funds:

- Procurement of supplies, equipment, construction and services.
- Acquisition and disposition of real property.
- The provision of assistance to individuals, businesses and other private entities.

Persons Covered: The conflict of interest provisions in this section apply to any person who is an employee, agent, consultant, officer, elected official or appointed official of the unit of general local government or of any designated public agencies that are receiving CDBG funds.

Conflicts Prohibited: Except for eligible administrative and personnel costs, the general rule is that no persons described above who exercise or have exercised any functions or responsibilities with respect to CDBG assisted activities or who are in a position to

participate in a decision making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from the activity, or have any interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter.

Exceptions: The State may grant an exception to the provisions of this section upon written request of the unit of general local government provided the State can fully document its determination in compliance with all the federal requirements in 24 CFR Part 570.489(h)(4) and (5).

C. Federal Requirements

The CDBG program is subject to many federal statutes and regulations that cover a wide range of activities. Some of requirements are briefly summarized below. More detailed information and guidance are in the Grant/Project Management Handbook and other resources available from the OECDD.

1. Environmental Review

Grant recipients are required to obtain appropriate environmental clearances for their projects and to maintain an Environmental Review Record for each project. An environmental checklist and environmental review information is provided in the Grant/Project Management Handbook. The Environmental Review and Request for Release of Funds (if required) must be completed before costs are incurred against the grant. For activities which are exempt from environmental review the recipient must complete a "Finding of Exemption" before costs are incurred against the grant for these activities.

2. Federal Prevailing Wages and Federal Labor Standards

Construction projects assisted with CDBG funds must be carried out in compliance with the federal Davis-Bacon and Related Acts. This means that the Oregon Prevailing Wage Rates for public works projects do not apply. Federal wage rates (Davis-Bacon) are required and other extensive labor standards must be followed.

3. Property Acquisition, Relocation and Tenant Assistance Requirements

All property acquisition, including the acquisition of permanent easements for construction projects assisted with CDBG funds, must be carried out in compliance with the requirements of the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA or Uniform Act) and Section 104(d) of the Housing and Community Development Act of 1974. The federal rules apply even if CDBG funds will not be used to pay for the acquisition.

If a proposed project includes any of the following activities, it is subject to federal rules that will affect both the project design and cost.

- Acquisition, by purchase or lease, of real property (including acquisition with non-federal funds).

- Acquisition of permanent easements such as those which are required for access to water and sewer lines.
- Donation of real property or permanent easements.
- Demolition or conversion of occupied or vacant, but occupiable, low- and moderate-income dwelling units.
- Displacement of businesses and persons residing in the project area.

All applicants with projects that will affect structures occupied by individuals or businesses must provide written notices to the tenants about the proposed project as required by the Uniform Relocation Assistance and Real Property Acquisition Policies Act and Section 104(d). Applicants must contact the OECDD early in the project design phase to learn if they will be affected by the rules.

4. Residential Antidisplacement and Relocation Plan

Recipients of 2001 grant awards must comply with the State of Oregon's "Residential Antidisplacement and Relocation Plan."

5. Non-Discrimination Against Persons with Handicaps

Federal law prohibits discrimination against any otherwise qualified individual from participating in or benefiting from a federally funded program solely on the basis of handicap. CDBG recipients must comply with HUD regulations which implement this federal law (Section 504 of the Rehabilitation Act of 1973). Cities and counties who are working toward compliance with the federal Americans with Disabilities Act (ADA) will easily meet the requirements of Section 504.

6. Excessive Force Policy

All city and county recipients must adopt and enforce a policy prohibiting excessive force by law enforcement agencies within their jurisdiction against any individuals engaged in non-violent civil rights demonstrations. Enforcement of all applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction is also required.

The excessive force policy is in the federal law for the CDBG program. The effect of the law is that the State cannot legally award a grant to a city or county that does not adopt the policy.

7. Minority, Women and Emerging Small Businesses

The state encourages recipients to provide opportunities for minority, women and emerging small businesses. The states Vendor Information Program can be used for advertising procurement contracts.

PART 4 – APPLICATION PROCEDURES

These procedures apply only to applications submitted to the OECDD. These procedures do not apply to Housing Rehabilitation Grant applications submitted to the OHCS Department.

Step 1: Initial Contact with State Staff

The project proponent contacts the appropriate regional team staff to review the project concept. Regional team staff will work informally with the project proponent to determine if a proposed project will fit the State’s project criteria and if funds are available.

A “One Stop” meeting will be scheduled if warranted, or requested by the proponent. The “One Stop” meeting will include several federal and state regulatory and funding agencies. These meetings are held the second Tuesday of each month, in Salem, with communities seeking funding for infrastructure and other public facility projects. The purpose of the meetings is to acquaint funding agencies with the community’s problem and help the community develop the work plan and funding scheme to ensure a cost effective solution. “One Stop” meetings have proven a good way to reduce the paperwork and administrative burden for communities and state and federal funding agencies. Usually “One Stop” meetings are more effective if held after the applicant has completed a master plan or facilities plan and/or has a set of estimated costs for final design and construction of necessary improvements.

Step 2: Application

The regional team will inform the project proponent and the unit of local government (city or county) about the department’s review of the project concept. The team will encourage any eligible unit of local government (city or county) to submit an application for a 2001 CDBG grant upon determination that the proposed project is likely to meet a national objective, and is for eligible activities listed in the 2001 Method of Distribution. Program guidelines and application forms will be mailed to the applicant. The Program Guidelines explain the program requirements.

Step 3: City or County Prepares Draft Application for Public Review and Comment

A minimum of one public hearing must be held by the applicant’s governing body (city council or board of commissioners) before the application is submitted. The hearing must cover both the overall community development needs of the jurisdiction and the proposed project. This requirement applies to all applicants and is explained in more detail in the citizen participation section of this document. Cities and counties that submitted applications under the 2000 program have met the initial hearing requirement. A form required for the public hearing notice is included in the application package.

Step 4: Application Submitted

The application is prepared following instructions in the application packet. The application is submitted to the Department by the city or county after the required citizen participation process is completed and a decision is made by the governing body to proceed with the funding request.

Step 5: State Review

Complete applications will be reviewed in the order they are received. Applications submitted before the department reviews the project concept (see Step 1) will be considered only as Step 1 contacts.

A “complete” application is one where all required portions of the application are filled out and all required attachments are provided. If two or more applications are determined to be “complete” on the same date, priority will be given to applicants with a higher “distress index” figure, a list maintained by the department.

Incomplete applications will not receive a “place in line.” A notice will be sent to the applicant stating whether the application is complete and, if not, what additional information is needed. Applicants will be given 90 days to supply the information needed to allow the department to consider the application complete. An application which is still “incomplete” after 90 days will be returned to the applicant. This action means that the applicant will have to conduct another public hearing in order to resubmit the application—in addition to correcting deficiencies in the application.

All “complete” applications will be kept on the active list until the applicant withdraws or the department funds the project, rejects the application, or determines, after consulting with the applicant that the project is no longer viable or no longer needs CDBG assistance.

Complete applications must still meet project selection criteria in order to receive a grant award. The department will review the active application list at the start of each program year. The department may require additional information from applicants on the active list which cross program years in order that funded projects meet all applicable federal and state requirements.

The department will consult with other appropriate state and federal agencies regarding the applicant and any aspect of the project. For domestic drinking water projects, the department will consult with the Water Resources Department and the Oregon Health Division in order to assure compliance with applicable state and federal drinking water quality standards and to achieve the best financing package for the project, applicant and the funding programs.

The department must have evidence, such as a Land Use Compatibility Statement, that the project complies with Statewide planning goals and is compatible with applicable acknowledged city and county comprehensive plans and land use regulations.

Applications for construction and final engineering(architectural services) will be evaluated on the overall project and engineering feasibility and financial need of the applicant. Engineering feasibility reports, final engineering designs, and project cost estimates may be reviewed by an engineer/architect under contract to the department or on staff.

Financial Review: The department’s financial team will perform a financial need analysis for all proposed projects. Determination of the financing package will follow review of:

The extent to which the proposed project is necessary to benefit current residents.

- The financial feasibility of the project.
- A reasonable cost estimate of the project.
- Current and future residential, commercial and industrial beneficiaries of the project.
- Other available resources, including programs of the U.S.D.A. Rural Development, the State Revolving Loan Fund administered by the Oregon Department of Environmental Quality and the Safe Drinking Water Revolving Loan Fund, Water/Wastewater Financing Program and Special Public Works Fund administered by the OECDD and other private resources.
- The individual financial strength of the applicant and/or the system-operating entity.
- The ability to assess specially benefited property owners.
- The ability of the applicant to afford loans with payments from enterprise funds or other sources.
- The applicant's ability to manage the project including the requirements of various funding sources.
- The cost-effectiveness of increasing the number of funding sources in the project.
- For public works – water and sewer projects, an assessment of system user rates as outlined in the Financial Feasibility Review section in Part 2 of this document.
- Other applicable issues.

All financial information in the application must be prepared unless another funding source (e.g., U.S.D.A. Rural Development) has already reviewed similar financial information and made a funding commitment based on the review. In such cases, the financial feasibility analysis of the other funding source shall be submitted with the application.

Step 6: Project Selection Criteria

To award CDBG assistance, the department must determine that:

1. The application and/or project meets all the following requirements:
 - The application is complete and submitted by an eligible applicant.
 - The activities proposed in the application are eligible under federal CDBG regulations and State program rules.
 - The ultimate construction project will meet a CDBG national objective.
 - The proposed project is necessary to meet the needs of existing residents of the jurisdiction or project target area or facility users.
 - The application shows that the project could not be completed without the requested grant. If, during staff review of the application, direct and clear evidence is obtained by the department that the grant funds are not needed and that the project can or will be carried out by the applicant whether or not the grant is awarded, the application will not be reviewed.
 - Other funds needed to complete the project are available and committed to the project. If any necessary funds are not committed, the award shall be conditional upon securing the other needed funds within six months following the date of the grant award.
 - The applicant is not limited from applying for 2001 funds because of the "Limits on Application" criteria identified in Part I.

