



Why is OHCS Disinvesting in Existing Programs During a Pandemic? Oppose House Bill 2100 - Protect Local, Community Based Solutions

In the midst of the COVID-19 pandemic, Oregon Housing & Community Services (OHCS) is pursuing controversial legislation that attempts to significantly alter Oregon's homeless services system. While we share the goal of strengthening access to capacity and services for culturally responsive and culturally specific organizations, legislation that disinvests in existing programs and local solutions is the wrong answer. A pandemic is not the time for a state agency to start to dismantle a local service delivery system that is effectively helping vulnerable families. If given the chance, we are committed to working with legislators and stakeholders to find a consensus solution that accomplishes shared goals; while preserves existing homeless services, local control and long-term infrastructure planning. Our network believes that now is the time to invest in homeless services, and expand our collective capacity, not the time to disinvest.

House Bill 2100 Disinvests in Local Solutions

This proposal will lead to a 20% reduction in existing local services and would divert any future funding for EHA/SHAP above 2021-23 Current Service Levels away from our local network to an unproven statewide allocation process through OHCS. Populations we are currently serving have a high number of people with disabilities (mental, emotional, physical, and those with substance use disorders) as well as an uncounted number of members of LGBTQIA+ and BIPOC communities, all who have experienced historic disinvestment. Under this proposal, all of these populations are at risk of losing services.

House Bill 2100 Threatens Long-Term Planning

Without stable, secure funding through EHA/SHAP, long-term planning will be impacted. A decline in financial commitment will make it more challenging to secure long-term investments, negatively affecting our ability to expand infrastructure, a critical element to addressing the homeless crisis. The proposed reduction in existing funding will also impact our ability to leverage additional federal funds that require matching state funding. Since this proposal was shared, we have seen at least one project fall through the cracks, due to concerns about long-term operating costs, which would have transitioned 68 hotel rooms into safe, secure housing for unsheltered community members in Salem. The ability to operate shelters in the future will be at risk without dedicated funding.

House Bill 2100 Places Local Partnerships at Risk

Our work to alleviate poverty and provide shelter extends far beyond 18 local community action agencies. Throughout local communities, we partner with more than 1,000 non-profit and for-profit organizations, faith-based organizations, school districts, and culturally specific and responsive organizations. Innovative local partnerships are taking place in urban and rural communities. A competitive statewide process will not build collaborative, local partnerships, it will disinvest in collaborative partnerships designed by local communities to address homelessness.

House Bill 2100 Eliminates Local Funding Input

This proposal eliminates local input in the funding distribution formula. It replaces the current structure of a statewide funding formula being negotiated between communities and OHCS—a built-in check and balance—with a top-down allocation structure determined by OHCS and the Housing Stability Council at their sole discretion. This fails to align with the goal of inclusion and has the potential to further a rural/urban divide. To ensure fair allocation of state resources, there needs to be geographic representation and input to address Oregon’s housing/homeless needs.

House Bill 2100 Will Lead to Funding Delays

In August, our network reached a one-time compromise with OHCS, regarding the distribution of Emergency Solutions Grants (ESG). The goal was to increase capacity to get emergency rental assistance out in the midst of a crisis. In collaboration with local partners, approximately \$7 million in assistance has been rapidly deployed through community action agencies to help with winter sheltering needs. In contrast, OHCS received \$42 million in October that is currently still tied up in a bureaucratic, competitive grant process. While applications are currently being evaluated, there is still no clear timeline of when these emergency funds will actually be available to help those in need - six months later and counting.

OHCS Lacks Capacity in this Pandemic

In a recent Technical Advisory on the Landlord Compensation Fund Program, OHCS shared:

“The enthusiastic response to the program opening is outpacing our staff capacity to respond to system and programmatic questions. We are working to quickly add additional Customer Service and System Support capacity needed to meet the level of interest along with being able to better support the needs of those applicants that require special accommodation and a higher level of assistance to navigate the application process.” – February 22, 2021

These are challenging times and with the eviction moratorium set to expire, they are only going to get tougher. Instead of designing a new statewide service delivery model within OHCS, we should be working together to meet the needs of Oregonians whose lives have been turned upside down.

A Failure in Transparency

In designing the first major statutory modernization for Oregon’s homeless services system in more than 30 years, OHCS failed to consult with community action agencies as statutorily required. On December 28, 2020 our network learned that OHCS was proposing to disinvest in homeless solutions currently being provided by community action agencies. In designing this proposal behind the scenes, OHCS never attempted to collaborate and understand the impact this would have on the existing services our network provides for homeless populations. While OHCS listened to feedback on this proposal from our network in January, they have been driving towards a pre-determined outcome, unwilling to make any meaningful changes. As partners, we deserve better.