

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2004 - 7

81st Oregon Legislative Assembly – 2021 Regular Session
Legislative Fiscal Office*Only Impacts on Original or Engrossed
Versions are Considered Official*Prepared by: Kim To
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Date: March 10, 2021**Measure Description:**

Appropriates funds to Housing and Community Services Department to award grants and provide technical assistance for emergency shelters. Appropriates funds to Department Administrative Services to distribute to cities and counties to develop navigation centers.

Government Unit(s) Affected:

Housing and Community Services Department (HCSD), Department of Administrative Services (DAS), counties, cities

Summary of Fiscal Impact:

Costs related to the measure may require budgetary action - See analysis.

Summary of Expenditure Impact - Housing and Community Services Department (HCSD):

	2021-23 Biennium	2023-25 Biennium
General Fund		
Personal Services	951,645	
Services and Supplies	289,169	
Special Payments	27,759,186	
Total General Fund	\$29,000,000	
Other Funds		
Personal Services		969,749
Services and Supplies		276,600
Special Payments		16,450,975
Total Other Funds		\$17,697,324
TOTAL FUNDS		\$17,697,324
Positions	6	5
FTE	4.92	5.00

Summary of Expenditure Impact - Department of Administrative Services (DAS):

	2021-23 Biennium	2023-25 Biennium
General Fund		
Special Payments	18,000,000	
Total General Fund	\$18,000,000	

Analysis:

HB 2004 with the -7 amendment provides funds for purposes specified in HB 2006. The measure appropriates a total of \$ 47.0 million General Fund as follows:

- \$27.0 million to the Housing and Community Services Department (HCSD) for deposit into the Housing and Community Services Department Revolving Account to award grants to organizations to fund the construction, purchase, lease, or operation of emergency shelters as directed in HB 2006.
- \$2.0 million to the HCSD for deposit into the Housing and Community Services Department Revolving Account to provide technical assistants to local entities in the construction, purchase, lease, or operation of emergency shelters as specified in HB 2006.

- \$1.5 million to the Department of Administrative Services (DAS) to pass through to the City of McMinnville for a navigation center.
- \$1.5 million to DAS to pass through to the City of Roseburg for a navigation center.
- \$2.5 million to DAS to pass through to the City of Bend for a navigation center.
- \$2.5 million to DAS to pass through to the City of Medford for a navigation center.
- \$5.0 million to DAS to pass through to the City of Salem for a navigation center.
- \$5.0 million to DAS to pass through to Lane County for a navigation center.

Housing and Community Services Department (HCSD)

HCSD estimates the fiscal impact of this measure to be \$29 million General Fund, 6 limited duration positions, and 4.92 FTE for the 2021-23 biennium. HCSD anticipates awarding approximately \$27,759,186 in funds through a competitive process. HCSD anticipates making 12 awards across the state that would be a mix of shelter acquisition, shelter operations, and other services. HCSD estimates the cost to administer this grant program and offer technical assistance to eligible local entities to be \$1,240,814 General Fund. This amount reflects personal services and related services and supplies for six limited duration positions, several of which may need to be requested in the 2023-25 as workload and funding allow:

- One Program Analyst 3 position to oversee requirements for developing the facilities and shelter operations. This position will develop the competitive process, lead the scoring committee, and oversee the awards.
- One Compliance Specialist 3 position for program oversight including monitoring program compliance at existing shelters, performing site visits during construction, and monitoring program operations when new facilities are placed in service.
- One Loan Specialist 3 position to manage construction, purchase, or other real estate transactions in alignment with other HCSD housing development programs.
- One Procurement and Contracts Specialist 2 position to manage procurement related to technical assistance and amenities development.
- One Accountant 1 position to process award payments to new partners. This position will also manage grant reporting, reconciliations, and train new partners on HCSD processes.
- One Program Analyst 3 position to provide direct technical assistance to local entities.

The grants to local entities are expected to be fully committed in the 2021-23 biennium, but HCSD anticipates that some of the purposes will require a longer timeline to fully expend. Approximately \$17,697,324 may rollover as Other Funds to the 2023-25 biennium to honor commitments for construction and real estate transactions, rental assistance agreements that cross biennia, operating agreements with emergency shelters, and agency administrative expenses related to oversight.

Department of Administrative Services (DAS)

DAS will use existing staff and resources to administer any available funding to award grants to local government and require that each local government receiving a grant must return all moneys granted if it cannot develop an emergency shelter that is operating by July 1, 2022.

Cities, Counties

Local governments may experience a fiscal impact depending on whether an emergency shelter allowed under this measure is established in their jurisdiction, whether other assistance is provided, and whether additional public safety responses are required, but any such potential impact is indeterminate at this time. Lane County and the cities of McMinnville, Roseburg, Bend, Medford, and Salem will experience an impact in the amount of funds allocated to each city to establish navigation centers.