- The application documents how the applicant has met the citizen participation requirements.
2. The recommended grant amount is the minimum necessary, in combination with other resources, to ensure completion of the project in a time frame that is consistent with federal requirements for the obligation and efficient use of CDBG funds.
 3. Sufficient CDBG funds are available for the project.
 4. The applicant is willing and able to enter into a contract with the department, that the applicant understands there will be substantial federal overlay requirements resulting from the receipt of CDBG funds, and that the applicant has sufficient administrative ability to undertake and complete the project or can obtain these administrative services.
 5. For construction and final engineering/construction projects for which the department has done a financial review, the applicant or other public entity responsible for the water, sewer or community/public facility has adopted a financial strategy that will produce adequate revenue to operate, maintain, and replace the system as well as service debt for the new system at construction completion.
 6. The project is ready to proceed and can be administratively closed within two years of execution of a contract between the recipient and the State or administratively closed within 36 months for combined design and construction (design/build) Public Works grants.
 7. Community/Public Facility project applicants must submit a 5 year operation and maintenance budget plan with the application which provides reasonable assurance that the facility will be continued in its planned use for five years following completion of the grant funded activities.
 8. If a project site has been selected or easements need to be obtained, the applicant has outlined or taken the appropriate steps toward acquisition of the property.

If the department determines that the applicant and/or the proposed project do not meet the requirements of this section, the department may reject an application or require further documentation from the applicant.

Applications are generally funded in the order they are determined to be complete—which can be the date on which they are received. Applications will not be reviewed or considered for funding unless they are determined to be complete (See Application Process for more information). If the applications received exceed the funds available, the department will use its best judgement to fund qualified projects that are ready to proceed.

Step 7: Notice of Decision

Funding decisions will be made by the regional team after a staff review which includes a financial review and funding package recommendation by the department’s finance team. Funding decisions will be based on applicable rules in place at the time of award. The

department reserves the right to fund projects out of order for reasons such as the following:

- To coordinate funding efforts with other funding agencies to ensure that other funding commitments are not lost.
- Some application reviews take longer than others because additional information is needed from the regulatory authority, other funding sources, the applicant and/or other State and local agencies. While this information is being gathered, other eligible applications may receive grant awards.

The department will notify applicants of its funding decision approximately 60 days following receipt of a complete application.

FY2001 HOME ACTION PLAN

HOME INVESTMENT PARTNERSHIPS PROGRAM GUIDE

Program Purpose

The HOME Investment Partnerships Program (HOME) was created to develop partnerships between public and private agencies in order to provide affordable housing. HOME funds can be used to carry out multi-year housing strategies through acquisition, rehabilitation, and new construction of housing and can be used to provide tenant based rental assistance.

The HOME Program encourages partnerships among the State, local governments, nonprofit and for-profit organizations, and individuals to meet the housing needs of low and very low-income individuals and families as identified in the Consolidated Plan. OHCS will utilize the FY01 HOME Program allocation to expand the supply of safe, decent, sanitary, and affordable housing for lower income Oregonians. The State of Oregon's HOME Program will primarily serve those areas outside the boundaries of the other HOME participating jurisdictions in Oregon.

OHCS will administer the HOME Program through Oregon Administrative Rules consistent with 24 CFR 92, and will provide technical assistance to eligible applicants. OHCS intends to perform monitoring, performance, and evaluation reviews in order to ensure compliance with the HOME requirements.

Proposed Use Of Home Funds

For the FY01 HOME Program, OHCS will administer several programs centrally, offering grants, loans when requested, or other eligible forms of subsidy for the acquisition, construction and rehabilitation of rental housing. This will meet one of the strategies outlined in the consolidated plan by providing an adequate supply of quality affordable housing for low and moderate-income persons. HOME funds will be available for priority purchasers of preservation projects and this will meet another strategy for preserving the supply of existing affordable rental housing.

Operating grants will be provided to CHDOs who meet the eligibility criteria. Subrecipients will administer tenant-based rental assistance. Depending on the demand of HOME funds for other activities, OHCS may utilize HOME funds for a home buyer assistance program or homeowner rehabilitation, although this is unlikely since the demand for HOME funds for rental housing development, tenant based rental assistance and CHDO operating grants, far exceeds the available resources. On a case-by-case basis, OHCS may elect to invest HOME funds into projects located in other participating jurisdictions. These projects may be solely funded by OHCS or jointly funded with the local participating jurisdiction.

Geographic Distribution Of Home Funds

HOME funds will be distributed to all regions in the state excluding areas covered by other HOME participating jurisdictions. The amount of HOME funds allocated will be dependent on the type of activity undertaken:

- New construction and rehabilitation of rental housing:

OHCS has consolidated the application process for several housing programs and accepts applications during two funding cycles each year: one held in the spring and one in the fall. HOME is one of the housing programs offered in the Consolidated Funding Cycle. For the initial or spring funding cycle, an allocation will be proposed for each region. The regional allocation will be based on a formula which provides a base amount for each region plus an additional allocation based on the percentage of the region's unmet housing need. This distribution is a guide and at the discretion of OHCS, funds may be redistributed to other regions. Reasons for redistribution could include such things as: funds being underutilized by a region or the quality of the applications in one region exceed those of another region.

Should there not be sufficient HOME funds to provide adequate regional allocations, all HOME funding may be placed in a statewide pool without a regional distribution.

On a case by case basis, OHCS may fund projects that are located in other participating jurisdictions. OHCS also reserves the right to award HOME funds for rental housing production outside of the Consolidated Funding Cycle. Examples include but are not limited to: projects undertaken through a demonstration program, an RFP process, the Director's discretion, or for a project that has a critical timeline that cannot wait for a future CFC funding cycle.

- Tenant-based rental assistance:

For tenant-based rental assistance funds will be distributed to those regions of the state not covered by other HOME participating jurisdictions. Funds are allocated countywide, based upon the percentage of households below 50% of median income.

Description Of Home Activities And Allocation Of Funds

Following is a brief description of the activities that OHCS anticipates or may consider to fund during FY01 with HOME funds. The percentage of HOME funds allocated for each activity is a rough estimate. It is used only as a guideline and will not be strictly enforced. Allocations may change depending upon the housing needs within the communities, the demand for specific activities, the strength of applications, and the capacity of applicants to perform.

The State of Oregon's 2001 HOME Program will include:

Administration

A maximum of 10% of the FY01 HOME Grant will be used for the purpose of administering the FY01 HOME Program at the State and local levels. Subrecipients using HOME funds for tenant-based rental assistance or another eligible activity, may receive a portion of these funds to cover the cost of administering the program.

CHDO Activities

CHDO set-aside: A minimum of 15% of the FY01 HOME allocation will be set-aside for eligible CHDO activities. Eligible activities under the 15% CHDO set aside include: rental housing rehabilitation and new construction of rental housing. This set aside does not preclude CHDOs from receiving HOME funds from any other program accounts. CHDO set-aside funds will not be used for tenant-based rental assistance or homeowner rehabilitation.

CHDO operating grants: OHCS has entered into an agreement with The Neighborhood Partnership Fund and The Enterprise Foundation, Inc. for the purpose of coordinating operational support and organizational development to community development corporations, which includes CHDOs. OHCS will contribute up to 5% of the FY01 HOME allocation to the Collaborative for the purpose of providing CHDO operating grants. These grants may be used to pay a portion of the reasonable and necessary costs for the operation of CHDOs. CHDO operating grants will be awarded through the Collaborative. Applications will be reviewed on a competitive basis and there is no guarantee that all eligible applicants will receive a CHDO operating grant. Eligible CHDOs who can apply for assistance through the collaborative will include:

- CHDOs who have a HOME project under construction or have received a reservation of HOME funds for the development of a HOME assisted project; or
- CHDOs who demonstrate progress towards a HOME-eligible project with a reasonable expectation that such project would receive an allocation of HOME funds from OHCS in the foreseeable future but within 24 months as per 92.300(a) of the HOME regulations.

Rehabilitation of Rental Housing

Based upon prior years allocations of HOME funds, up to 25% of the FY01 HOME Grant may be used by local governments, CHDOs, CDCs, community action programs, other nonprofit and for-profit organizations, and individuals for the acquisition, and/or rehabilitation of existing multi-unit and single family rental properties. HOME funds may also be used for the refinancing of existing debt if it meets the requirements of 92.206 (b) (2).

New Construction

Based upon prior years allocations of HOME funds, up to 60% of the FY01 HOME Grant will be available for the acquisition of land and construction of rental housing sponsored by local governments, CHDOs, CDCs, community action agencies, nonprofit or for-profit organizations, and individuals. Activities may include site acquisition and/or construction of new rental housing units.

Tenant-Based Rental Assistance

Approximately 15% or \$1.5 million of the FY01 HOME Grant will be allocated to tenant-based rental assistance (TBA) activities. OHCS will contract with various subrecipients to administer the tenant-based rental assistance program at the local level. Subrecipients will include: Housing Authorities, Community Action Agencies, and Local Partnership Programs (LPP) which typically consist of a partnership between a local housing authority and a community action agency.

The program will offer rental assistance in six month to two year terms to qualified very low income tenants for housing costs (rent and utilities) and refundable security deposits. A rental assistance agreement will be executed between the subrecipient and the landlord, and payment will be made directly from the subrecipient to the landlord on behalf of the tenant. Tenants who receive HOME TBA will be required to participate in a self-sufficiency program that will be individually designed to meet the tenant's needs.

Rental payment standards will be based on HUD Fair Market Rents (FMRs) or the area-wide exception rent approved by HUD. The minimum tenant contribution for rent will be \$10. OHCS will coordinate with the various subrecipients to determine that rents are reasonable for the area.

With the permanent removal of the Federal Preferences, Subgrantees will have the following options when developing tenant selection criteria.

