

## Legislative Fiscal Office

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## Joint Committee on Ways and Means

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**To:** Transportation and Economic Development Subcommittee

**From:** Michelle Deister, Legislative Fiscal Office

**Date:** June 3, 2021

**Subject:** HB 2004 – Relating to Housing  
Work Session Recommendations

HB 2004 Relates to housing and includes an emergency clause. The proposed amendment replaces the introduced version, and provides for \$9.7 million to the Department of Administrative Services in the current biennium, which will provide the funds under contract with the Oregon Community Foundation for shelter acquisition through the Project Turnkey program.

In 2020, the Legislature allocated \$65 million General Fund for the purpose of acquiring motels and hotels for use as non-congregate shelter for people experiencing or at risk of homelessness. The Oregon Community Foundation has administered the funding under contract with the Department of Administrative Services, conducting and application and selection process with guidance from an advisory committee consisting of stakeholders at the state and local level.

Project awards to date are as follows:

- The \$30 million that was designated for shelter opportunities in counties or tribal communities impacted by the 2020 wildfires has been fully allocated, resulting in the funding of seven projects for a total of 388 units in six counties.
- Another \$35 million designated for shelter opportunities in remaining areas of the state. \$31.2 million has been allocated to date.

Demand for the remaining \$3.8 million is oversubscribed, with four remaining potential projects in due diligence, in Deschutes, Multnomah, Malheur and Yamhill counties. Another \$9.7 million is needed to allow these remaining projects -- which could add a combined total of 132 units of shelter, to go forward.

Funds would need to be received from DAS no later than June 21, 2021 to successfully close on these properties to enable commitments and closing prior to the end of the 2019-21 biennium.

### Recommended Changes

The -A8 amendment appropriates \$9.7 million General Fund for the current biennium to the Department of Administrative Services for distribution to the Oregon Community Foundation for grants to be used for acquisition, retrofitting and operation of emergency shelters throughout the state. Section 2 of the amendment requires a report to the Legislature by September 15, 2022 on the grants provided.

LFO recommends adoption of the -A8 amendment.

**Final Subcommittee Action**

LFO recommends that HB 2004, as amended by the -A8 amendment, to be moved to the Ways and Means Full Committee.

**Carriers**

Full Committee: \_\_\_\_\_

House Floor: \_\_\_\_\_

Senate Floor: \_\_\_\_\_