



## Oregon Housing and Community Services



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Date: May 22, 2009  
To: Employees and Partners of Oregon Housing and  
Community Services  
From: Victor Merced  
Re: Director's Bulletin – Legislative Co-Chairs' Budget,  
CFC Status, Neighborhood Stabilization Fund,  
Habitat Volunteer Day, Flu Prevention

Scrutiny by Ways and Means of the Oregon Housing and Community services budget for 2009-11 is underway. And the department cannot make reliable conclusions about the budget at this stage in the process.

However, it is understandable that OHCS partners wish to know the details. Your calls have been duly noted.

At this writing, we anticipate the Ways and Means Committee's final deliberation on the OHCS budget to be held in the next few weeks.

**Co-chairs' budget.** The budget at issue is that of the Ways and Means co-chairs. Co-chairs Sen. Margaret Carter of Portland and Rep. Peter Buckley of Ashland have set the parameters for the coming discussion.

Their budget becomes the working document. It deals with the state's general fund and lottery fund, for the remainder of the legislative session. Still, the governor's recommended budget (GRB) remains the basis for the remaining \$1.9 billion that comprises the total OHCS budget. The GRB includes \$19.1 million in lottery-backed bonds for preservation of rent-subsidized housing developments and manufactured dwelling communities.

The co-chairs' budget for OHCS cuts our department's general fund by 20 percent from the essential budget level. This general fund cut, which, please understand, is preliminary, does the following:

- Eliminates all general fund (more than \$842,000) for the Homeownership Assistance Program, which supports first-time homebuyer down-payment assistance, homebuyer education, and the regional housing centers.
- Still homeownership programs would receive a projected \$2.1 million from the Housing Opportunity Bill, often called the Document Recording Fee.
- Reduces by \$1.6 million the Emergency Housing assistance, which helps Oregonians at risk of becoming homeless. That would be replaced by \$1.5 million from the Housing Opportunity Bill.
- Reduces the Homelessness Assistance Program by more than \$170,000, or about 6 percent.



The time will come soon enough that we will have a final budget for the coming biennium.

**Consolidated Funding Cycle.** The 17 multi-unit housing projects receiving “initial” approval in the spring CFC round were revealed to sponsors this morning. There were 38 applications.

Of the 17 awarded, the nine projects with grants or loans over \$100,000 will be presented for consideration to the State Housing Council at its June 5 meeting in Salem.

**NSP1 RFP and grants.** Neighborhood Stabilization Plan 1 is a step closer to implementation in Oregon. It’s the federal program to fund the purchase of bank-owned foreclosed properties under last year’s Housing and Economic Recovery Act.

Grant agreements totaling some \$11.4 million have been sent to guaranteed subrecipients in the entitlement areas of Oregon where foreclosure blight is greatest. ([See NSP Substantial Amendment, page 7](#))

And a [request for proposals](#) has been delivered to OHCS partners throughout the state where approximately \$4 million in NSP1 funds will be spent to end foreclosure blight.

OHCS is working with affected communities to apply for the competitive NSP2 money. It authorizes foreclosure blight relief under the American Recovery and Reinvestment Act of 2009 (ARRA).

**Habitat volunteer day.** Many OHCS employees are volunteering to swing their hammers on the afternoon of Wednesday, May 27, in Salem. They are doing so to help a family have housing and to commemorate Oregon’s 150<sup>th</sup> birthday.



OHCS employees contributing to construction of this Habitat for Humanity project will be putting the department on the map to honor the state's proud history. Expect more on this story in coming editions.

**Flu prevention.** Troubling stories of killer swine flu have abated but this is no time to be complacent. Please take precautions recommended by health professionals.

Our colleagues at the Department of Human Resources have done an enormous amount of outreach to prevent the spread of flu. Tap into their collected information at the [H1N1 site](#). Or go to the federal governments' [pandemic flu home page](#).

*All life is an experiment. The more experiments you make the better.*

~ Ralph Waldo Emerson

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