- Subgrantees may continue to use the Federal Preferences and provide assistance to very low income families; or
- Develop local preferences which are consistent with the priorities outlined in the state's Consolidated Plan which include: elderly/frail elderly, persons with severe mental illness, persons with psychiatric disabilities, persons with developmental disabilities, persons with physical disabilities, persons with alcohol/drug or other addictions, persons diagnosed with aids and related diseases, migrant/seasonal farm

workers, and persons threatened with homelessness. Local preferences must be in compliance with the HOME regulations and the Fair Housing Act

Home Buyer Assistance

OHCS is still working with two agencies who are in various stages of developing a community land trust under a demonstration program. It is most likely that these demonstration land trust programs will be completed within the FY00 program year but it is mentioned here in case of delays.

Other HOME Eligible Activities

OHCS reserves the right to increase or decrease the allocation for any activity based upon the demands or needs for HOME funds by rural Oregon. OHCS may elect to offer other HOME eligible activities during the year if the activity would benefit low-income persons, provide affordable housing, meet a rural need, and be in compliance with the Consolidated Plan.

- At this time the Department does not have a homebuyer assistance program but is investigating developing one. Should one be developed this year then up to 15% of the FY01 HOME Grant may be allocated to a homebuyer assistance activity. HOME funds would most likely be used for down payment assistance, closing costs, or a debt service subsidy to the homebuyer. Recapture formulas would be designed at the time a program is developed. Recapture formulas would be sent to HUD field office for review. The HOME annual action plan and consolidated plan would be amended to provide information on the program parameters and provide for public comment if deemed necessary.
- OHCS may elect to use HOME funds for mobile home park purchase or the rehabilitation of an existing park if a need is demonstrated.
- Based upon need and demand, OHCS may elect to forward allocate HOME funds in an amount not to exceed 25% of the current annual HOME allocation.
- OHCS may investigate utilizing HOME funds for a homeowner rehabilitation program. If implemented, OHCS anticipates that HOME funds would be allocated, by a competitive process or through a demonstration program, to subrecipients for local administration. Subrecipients would have the discretion to grant or loan HOME funds for the rehabilitation of housing owned and occupied by persons with incomes below 80% of the area median income. No funds are allocated for this activity at this time.

Forms of Investment

All HOME awards will be based on a detailed evaluation of project viability and financial feasibility. All projects will be evaluated before commitment of HOME funds to ensure that the amount of HOME and other federal funds invested in the project is not excessive.

All projects will be evaluated before commitment of HOME funds to ensure that the project meets a need identified in the Consolidated Plan.

HOME funds will be provided in the form of a grant for tenant based rental assistance and CHDO operating expenses.

Grants or loans will be provided for construction and rehabilitation of affordable housing. Repayment of grants would only be required if the HOME recipient did not meet the obligations of the grant agreement.

Under a down payment assistance program for homebuyers, it is anticipated that HOME funds would be loaned to the buyer and recaptured upon sale of the home. A debt service subsidy program and closing cost assistance could be in the form of a loan or a grant. Program parameters would be developed later.

Should a homeowner rehabilitation program be developed, it will be left to the local subrecipient to decide whether the funds will be granted or loaned. The HOME annual action plan and consolidated plan would be amended to provide information on the program parameters and provide for public comment if deemed necessary.

Under the community land trust program, HOME funds will be permanently contributed to the land trust for the HOME period of affordability. A resale formula will be implemented to ensure that the housing will remain affordable at the time of sale.

Community Land Trusts Resale Formulas

The HOME Program requires that all housing assisted with HOME funds remain affordable for a minimum period of time depending on the amount of HOME assistance provided. To this end, the community land trusts will impose resale provisions. Should a buyer sell the improvements during the HOME period of affordability, then the resale provisions will ensure that the price at resale provides the original HOME assisted owner a fair return on investment and will ensure that the housing will be affordable to the next buyer who will also be low income.

There are presently two methods of resale that are being proposed by the community land trusts. Each land trust is expected to adopt one of these methods before finalizing their program and selling the improvements. Each resale formula has been reviewed and approved by HUD.

1. When the home is first purchased, an appraisal will be obtained to determine the fair market value of the home. When the home is sold, another appraisal will be obtained to determine what the new Fair Market Value is.
 - The seller will be provided an amount equal to the initial purchase price, plus 25% of any increase in the value of the home during the time of ownership.

- The home will then be sold to another low-income purchaser for the same amount as provided to the seller (original purchase price plus 25% of the appreciation). This sales price will be substantially less than the fair market value and therefore anticipated to be affordable to a low-income purchaser.
2. Seller will be provided the lesser of:
- The initial purchase price plus any increase in the value of the home during the time of ownership minus all rehabilitation costs necessary to meet housing quality standards; or,
 - The affordable mortgage limit which in this case is based on a mortgage that requires spending no more than 30% of the annual income for a family of four at 60% of the area median income (based on the interest rate available at time of sale) minus all rehabilitation costs necessary to meet housing quality standards. The homebuyer will have an income less than 80% of area median income.

Satisfying Match Requirements

OHCS must assure that match contributions totaling 25% of the HOME funds expended each year are provided for activities undertaken. OHCS will meet the match obligation in various ways depending upon the type of activity undertaken.

- For the homebuyer assistance program, the match requirement will be met by utilizing OHCS funds.
- For tenant based rental assistance, each of the subrecipients will be required to provide the 25% non-federal match. The subrecipients primarily utilize funds received under other OHCS programs including: Emergency Housing Assistance (EHA), Low-Income Rental Housing Fund (LIRHF), or local funds.
- For new construction and rehabilitation activities, each recipient will be required to provide the 25% non-federal match. Historically match funds have come from a variety of sources including: state grant and loan programs (primarily the Housing Development Grant Program funded with lottery dollars, bond financing, and State Mental Health Grants); property tax exemptions; waived system development charges and waived permit fees; donated land and labor; weatherization rebates and grants from non-federal sources; local donations; and grants from foundations and corporations.

Monitoring Role

Monitoring of rental housing developments by the OHCS is an ongoing process involving continuous communication and evaluation. The process involves telephone conversations, written correspondence, analysis of reports and periodic on-site visits. The monitoring is completed by the Housing Resource Section until the project is completed. The file is then transferred to the Asset & Property Management (APM) Section. It is APM's responsibility to:

- Perform annual file reviews and on-site visits as needed to ensure that the owner and/or property management firms are operating the project in compliance with applicable rules, regulations, and policies.
- The areas to be reviewed for compliance include:
- tenant qualifications, income calculations and appropriate supporting documentation;
- The gross rent (rent plus the tenant-paid utility allowance)
- the vacancy history of both low-income and market-rate units and the marketing strategies used to fill the vacancies;
- Items agreed to in the HOME Grant Agreement, HOME Land Use Declaration of Restrictive Covenants and other applicable documentation; and
- Project characteristics attested to in the initial application for which ranking points were awarded.
- Provide technical assistance to the sponsors, owners, and management agents when indicated or requested to ensure compliance with program requirements.
- Report instances of noncompliance, when appropriate, to HUD, or the Department's Finance Committee, after giving the owner appropriate time to correct the problem.
- Maintain the information used to complete the compliance review for five years after the calendar year in which it was received.

The Department performs on-site inspection of all HOME projects at least through the end of the period of affordability.

AFFIRMATIVE MARKETING AND OUTREACH TO MINORITY AND WOMEN-OWNED BUSINESSES

Affirmative Marketing

In accordance with 24 CFR Part 92.351, for HOME-assisted housing containing 5 or more housing units, OHCS will require project owners to provide information and otherwise attract eligible persons from all racial, ethnic, and gender groups in the housing market area to the available housing.

OHCS will annually assess the affirmative marketing program to determine the success of affirmative marketing actions by project owners and any necessary corrective actions.

The affirmative marketing requirements will be accomplished by:

1. Informing the public, owners, and potential tenants about fair housing laws and this affirmative marketing policy by:
 - using the Equal Housing Opportunity logo on all OHCS letterhead and program related publications;
 - periodic articles in the OHCS ClearingHOUSE newsletter dealing with fair housing and affirmative marketing issues, and upcoming events dealing with fair housing and affirmative marketing; and
 - including chapters in the HOME Applicant's Handbook and the HOME Project Management Handbook addressing fair housing and affirmative marketing requirements.
2. Requesting that owners advertising vacant units include the equal housing opportunity logo or statement in said advertisement. Advertising media may include newspapers of general circulation, radio, television, brochures, or flyers.
3. Requesting that owners post HUD fair housing poster in common area(s) of housing assisted with HOME funds.
4. Requesting that owners solicit applications for vacant units from persons in the housing market who are least likely to apply for the HOME-assisted housing without the benefit of special outreach efforts. In general, persons who are not of the race/ethnicity of the residents of the neighborhood in which the newly constructed or rehabilitated building is located shall be considered those least likely to apply.

For outreach purposes, the owner may utilize housing authorities, community action agencies, community development corporations, other community organizations, places of worship, employment centers, fair housing groups,

housing counseling agencies, social service centers, or medical service centers to publicize unit vacancies or otherwise provide information to potential tenants.

5. Requiring that owners maintain file records containing all marketing efforts including, but not limited to, copies of newspaper advertisements, file memorandums documenting phone inquiries, copies of inquiry letters and related responses, etc. These records shall be made available to OHCS for inspection during normal working hours.
6. Requiring that owners maintain listings of all tenants residing in each unit at the time of application submittal through the end of the HOME compliance period.

OHCS will assess the efforts of owners during the rent-up and marketing of HOME-assisted units through the use of certifications of compliance by the owner, or OHCS monitoring visits to the project on an annual basis.

In the event an owner fails to comply with the affirmative marketing requirements, OHCS will require corrective actions which include, but are not limited to, requiring the owner to conduct extensive outreach efforts on all future vacancies using appropriate contacts such as those outlined in 4. above in order to achieve occupancy goals. OHCS may impose other sanctions as deemed necessary.

In the event OHCS distributes HOME funds to units of general local government, OHCS will require each unit of local government to adopt affirmative marketing procedures and requirements which are consistent with 24 CFR 92.351 (a) and (b).

OHCS may provide general assistance and guidance to recipients in the preparation and administration of its affirmative marketing policy. Affirmative and fair housing marketing will be presumed to have taken place if tenants placed in the assisted housing are from the local public housing authority (PHA) waiting list.

OUTREACH TO MINORITY AND WOMEN-OWNED BUSINESSES

OHCS will include language in all notices and advertisements related to the HOME Program which states that minority and women-owned business enterprises are encouraged to apply for such funds and to participate as suppliers, contractors, professional service providers, etc. on projects assisted with HOME funds. All informational and documentary materials will also include this language.

OHCS will encourage project sponsors to include, to the maximum extent feasible, the use of such enterprises in providing supplies, professional and construction services in conjunction with HOME-assisted projects.

In order to maintain statistical data on the solicitation and participation of minority and women-owned business enterprises on HOME-assisted projects, OHCS will request that project sponsors identify jobs which have been bid by such enterprises and/or small or disadvantaged business enterprises. In addition, OHCS may inspect the project site to confirm the percentage of minority and women laborers working at the site.

Project sponsors who publicize for bid solicitation, will be encouraged to also publicize advertisements for bids and requests for proposals in newspapers serving minority and women-owned business enterprises (MBE/WBE). OHCS will coordinate on an ongoing basis with the Oregon Office of Minority, Women and Emerging Small Business to maintain a list of eligible MBE/WBE businesses. OHCS will provide the names of MBE/WBE businesses located in the project area to HOME recipients, upon request and encourage the HOME recipient to contact these businesses when soliciting bids.

OHCS will monitor project sponsors, both in the office and in the field, to determine their compliance efforts in promoting the use of minority and women-owned business enterprises in specific procurement areas, i.e. supplies, professional services, and construction services.

EMERGENCY SHELTER GRANT ACTION PLAN

Overview

The Emergency Shelter Grant Program (ESG) began in 1987 as part of the McKinney Act administered through the U.S. Department of Housing and Urban Development (HUD). These monies are distributed to increase the bed capacity of emergency shelters. Recent program modifications allow limited expenditures in other program areas such as homeless prevention.

Program Requirements

In order to be eligible for funding, the state must have a HUD-approved Consolidated Plan. The strategies outlined in the Consolidated Plan must include a description of the need for assistance and the manner in which the ESG program assistance will complement or expand homeless services already available. All ESG funds are distributed in non-entitlement areas of Oregon to Lead Agencies through a formula based on the number of homeless, at risk of homelessness, and farm workers in each geographic region of the state.

Eligibility Description

Eligible projects funded under this program include:

- Renovation, rehabilitation (repair), or conversion of a building for an emergency shelter
- Maintenance of an emergency shelter (operating expenses, insurance, utilities, and furnishings)
- Limited financial assistance for families (rent and utilities)
- Delivery of essential social services
- Expansion or improvements of an existing shelter

Dollar-for-dollar matching funds/in-kind contribution are required. Expenditure limitations in specific areas are as follows:

- Up to 30% of the funds may be used to provide homeless prevention activities which include financial assistance to eligible families for utility bills, security deposits, or back rent.
- Up to 30% of the funds may be used to provide essential social services including counseling, case management, employment assistance, health care, drug abuse treatment, assessments, networking, and education.
- Up to 5% of the funds may be used for administrative costs. (The Department allows 2.5% for grantees).

Priorities and Specific Objectives

Each Homeless Lead Agency coordinates a local planning process that identifies local priorities based on needs and gaps in services. This process is conducted annually for the Supportive Housing Continuum of Care Application and biannually for the State Omni Plan Process. Statewide gaps for rural Oregon are outlined in the GAP's analysis that was conducted as part of the Supportive Housing Program Continuum of Care application. That same gap analysis is reproduced in the Need Assessment section of this Plan. For all of Oregon, transitional housing and services are a **high priority** in the gap analysis.

Obstacles

Oregon's 2000 allocation was \$765,000 for 33 counties. This limited amount severely inhibits the balance of State from accomplishing Conversion or Rehabilitation projects. Agencies in very rural counties that have no shelters use their allocation mainly for prevention activities but often are limited to serving only a handful of clients due to their small allocation. Those who do have shelters use much of their allocation for the operations of those shelters, thus leaving little money for prevention activities. The need for emergency shelter, transitional shelter, prevention, and services greatly exceed the ESG dollars allocated to the State of Oregon.

Proposed Accomplishments

The ROCC identified 17 projects that will help Oregon fill the need for beds and services.

Continuum of Care Project Priorities		
Numeric Priority	Project Sponsor/Name	Estimated Project Cost
1	SOCO/Union Station	\$250,000
2	SWOCAC/Bay Area	49,245
3	YCAP/Self Reliance	79,357
4	SWOCAC/THE House	64,392
5	CAT/Forest Park	52,500
6	CCN/Supportive Housing	114,056
7	CAPECO/Co-op Housing	108,332
8	UCAN/CofC 2000	126,458
9	SOCO/Angels Haven	90,463
10	JOCO/JCCS	97,676
11	OHDC/Malheur	44,962
12	CSC/New Millenium	271,518
13	MCCAC/Wind River	73,470
14	SOCO/HHOPE	11,903
15	CAT/Clatsop County	52,500
16	CAT/CARE	52,500
17	SOCO/Lake County	10,456
Total Estimated Amount		\$1,549,788

Source: Rural Oregon Continuum of Care Grant Application, OHCS. 2000

OREGON HOUSING OPPORTUNITIES IN PARTNERSHIP PROGRAM (OHOP) ACTION PLAN

The OHOP program supports the State of Oregon's Consolidated Plan strategy to "*Promote independent housing options for Oregon's special needs populations*".

The goal of this partnership project between the Oregon Health Division (OHD), the OHCS Local County Health Departments (LCHD), AIDS Service Organizations (ASO), and local Tenant Based Assistance providers (TBA) is:

To provide a continuum of housing assistance and related supportive services for low-income persons with HIV/AIDS, and their families, who live outside the Portland Metropolitan Area.

This goal will be realized by integrating Oregon's existing primary HIV/AIDS social service delivery network in the service area (OHD's network of 29 LCHD and four private ASOs) with Oregon's primary housing provider (OHCS) and its network of 17 Community-Based Housing Organizations (CBHO) to form the new Oregon Housing Opportunities in Partnership Program (OHOP).

OHOP, which will be supervised by OHD's Office of HIV Client Services, will administer the network's provision of direct services to PLWHIV and their families and also provide public and private agencies in the network with technical assistance, training and support, including: collaborative assessment strategies to monitor and measure target population needs; joint planning to address those needs; resource development; capacity building; and development of permanent housing inventories.

Project Objectives

1. Implement the OHOP program through its network comprised of the Oregon Health Division (OHD), the Oregon Housing and Communities Services Department (OHCS), 29 Local County Health Departments (LCHD), 4 community AIDS service organizations, and the OHCS 17 local Tenant Based Assistance organizations to provide permanent housing and related supportive services to 150 PLWHIV and their families over the term of the grant.
2. Provide 150 individuals and their families HOPWA tenant-based assistance (TBA) vouchers totaling \$750,000 over the term of the grant and non-HOPWA TBA vouchers, utility and rental assistance of \$240,000 over the three year term of the grant.
3. Provide funds for the new construction of 8 units of permanent housing for PLWHIV and their families through existing OHCS funding in years two and three. OHCS will distribute these dollars through a competitive application process open to qualified organizations throughout the state.

4. Provide technical assistance and resource identification to the OHOP network to facilitate the provision of permanent housing and related supportive services to PLWHIV and their families.
5. Set aside 25% of OHOP TBA vouchers, use of Section 8 and new construction for PLWHIV with multiple diagnoses and their families.
6. Increase the number of PLWHIV with multiple diagnoses who are in stable, long-term, affordable housing by 50%, as measured by a survey or similar instrument conducted in Year One and during Year Three of the proposed grant period.
7. Provide 600 persons with HIV/AIDS and their families with supportive services that will assist them to remain permanently housed.
8. Increase stable housing and access to medical care and supportive services among PLWHIV participating in OHOP by 70% as measured by a survey or similar instrument conducted in Year One and during Year Three of the proposed grant period.
9. By the end of the third program year, assist 50 additional PLWHIV and their families in OHOP's service area in obtaining non-TBA, long-term, affordable, permanent housing, with an emphasis on under-served areas.
10. By the end of the third program year, provide 1,000 unduplicated PLWHIV and the families with housing information.
11. Conduct a HIV/AIDS housing needs assessment and develop a housing plan in year one.
12. By year two, develop a formal statewide OHOP Advisory Committee with a minimum of 20 active members.



CERTIFICATIONS

SECTION 6

Section 6: Certifications

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SECTION 6: CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the Consolidated Plan regulations, the State certifies that:

Affirmatively Further Fair Housing

The jurisdiction will affirmatively further fair housing, which means it will conduct an analysis of impediments to fair housing choice within the state, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting that analysis and actions in this regard.

Anti-displacement and Relocation Plan

It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR 24; and that it has in effect and is following a residential antidisplacement and relocation assistance plan required under section 104(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with funding under the CDBG or HOME programs.

Drug Free Workplace

It will or will continue to provide a drug-free workplace by:

1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
2. Establishing an ongoing drug-free awareness program to inform employees about:
 - (a) The dangers of drug abuse in the workplace;
 - (b) The grantee's policy of maintaining a drug-free workplace;
 - (c) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (d) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph 1;
4. Notifying the employee in the statement required by paragraph 1 that, as a condition of employment under the grant, the employee will:
 - (a) Abide by the terms of the statement; and
 - (b) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 4(b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 4(b), with respect to any employee who is so convicted:
 - (a) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - (b) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

State of Oregon Consolidated Plan 2001-2005

7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1, 2, 3, 4, 5 and 6.

Anti-Lobbying

To the best of the State's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
3. It will require that the language of paragraphs 1 and 2 of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Authority of State

The submission of the consolidated plan is authorized under State law and the State possesses the legal authority to carry out the programs under the consolidated plan for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with Plan

The housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the strategic plan.

Acquisition and Relocation

It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR 24; and that it has in effect and is following a residential antidisplacement and relocation assistance plan required under section 104(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with funding under the CDBG or HOME programs.

Section 3

It will comply with section 3 of the Housing and Urban Development Act of 1968, and implementing regulations at 24 CFR Part 135.

Bob Repine
Executive Director
Oregon Housing and Community Services

Date

William C. Scott
Executive Director
Oregon Economic and
Community Development Department

Date

Specific CDBG Certifications

The State certifies that:

Citizen Participation

It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.115 and each unit of general local government that receives assistance from the State is or will be following a detailed citizen participation plan that satisfies the requirements of 24 CFR 570.486.

Consultation with Local Governments

It has or will comply with the following:

1. It has consulted with affected units of local government in the nonentitlement area of the State in determining the method of distribution of funding;
2. It engages in or will engage in planning for community development activities;
3. It provides or will provide technical assistance to units of local government in connection with community development programs; and
4. It will not refuse to distribute funds to any unit of general local government on the basis of the particular eligible activity selected by the unit of general local government to meet its community development needs, except that a State is not prevented from establishing priorities in distributing funding on the basis of the activities selected.
5. It will require each unit of general local government to be funded to identify its community development and housing needs, including the needs of low-income and moderate-income families, and the activities to be undertaken to meet these needs.

Community Development Plan

Its consolidated housing and community development plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that have been developed in accordance with the primary objectives of Title I of the Housing and Community Development Act of 1974, as amended (See 24 CFR 570.2 and 24 CFR part 570)

Use of Funds

It has complied with the following criteria:

1. **Maximum Feasible Priority.** With respect to activities expected to be assisted with CDBG funds, it certifies that it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low and moderate-income families or aid in the prevention or elimination of slums or blight. (The Action Plan may also include activities which the grantee certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available);
2. **Overall Benefit.** The aggregate use of CDBG funds including section 108 guaranteed loans during program years FY2002, 2001, and 2003 (a period specified by the grantee consisting of one, two or three specific consecutive program years), shall principally benefit persons of low and moderate income in a manner that ensures that not less than 70 percent of the amount is expended for activities that benefit such persons during such period;
3. **Special Assessments.** The state will require units of general local government that receive CDBG funds to certify to the following:

It will not attempt to recover any capital costs of public improvements assisted with CDBG funds including Section 108 loan guaranteed funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless.

State of Oregon Consolidated Plan 2001-2005

However, if CDBG funds are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements (assisted in part with CDBG funds) financed from revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

It will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108, unless CDBG funds are used to pay the proportion of fee or assessment attributable to the capital costs of public improvements financed from other revenue sources. In this case, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. Also, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

Compliance With Anti-Discrimination Laws

The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 USC 2000d), the Fair Housing Act (42 USC 3601-3619), and implementing regulations.

Excessive Force

It will require units of general local government that receive CDBG funds to certify that they have adopted and are enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.

Compliance with Laws

It will comply with applicable laws.

William C. Scott
Executive Director
Oregon Economic and
Community Development Department

Date

Specific HOME Certifications

The State certifies that:

Tenant Based Rental Assistance

If it intends to provide tenant-based rental assistance:

The use of HOME funds for tenant-based rental assistance is an essential element of the State's Consolidated Plan.

Eligible Activities and Costs

It is using and will use HOME funds for eligible activities and costs, as described in 24 CFR 92.205 through 92.209 and that it is not using and will not use HOME funds for prohibited activities, as described in 92.214.

Appropriate Financial Assistance

Before committing any funds to a project, the State or its recipients will evaluate the project in accordance with the guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing.

Bob Repine
Executive Director
Oregon Housing and Community Services

Date

ESG Certifications

The State seeking funds under the Emergency Shelter Grant Program (ESG) certifies that it will ensure that its recipients of ESG funds comply with the following requirements:

Major Rehabilitation/Conversion

In the case of major rehabilitation or conversion, it will maintain any building for which assistance is used under the ESG program as a shelter for homeless individuals and families for at least 10 years. If the rehabilitation is not major, the recipient will maintain any building for which assistance is used under the ESG program as a shelter for homeless individuals and families for at least 3 years.

Essential Services

Where the assistance involves essential services or maintenance, operation, insurance, utilities and furnishings, it will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure as long as the same general population is served.

Renovation

Any renovation carried out with ESG assistance shall be sufficient to ensure that the building involved is safe and sanitary.

Supportive Services

It will assist homeless individuals in obtaining appropriate supportive services, including permanent housing, medical and mental health treatment, counseling, supervision, and other services essential for achieving independent living, and other Federal, State, local, and private assistance for such individuals.

Matching Funds

It obtains matching amounts required under 24 CFR 576.71.

Confidentiality

It will develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project except with the written authorization of the person responsible for the operation of that shelter.

Homeless Persons Involvement

To the maximum extent practicable, it will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under this program, in providing services assisted through this program, and in providing services for occupants of such facilities.

Consolidated Plan

It is following a current HUD-approved Consolidated Plan or CHAS.

Bob Repine
Executive Director
Oregon Housing and Community Services

Date

HOPWA Certifications

The State HOPWA grantee certifies that:

Activities

Activities funded under the program will meet urgent needs that are not being met by available public and private sources.

Building

Any building or structure assisted under the program shall be operated for the purpose specified in the plan:

1. For at least 10 years in the case of any building or structure purchased, leased, rehabilitated, renovated, or converted with HOPWA assistance; and
2. For at least 3 years in the case of assistance involving non-substantial rehabilitation or repair of a building or structure.

Signature

Date

Executive Director, Oregon Housing & Community Services

Title

Appendix to Certifications

Instructions Concerning Lobbying and Drug-free Workplace Requirements

A. Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

B. Drug-Free Workplace Certification

1. By signing and/or submitting this application or grant agreement, the grantee is providing the certification.
2. The certification is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, HUD, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.
3. For grantees other than individuals, Alternate I applies. (This is the information to which jurisdictions certify.)
4. For grantees that are individuals, Alternate II applies. (Not applicable to jurisdictions.)
5. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.
6. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio stations).
7. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see paragraph five).
8. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance (Street address, city, county, state, zip code):

Oregon Housing and Community Services
1600 State St
Salem OR 97301

Oregon Economic and Community Development Dept.
775 Summer St NE
Salem OR 97301-1280

Check ___ if there are workplaces on file that are not identified here; the certification with regard to the drug-free workplace required by 24 CFR part 24, subpart F.

9. Definitions of terms in the Nonprocurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules:

State of Oregon Consolidated Plan 2001-2005

"Controlled substance" means a controlled substance in Schedules I through V of the Controlled Substances Act (21 USC 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15);

"Conviction" means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes;

"Criminal drug statute" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance;

"Employee" means the employee of a grantee directly engaged in the performance of work under a grant, including: (i) All "direct charge" employees; (ii) all "indirect charge" employees unless their impact or involvement is insignificant to the performance of the grant; and (iii) temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are not on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of subrecipients or subcontractors in covered workplaces).



MONITORING

SECTION 7

Section 7: Monitoring Requirements

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SECTION 7: MONITORING REQUIREMENTS

Monitoring Standards and Procedures

Introduction

The purpose of this chapter is to describe the policies and procedures that are used in Oregon to monitor activities carried out under the Consolidated Plan and to ensure long-term compliance with requirements for the CDBG, ESG, and HOME programs.

Monitoring is an ongoing process involving continuous grantee communication and evaluation. The process involves frequent telephone contacts, written correspondence, analysis of performance reports and audits, and periodic on-site visits. These processes occur differently for each of the programs discussed.

Oregon Community Development Block Grant Program Monitoring

Every Community Development Block Grant project is monitored at least once by the State of Oregon before administrative closeout. The monitoring reviews the grant recipient's performance in administering the project in compliance with state and federal regulations to ensure federal funds are being managed properly and to document the effectiveness of the program.

Most projects, except Public Works Planning and Engineering grants, will be monitored on-site. The decision to monitor on-site versus a desk top review is based upon several risk factors, such as: program complexity, local grant administration capacity, recent problems with the project, past monitoring findings and projects with high risk activities. High-risk activities include projects that generate large amounts of program income, housing rehabilitation projects and projects that are far behind schedule.

The state has developed a monitoring checklist that enable staff to consistently monitor projects. Monitoring, whether on-site or desk top, are scheduled to coincide with various phases of the implementation of the project. After the monitoring is complete, a letter is sent to the recipient, outlining any areas of concern or findings that need to be addressed. Areas where the recipient has also done well are also noted. Findings are where the recipient is not in compliance with federal laws, regulations or a specific condition of the grant contract. Failure to respond to a finding will result in sanctions. Concerns are not a violation of federal law, but are areas that could be improved prior to a problem occurring.

Final drawdowns from the grant are generally not approved until the monitoring has been completed and all findings are resolved.

HOME Program Monitoring

Monitoring of rental housing developments by the OHCS is an ongoing process involving continuous communication and evaluation. The process involves telephone conversations, written correspondence, analysis of reports and periodic on-site visits. The monitoring is completed by the Housing Resources Section until the project is completed. The file is then transferred to the Asset and Property Management Section (APM). It is APM's responsibility to:

- Perform annual file reviews and on-site visits as needed to ensure that the owner and/or property management firm is operating the project in compliance with applicable rules, regulations, and policies.
- The areas to be reviewed for compliance include:
 1. Tenant qualification, income calculations and appropriate supporting documentation
 2. The gross rent (Rent plus the tenant-paid utility allowance)
 3. The vacancy history of both low-income and market-rate units and the marketing strategies used to fill the vacancies
 4. Items agreed to in the HOME Grant Agreement, HOME Land Use Declaration of Restrictive Covenants and other applicable documentation
 5. Project characteristics attested to in the initial application for which ranking points were awarded.
- Provide technical assistance to the sponsors, owners, and management agents when indicated or requested to ensure compliance with program requirements.
- Report instances of noncompliance, when appropriate, to HUD or the OHCS Finance Committee after giving the owner appropriate time to correct the problem.
- Maintain the information used to complete the compliance review for five years after the calendar year in which it was received.

The Department performs on-site inspection of all HOME projects at least through the end of the period of affordability.

Emergency Shelter Grant Program Monitoring

Service providers receiving an ESG grant are monitored at least once annually. A closeout monitoring process is also followed prior to drawing down the last ten percent of grant funds. This process consists of an on-site visit during which the applicable files, programs and processes are reviewed. Areas examined include organization, conflicts of interest, insurance coverage, nondiscrimination and drug-free workplace policies, project activities and timelines, financial management and matching funds, procurement

procedures, demographics, essential services, operations, homeless prevention and rehabilitation activities. A written finding is provided to each grantee identifying any areas of noncompliance and actions required to correct them. Prior to any further draw down of ESG funds, all findings must have been resolved satisfactorily. Failure to do so could also result in repayment of expended funds.



APPENDIX

Appendix Contents

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Repositories for the State of Oregon

State agencies, except the State Board of Higher Education, the Oregon Supreme Court, the Oregon Court of Appeals, and the Oregon Tax Court, are required to provide the State Library with copies of their public documents for distribution. The Oregon Revised Statutes defines "public document" as ".. informational matter produced for public distribution regardless of format, method of reproduction, source or copyright, originating in or produced with the imprint of, by the authority of or at the total or partial expense of any state agency. 'Public document' includes informational matter produced on computer diskettes, CD-ROMs, computer tapes or other electronic storage media." Two types of depository libraries are specified in Oregon Administrative Rules 543-70-000. Full depository library receive all public documents deposited with the State Library.

The Full Repository libraries are:

- Blue Mountain Community College Library
- Deschutes County Library
- Pierce Library, Eastern Oregon University
- Hillsboro Public Library
- Oregon Institute of Technology (Klamath Falls)
- Library of Congress
- Multnomah County Library
- Oregon State Library
- Valley Library, Oregon State University
- Branford P. Millar Library, Portland State University
- Southern Oregon University Library
- University of Oregon Library
- Western Oregon University Library

All repository libraries are required to make their Oregon documents accessible to the public free of charge. Full depositories must retain all depository documents for a minimum of five years, except that superseded publications may be replaced by the newer edition. Core depositories must retain all depository documents for a minimum of three years, except that superseded publications may be replaced by the newer edition.

As the official archive for Oregon public documents, the State Library will retain all titles permanently.

Appendix A

Mailing to Interested Parties

Mailing list available upon request to:

David McNamee
Oregon Housing and Community Services
PO Box 14508
Salem, OR 97309-0409

Appendix B

NOTICE OF PUBLIC HEARING STATE OF OREGON FIVE-YEAR CONSOLIDATED PLAN

The U.S. Department of Housing and Urban Development (HUD) requires that the State of Oregon, through the Oregon Housing and Community Services Department (OHCS), develop and submit a five-year Consolidated Plan (CP) by November 15, 2000. The CP discusses and analyzes housing and community development needs for the non-entitlement (or rural) portions of the State. The Plan also outlines the State's priorities and strategies for housing and community development. The CP is the document by which the State of Oregon receives federal funds through HUD. As a part of the CP development process, OHCS is making available a draft copy of the Plan and will hold Public Hearings to collect input on the five-year Plan.

A draft document is available at Official State Repositories, Community Action Agencies, and local congressional delegate offices. The Plan is also available for downloading or review at the Department's Web Site <http://www.hcs.state.or.us>. Public Hearing Schedule is also available at the Site.

Hearings will be held in accessible locations and auxiliary aids for persons with communications disabilities will be provided upon advance request. Please notify OHCS if such aids are required.

The Consolidated Plan is available beginning October 1, 2000 and this date marks the beginning of a 30-day public comment period which closes on October 30, 2000 at 5:00 PM. Written comments from individuals unable to attend formal hearings are welcome. Please address comments to David McNamee, OHCS, PO Box 14508, Salem, Oregon 97309-0409, (503) 986-2007.

Appendix C

PUBLIC HEARING and COMMENTS

On the proposed
2001 2005
Consolidated Plan for the State of Oregon
Astoria, Oregon

Opened by David McNamee, Manager of the Community Partners Unit, Community Resources Division, Oregon Housing and Community Services, on Friday, October 27, 2000, at 10AM at the NorthWest Oregon Housing Authority.

The Hearing was held for the purpose of obtaining public comment on the proposed 2001-2005 Consolidated Plan for the State of Oregon.

Persons interested in testifying were invited to bring their written comments to the hearing.

No comments were received.

Hearing closed at 12PM

Appendix D

PUBLIC HEARING and COMMENTS

On the proposed
2001 2005
Consolidated Plan for the State of Oregon
Eugene, Oregon

Opened by David McNamee, Manager of the Community Partners Unit, Community Resources Division, Oregon Housing and Community Services, on Tuesday, October 3, 2000 at 3PM, At the Eugene Hilton, Studio A.

The Hearing was held for the purpose of obtaining public comment on the proposed 2001-2005 Consolidated Plan for the State of Oregon.

Persons interested in testifying were invited to bring their written comments to the hearing.

No comments were received.

Hearing closed at 5PM

PUBLIC HEARING and COMMENTS

On the proposed
2001 2005
Consolidated Plan for the State of Oregon
Hermiston, Oregon

Opened by David McNamee, Manager of the Community Partners Unit, Community Resources Division, Oregon Housing and Community Services, on Thursday, October 5, 2000 at 10AM, at Housing Authority of Umatilla County.

The Hearing was held for the purpose of obtaining public comment on the proposed 2001-2005 Consolidated Plan for the State of Oregon.

Persons interested in testifying were invited to bring their written comments to the hearing.

No comments were received.

Hearing closed at 12PM

PUBLIC HEARING and COMMENTS

On the proposed
2001 2005
Consolidated Plan for the State of Oregon
North Bend, Oregon

Opened by David McNamee, Manager of the Community Partners Unit, Community Resources Division, Oregon Housing and Community Services, on Monday, October 9, 2000, at 10AM, at the Coos-Curry Housing Authority.

The Hearing was held for the purpose of obtaining public comment on the proposed 2001-2005 Consolidated Plan for the State of Oregon.

Persons interested in testifying were invited to bring their written comments to the hearing.

No comments were received.

Hearing closed at 12PM.

PUBLIC HEARING and COMMENTS

On the proposed
2001 2005
Consolidated Plan for the State of Oregon
Redmond, Oregon

Opened by David McNamee, Manager of the Community Partners Unit, Community Resources Division, Oregon Housing and Community Services, on Thursday, October 5, 2000 at 4PM at the Central Oregon Housing Authority.

The Hearing was held for the purpose of obtaining public comment on the proposed 2001-2005 Consolidated Plan for the State of Oregon.

Persons interested in testifying were invited to bring their written comments to the hearing.

No comments were received.

Hearing closed at 5PM.

PUBLIC HEARING and COMMENTS

On the proposed
2001 2005
Consolidated Plan for the State of Oregon
The Dalles, Oregon

Opened by David McNamee, Manager of the Community Partners Unit, Community Resources Division, Oregon Housing and Community Services, on Friday, October 27, 2000, at 4PM at Mid-Columbia Housing Authority.

The Hearing was held for the purpose of obtaining public comment on the proposed 2001-2005 Consolidated Plan for the State of Oregon.

Persons interested in testifying were invited to bring their written comments to the hearing.

No comments were received.

Hearing closed at 5PM

PUBLIC HEARING and COMMENTS

On the proposed
2001 2005
Consolidated Plan for the State of Oregon
Salem, Oregon

Opened by Mary Baker of Oregon Economic and Community Development Department at 1PM. The hearing was held at the Oregon Economic and Community Development Building in conference Room 201.

The Hearing was held for the purpose of obtaining public comment on the proposed 2001-2005 Consolidated Plan for the State of Oregon.

Persons interested in testifying were invited to bring their written comments to the hearing.

Oral comments were received and are attached.

Hearing closed at 3PM.

**COMMUNITY DEVELOPMENT BLOCK GRANT
PUBLIC HEARING AND COMMENTS
Received by October 30, 2000**

Housing Rehabilitation

COMMENT		RESPONSE
Hope that the timing of the availability of these transferred funds will not be pushed out a year because of lack of up-front planning for the implementation of these funds.	COCAAN	OHCS and OECD are working closely together to minimize the time necessary for OHCS to implement the program. OHCS intends to make 2001 application materials available by the end of the March which is consistent with the 2000 program.
The method of distribution does not provide enough detail about how the housing rehabilitation program will be run for next year. Will OHCS have to submit their plan for use of these funds out for comment period as well? If so when?	COCAAN MWVCOG Vanderlip & Associates	The submission of the Method of Distribution cannot be postponed. It is required at HUD by November 15, 2000 as part of the five-year Consolidated Plan. The 2001 Method of Distribution is almost identical to the 2000 Method of Distribution. The 2001 program will be operated in a similar manner as the 2000 program. However, OHCS will be working with or encouraging some nonprofit organizations and communities to setup a demonstration on regional centers. OHCS will not require regional housing centers in the first year but will work to setup demonstration models to not only utilize the CDBG resources but to leverage CDBG with other resources for enhanced activities.
Does OHCS have a schedule for producing application materials/procedures? If so when? Will there be an opportunity to comment?	COCAAN MWVCOG Vanderlip & Associates	
The proposed method of distribution does not set out a well defined program. Local governments do not have the flexibility to implement your program. My suggestion to postpone adoption, include stakeholders in a meaningful process and resolve the issues they bring to your attention. The other alternative, it seems, is for your department to script the entire program chapter and verse and forgo building local capacity. As it stands the proposed program is neither well defined nor well scripted.	Linn Co.	
It makes sense to allocate the "housing" funds from CDBG to Oregon's housing department, but more specific guidelines would be very much appreciated.	COCAAN MWVCOG Vanderlip & Associates Benton Co.	OHCS will provide information and meet with organizations on the regional housing center concept. Public comment is not a CDBG program requirement. However, should the application materials be substantially changed, then OHCS will take into consideration the request for public comment.
What is the regional housing centers concept?	Vanderlip & Associates	OHCS will develop application materials/procedures after January 1, 2001. Materials are expected to be similar to the 2000 application forms.

State of Oregon Consolidated Plan 2001-2005

<p>Is this transfer/allocation of funds to OHCS a demonstration or permanent allocation?</p>	<p>COCAAN</p>	<p>This is not a demonstration project. It is a 2-year agreement with the intent to renew permanently.</p>
<p>It may be difficult for some communities to get three or more participating entities to develop and contribute to a regional housing rehabilitation program. If a community cannot get two more additional communities to participate, it cannot apply for housing rehabilitation funds. This will stop some communities from receiving these funds. Open it up so if a single community wants to join an existing regional housing rehabilitation program is can apply for funds to do so without seeking/finding two other communities to apply/contribute to the effort also.</p>	<p>MWVCOG</p>	<p>A single community that wants to apply for a housing rehabilitation grant, and join an existing regional revolving loan fund, may do so. This option has been clarified in the Method of Distribution</p>
<p>Redefine housing rehabilitation to include new housing. For example, when its cheaper to demolish a home and replace it rather then rehabilitate it.</p>	<p>Bruce Kerr Housing Manager</p>	<p>Renewal and replacement of housing is considered new construction under CDBG regulations and is not an eligible CDBG rehabilitation activity.</p>
<p>Page 9 [CDBG 2001 Program Guidelines]: The language does not acknowledge the possibility of using public housing authorities, councils of governments or contractors to administer grants and operate the initial loan program. It only addresses the setup and management of a regional fund. Ideally, initial loans from grants should be able to be made with assistance of any of these entities. Loans could be made payable to, or notes could be transferred to, a qualified sub-recipient non-profit, thus creating flexible future funds from loan repayments. This approach would maximize opportunities to build local capacity by including more local partners. In contracts, excluding all but a designated sub-recipient narrows participation and does little to build local capacity.</p>	<p>Linn Co.</p>	<p>For loan repayments to be classified as “not program income,” the activity which generated the program income has to be eligible under HCDA 105(a)(15), which housing rehabilitation is, and has to be carried out by an entity eligible under 105(a)(15), a nonprofit organization as documented by the Internal Revenue Service. Program income must be paid back to that nonprofit which managed the housing rehabilitation program in order for the program income to be defederalized. If any other type of organization manages the program then the funds are not defederalized and all program income must be tracked and restricted in use. Grant administration may be contracted out to another entity.</p>
<p>Page 10 [CDBG 2001 Program Guidelines]: Administering the initial grant is not defined. Does the term include operating the initial loan program?</p>	<p>Linn Co.</p>	<p>Grant administration is not the same as managing the housing rehabilitation program therefore does not include these activities.</p>
<p>Page 10 [CDBG 2001 Program Guidelines]:- “Commitment from two or more other cities and/or counties to transfer all of their Community Development Block Grant funded loan portfolio’s to the fund created as result of the 2001 grant project. ” This substantially raises the bar for a commitment by cities and counties from “transfer at least a portion” to “transfer all” of their CDBG funded loan portfolios. I am not aware of any discussion between your department and the stakeholders on this point or on any of the proposed changes to this program for 2001.</p>	<p>Linn Co.</p>	<p>OHCS will on a case by case basis, if warranted, allow recipients to retain all of their loan portfolios, rather than transfer them to a nonprofit. Doing so will add program income tracking and monitoring requirements for the recipient on the portion of the loan portfolio maintained in the recipients ownership. This will be added to the Method of Distribution.</p>
<p>What are the federal requirements that must be met in order for loan repayments to be defederalized? To build local capacity and maintain as much flexibility as possible, can the federal definition be used in its entirety or are there other federal/state requirements that limit how it can be defederalized. Provide clarity on how this can happen.</p>	<p>Vanderlip & Associates</p>	<p>Except for Section 105(a)(15) of the Housing and Community Development Act, there are no other federal or state requirements that limit how these funds can be defederalized. Any nonprofit, as documented by the Internal Revenue Service, can be used to deferederalize the funds. This has been clarified in the Method of Distribution.</p>
<p>How is the maximum flexibility for regional loan funds achieved through the use of sub-recipient organizations?</p>	<p>Vanderlip &</p>	<p>Once the funds are defederalized through sub-recipient agreements, if used with a nonprofit organization, the funds</p>

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	Associates	can be used for anything by the nonprofit without the required federal program income tracking and monitoring requirements.
How does the department decide if there is local nonprofit capacity?	Vanderlip & Associates	Local capacity will be based upon several measures including but not limited to experience of nonprofit and staff to undertake similar activities, past performance, readiness to proceed , etc.
The Interagency Agreement states that OECDD will subgrant \$3,000,000 annually to OHCS until the agreement expires or is terminated. Does this mean that there will be no opportunity for public review and comment for future allocations of CDBG funds for housing rehabilitation?	Vanderlip & Associates	Comments can always be received on the amount allocated to housing rehabilitation through the annual public comment process for each years proposed Method of Distribution. Demonstration of a need to increase or decrease resources would be taken under advisement and when necessary the Interagency Agreement could be amended.
My only concern with combining these funds would be to consolidate reporting, to minimize the paperwork burden on staff at state and local levels.	Benton Co.	OHCS and OECDD are working to streamline the reporting paperwork for local recipients and the state.

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Brownfields

COMMENT	RESPONSE	
As written the eligible activities do not include "remediation, mitigation or clean-up of any toxic materials or substances." If the intent is that funding should be sought from other sources, perhaps this should be clarified.	Umatilla	Environmental actions, which include cleanup, remediation etc., were added to the list of eligible activities in the Method of Distribution.
The brownfield description excludes hazardous waste remediation, a critical final task of making an industrial site ready for occupancy. Please reword your criteria to include funding of remediation.	Oakridge	
Brownfield Clearance is important to rural communities, many with sites of long-closed mills that have been donated to the community to be marketed for a new industry. The problem is communities do not have the resources to clean up a site.	Vale	
Cleanup is typically the most difficult part of a brownfield remediation project to find funding for, and presents the greatest obstacle for rural and distressed communities. I strongly urge you to add cleanup to the list of allowable activities.	GEODC	
Through the guidelines, CDBG should encourage local applicants and DEQ to forge brownfield assessment and/or remediation strategies that are able to be implemented at the local government capacity level, and be willing to fund either both assessment and remediation activities under an approved strategy.	Umatilla Co.	
Encouraged/pleased about the inclusion of brownfield redevelopment.	GEODC OECDD - Regulatory Home Room	No action necessary, leave as proposed.
I am not certain why there is an "and/or" language associated with eligibility for this type pf project. Are there any distressed communities which are not low- to moderate-income? This language seems redundant and confusing.	GEODC	The criteria for a community to be listed on the distressed area list or primarily low- and moderate-income in nature has been deleted.
The limitation that a block grant can only be used under the Brownfield section by communities listed on the distressed area list and/or primarily low- and moderate-income in nature should be removed.	OECDD - Regulatory Home Room	
The proposed guidelines limit eligibility to communities listed on the distressed area list or are primarily low- and moderate-income in nature. There is no consistent relationship between the two criteria and the need to resolve a brownfield hazard. Rather brownfield assistance ought to be recognized under the slum and blight national objective.	Umatilla Co.	
The proposed language for the brownfield eligible project is confusing and a suggested alternative is: "Brownfield sites located in communities that are listed on the departments distressed area list and/or primarily low- and moderate-income in nature are eligible. Eligible activities include the removal of structures, fuel storage tanks and distribution systems, site assessments, and cleanup activities, including removal and proper	DEQ	This issue has been clarified in the Method of Distribution.

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disposal of tank contents and impacted soil and water.”		
Cleanup is a critical need and past experience with brownfield sites indicate cleanup activities will generally consist of a relatively small portion of the total CDBG. By conducting site assessments prior to the request for a CDBG. Cleanup activities can be estimated as part of the application.	DEQ OECDD - Regulatory Home Room	Cost estimates prepared by a certified professional such as a registered geologist or professional engineer will have to be provided with any application to conduct environmental actions such as cleanup or remediation.
Communities should be able to pursue a block grant in the amount of \$600,000 for environmental actions including site assessments, feasibility studies, remediation plans and clean-up in either of the two following situations: 1) the community is on the distressed area list or primarily low- and moderate-income in nature and, 2) the brownfield is to be redeveloped into one of the facilities listed under the \$600,000 community facilities section. If neither of these apply then any non-entitlement community should be able to qualify for a \$300,000 grant.	OECDD - Regulatory Home Room	The maximum grant will remain at \$300,000. If demand for this resource exceeds the amount of funds available and if the documented project costs warrant it, this will be reconsidered in the 2002 program year.
The redevelopment of brownfield sites should be allowed under both categories (\$300,000 and \$600,000) given the end uses are the very facilities currently listed under the \$600,000 category.	DEQ	
Any reference to “toxic materials substances” should be changed to hazardous substance (ORS465.200) to be consistent with Oregon Statute.	DEQ OECDD - Regulatory Home Room	This has been clarified in the Method of Distribution.
Page 7 - The brownfield section should be renamed “brownfield redevelopment”	OECDD - Regulatory Home Room	This has been added to the Method of Distribution.
To address concerns that cleanup will be too costly is to cap the whole amount that can be used for environmental actions. I think a cap should be \$1,500,000 that would include environmental actions funded through either the downtown revitalization or brownfield redevelopment sections. So the cap would be for environmental actions under the Community Facility priority. For added security you could require that if a block grant is going to fund cleanup, that some kind of DEQ oversight is required, like entering the site into voluntary cleanup program. The language could be changed, for example: Eligible activities include environmental actions which include but are not limited to, site investigation, site sampling, site characterization, feasibility studies, remediation plans, demolition or clearance, tank decommissioning, mitigation remediation, cleanup or removal of environmental contamination consistent with state cleanup law.”	OECDD - Regulatory Home Room	The cap was added to the Method of Distribution and the section has been modified accordingly.
The continued funding for brownfield projects is also vital to small communities in Oregon.	USDA, RD	No action necessary, leave as proposed.
Clarify the scope of clearance. Does it mean physical removal and clearing only as defined in the CDBG guidelines? However, clearance is often used to describe the process of getting a clear title, free of liens and liabilities, or obtaining a “No Further Action” clearance from the regulatory agency.	OECDD - Valley	This has been clarified in the Method of Distribution to be consistent with HUD’s definition of clearance.
We support the exclusion of remediation, mitigation or cleanup activities. Leave cleanup to other funding sources. Remediation contracts would require a special set of conditions which would need to be approved by	OECDD - Valley	Environmental Actions have been included on the Method of Distribution. The scope of work in the application and approved department can be used in the contract. But a

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the AG.		boilerplate contract will need AG review/approval.
Site must be enrolled in DEQ voluntary cleanup program, and must have site characterizations approved by the regulatory agency, add maximum cleanup project not to exceed \$300,000. Develop better language here.	OECD - Regulatory Home Room	Projects for environmental actions must be enrolled in some program, or other program approved by the Department of Environmental Quality. The Method of Distribution has been clarified.

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Community Facilities

COMMENT	RESPONSE	
Add a sentence or two about how sidewalks can be funded with these funds.	ODOT	This has been added/clarified in the Method of Distribution.
Do not like the 10% match requirement, too restrictive for smaller communities. Why was it proposed and can it be changed?	AOC/LOC Vale Lincoln Co.	The local match requirement has been reduced to 5% and expanded to include loans/debt financing.
We support the 10% match requirement for community facility projects. However, the community should have a longer period of time to obtain the 10% match and that documentation of bank balances should not be required at the time of application.	GEODC	
The category of eligible projects listed on Page 7 should include senior assisted-living facilities.	Oakridge	HUD considers these facilities as permanent housing and not eligible for new construction. Community facilities are to provide temporary housing. Therefore these facilities are not eligible for funding.
Our community is in full support of the addition of libraries and fire stations to the eligible activities.	Vale Wallowa	No action necessary, leave as proposed.
The change in threshold requirements requiring that the project be in the top ten projects of the community needs and issues priority is appropriate.	Vale AOC/LOC	No action necessary, leave as proposed.
Some counties' Needs and Issues Priority Lists will be generated in each of three categories (Community Facilities, Infrastructure and Community Readiness) and there may not be a single county list. We would like to see the section clarify that the project must be listed in the top ten of the Community Facilities list, for those communities that have separate lists and that the project be prioritized in the top ten at either the city or county level.	GEODC	Projects must be listed in the top ten projects on the Needs and Issues Priority list to qualify for funding.
It is unclear that environmental actions such as site assessments and cleanups are still eligible activities under the downtown revitalization section. This needs to be added for clarity.	OECD Regulatory Home Room	This has been clarified in the Method of Distribution.
Please keep libraries on the guidelines list	Carol Doty of Bandon	No action necessary, leave as proposed.
The listing of Libraries is especially important.	Benton Co. OECD- Valley	No action necessary, leave as proposed.
I am assuming that the "top ten on the Needs and Issus list" is a development from the governing body's required one public hearing. I can find little detail that would guide a local government through the process, or assistance with criteria to determine priorities. There is also no financial assistance available to initiate this process that replaces the former CERT priorities.	Lincoln Co.	No, this is not as result of the communities one public hearing. The local priorities are to be developed by the local entity and not the state. Cascades West Council of Governments has received funding from the department to coordinate construction of the county wide priority list that replaces the former CERT priority list. More information is available at http://www.econ.state.or.us/needs-issues.htm

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The application threshold requirements proposed, top ten on needs and issues list and 10% local match will help demonstrate that the organization has the capacity to provide some funding from non-CDBG sources and has local community support.	USDA, RD OECD - Eastern	The local match requirement has been reduced to 5% and expanded to include loans/debt financing. All projects must be in the top 10 on the Needs and Issues Priority list.
Do not require the projects to be on te top 10 of the Needs and issues list for 2001, but require that the project is simply on the list.	OECD valley	The threshold criteria will remain. All projects must be on the top ten of the Needs and Issues Priority List.
I do not like the inclusion of libraries and fire stations on the list of eligible projects.	OECD - Eastern	Numerous supporting comments were received for the inclusion of libraries and fire stations. These activities will remain in the Method of Distribution.
Libraries should only be allowed up to \$300,000 grant. They are not life threatening or serving an urgent need.	OECD - Southwest	Libraries were reduced to a maximum grant of \$300,000.
Why can't loans be considered match?	OECD - Central	The definition of local match was expanded to include loan/debt financing.

Off-Site Infrastructure for New Affordable Rental Housing

COMMENT

RESPONSE

Why was this category not transferred to Oregon Housing and Community Services Department, when the housing rehabilitation category was?	COCAAN	Because this category deal with the publicly owned off-site infrastructure and is managed like the public works projects. This category does not fund housing activities.
Consideration be given to allow these funds to be available to affordable single family home ownership development with income-qualifying controls for the program for a requisite time period.	Linn Co. Affordable Housing	This has been added to the Method of Distribution.
I support the increase in the grant amount from \$150,000 to \$225,000.	Benton Co. Lincoln Co.	No action necessary, leave as proposed.

Public Works

COMMENT

RESPONSE

Program eligibility (at a minimum) should be expanded to include water supply and storage, storm drainage and flood control issues as well. Ideally eligibility should include any publicly owned infrastructure project needed to protect the public health/safety or eliminate a serious threat to low- and moderate-income residents.	MWVCOG	Most projects needed for water supply and storage improvements are primarily needed for growth related purposes and are not eligible for funding. The storm water regulations are being developed and implemented
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		by the Department of Environmental Quality . The department will re-consider adding storm water projects in the list of eligible activities in 2002. No changes will be made to the list of eligible activities for 2001.
I support the extending of the planning and final engineering to 24 months.	Lincoln Co.	No action necessary, leave as proposed.
The 1.75% of median household income policy is a positive way to keep the smallest and poorest communities from paying high user rates.	USDA, RD	No action necessary, leave as proposed.
The proposed modification to allow applicants to combine design and construction activities into one application, eliminating one set of application documents, is especially helpful to the small communities. I would however, recommend that the design award not be made until the construction funding package is completely in place.	USDA, RD	Contracts with recipients for design and construction (design/build) projects will have a contract condition that will prohibit the Department from releasing construction funds until the recipient as provided evidence that all funding necessary to complete the construction project has been secured.
I would suggest that you use the Needs and Issues Priority List for funding infrastructure projects as well as community facilities. These projects should not be subject to the 10% local match because all the projects regulatory issues with compliance time frames. This would allow coordination with local priorities and consistent with the Community Solutions team concept or dealing with overall problems.	USDA, RD	This has been added to the Method of Distribution to be consistent amongst all categories. All projects will have a threshold criteria of being listed in the top 10 projects in the Needs and Issues Priority list.
I would suggest the inclusion of OWRD water management/conservation planning requirements as an eligible activity, if required by OWRD to develop one.	OECD - Northwest	This has been added to the Method of Distribution.
Increase the grant for public works from \$750,000 to \$1,000,000.	OECD - Southwest	This was not modified, but will be re-evaluated for 2002.

Administrative (Other)

COMMENT

RESPONSE

Page 29, Project Period: Change wording from “All grants must be completed within two years from the date the contract is executed...” to “All grants must be administratively closed within two years from the date the contract is executed...”	HUD	This has been clarified in the Method of Distribution.
The method of Distribution needs to identify how CDBG 1% funds are going to be spent.	HUD	A section to the Method of Distribution has been added.
I support the increase in project periods to 24 months and 36 months.	Benton Co.	No action necessary, leave as proposed.
The three open grant limit rule is in place for very good reasons as it relates to the capacity of the jurisdiction to handle projects. Many smaller jurisdictions that access these funds almost always have a maximum number of active, open grants disallowing grant access to the CDC or housing developer. I encourage OECD to consider allowing the “Affordable Housing Infrastructure” application to be available outside the maximum number of grants for a jurisdiction in cases where the CDC does all the grant work. I would ask that this be tested for a period of time, to see if in fact, funds become more accessible to qualifying applicants and if it presents any capacity problems to local jurisdictions.	Linn Co. Affordable Housing	This will not be allowed. Regardless of who the recipient hires to administer the grant the recipient is responsible for the funds and must have the administrative capacity to handle projects. If a recipient has three open grants they need to resolve the reasons/issues why they are open and correct the situation. The state is monitored by HUD for timely distribution of funds and completion of federal fiscal year grants. The three open grant rule helps the state maintain compliance with HUD requirements.

Summary of Acronyms

AOC	Association of Oregon Counties	HUD	U.S. Department of Housing & Urban Development
COCAAN	Central Oregon Community Action Agency Network	LOC	League of Oregon Cities
DEQ	Department of Environmental Quality	OECD	Oregon Economic and Community Development Department
GEODC	Greater Eastern Oregon Development Corporation	OWRD	Oregon Water Resources Department
HCDA	Housing and Community Development Act	USDA, RD	U.S. Dept. of Agriculture, Rural Development