

OREGON HOUSING AND COMMUNITY SERVICES

Housing Stabilization Division POPs 501-503



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Transportation and Economic Development

Presentation Overview

- Maintenance of Effort (MoE) analysis
- POP 501: Maintaining Shelter Operations
 - Shelter Workgroup and HB 3644
- POP 502: Sustaining Rehousing Unsheltered Households
- POP 503 – Sustaining Long Term Rental Assistance
- Supporting a cohesive homelessness response system

Maintenance of Effort

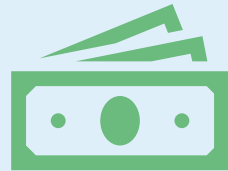
Maintenance of Effort- Not Losing Ground



Significant progress toward ending and preventing homelessness in 23/35



2025/27 goal is to sustain gains and not lose ground



Needed a process to analyze costs and included input from grantee agencies



Developed the Maintenance of Effort (MoE) tool and methodology

Maintenance of Effort Budget Analysis Tool

- Budget analysis templates sent to all 2023/25 grantees that included:
 - Historic funding levels and corresponding goals as basis of 25-27 projections
 - Projections per cost category to maintain level of operations, staffing, services, admin, etc.
 - Qualitative narrative on regional impacts if cost projections not received
 - Cost drivers, depreciation, and client's levels of need

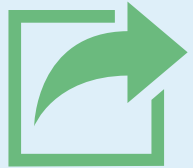
Maintenance of Effort Agency Analysis

- Compared existing grant costs, eliminated costs of new or expanded needs
- Analyzed 23/25 costs and projected inflation: staffing (6.8%) and services and materials (4.2%)- based on DAS CFO, and LFO inflation estimates
- Key cost drivers identified:
 - Insurance increases for non-profits, especially shelter operators
 - Utility costs up 25% increases in some regions for 23-25
 - Staffing challenges causing unsustainable workloads and vacancies
 - Rental increases nearly 10% annually in some regions
- **Some cost drivers are outside OHCS' control**; inflation costs based on the best available but volatile data

Long Term Sustainability



25-27 investments will create a consistent homeless services system with state and local collaboration



Forecast for 25-27:

- Shelter investment tied to ongoing operations of existing shelter system, policy question about increasing capacity
- Re-housing investments depend on desired exit rates to permanent housing, not on household sustainability
- Long-Term Rent Assistance connected to current participants' ongoing needs; not guaranteeing a voucher for every household

4,884 beds
↓
2,870 HH
↓
2,069
Vouchers

POP 501: Maintaining Shelter Operations

POP 501: Maintaining Shelter Operations

\$217.9M in general funds to maintain bed capacity for more than 4,800 existing state-funded beds

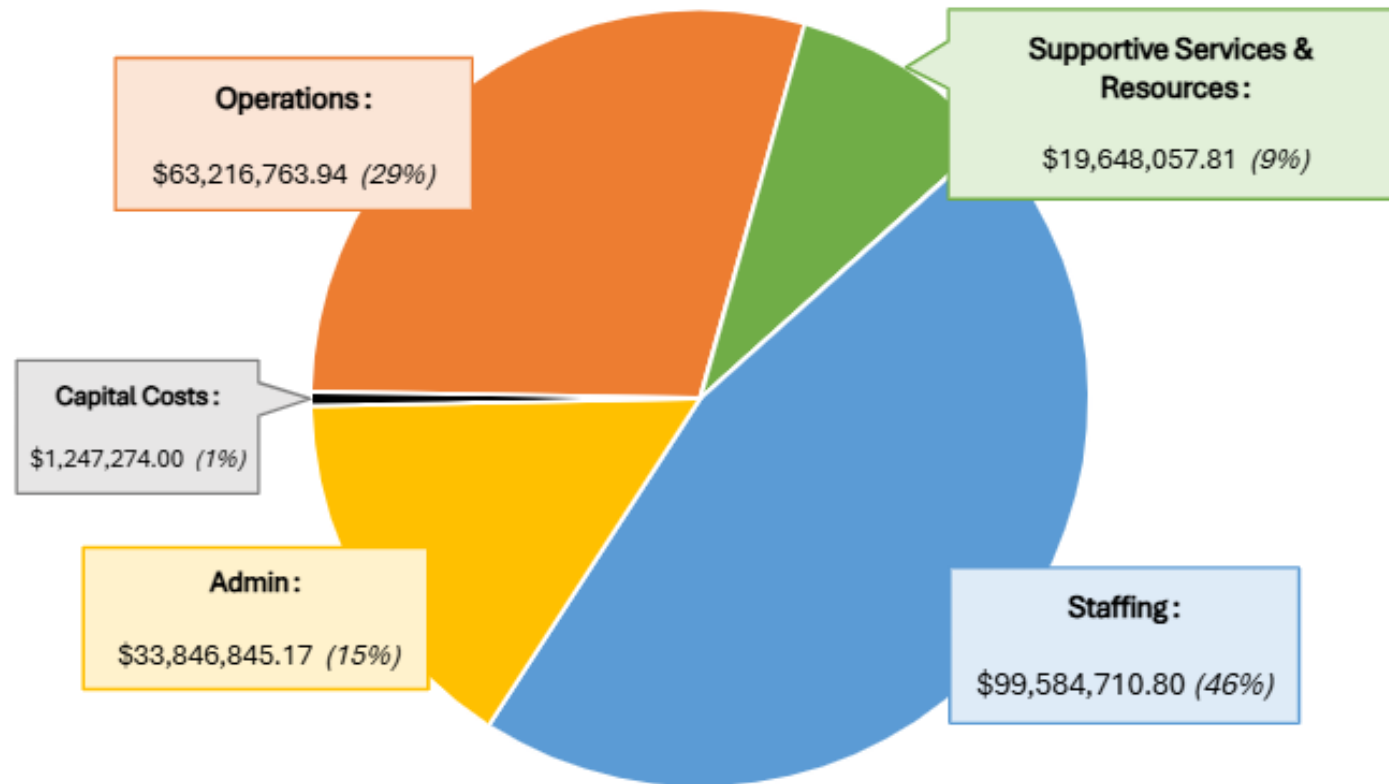
Includes costs for:

- Operations include building rent, utilities, furnishings, food, minor maintenance
- Staffing to operate shelter, provide service connection, information and referrals, and housing search
- Wrap around services like ID, housing deposit, bus passes

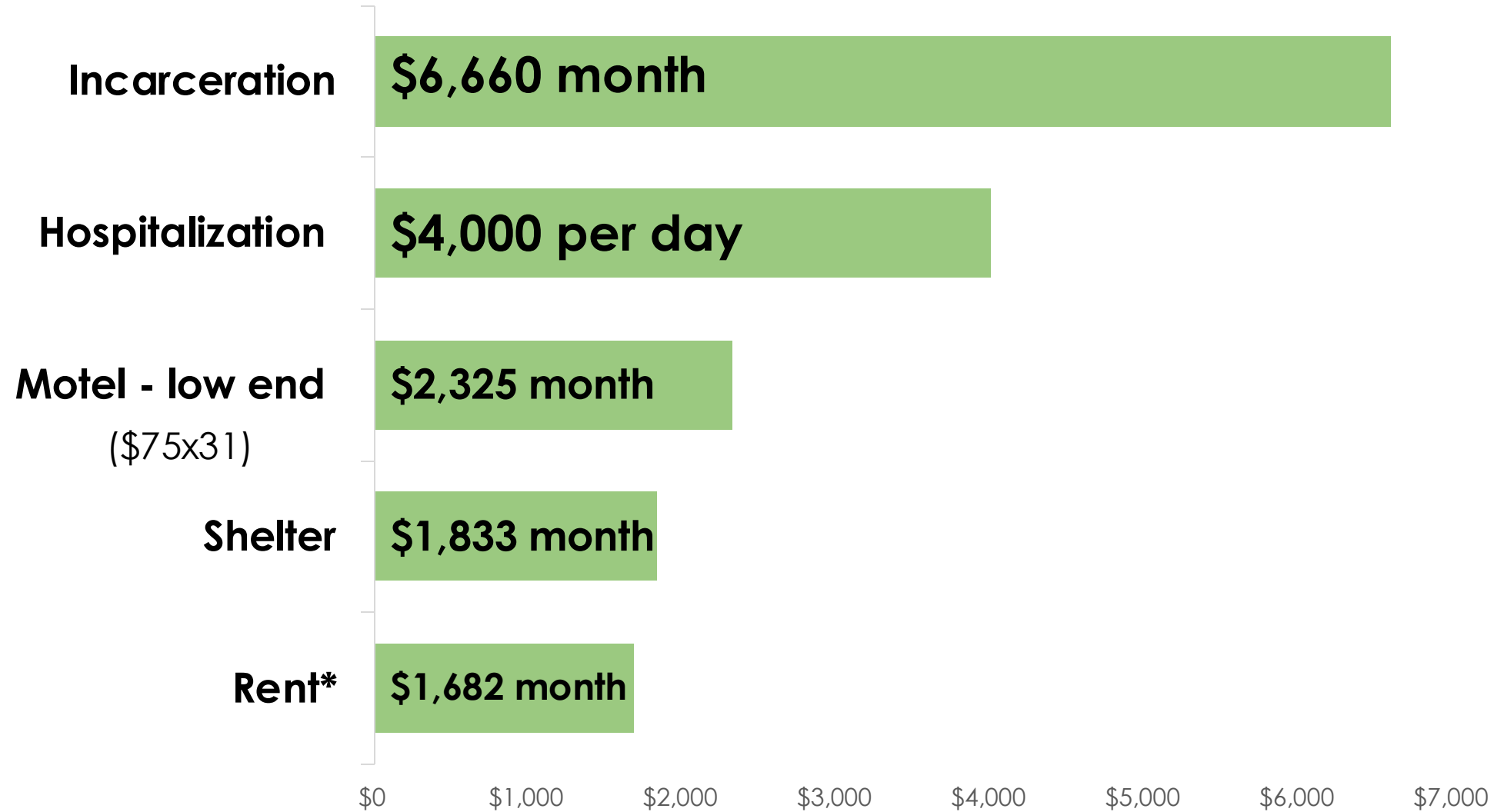


Shelter MoE Breakdown

GRB 23-25 Biennium Shelter Breakdown:
\$217.5M | 4,884 Beds



POP 501: Shelter cost comparisons



*Oregon fair market 2 bedroom from National Low Income Housing Coalition data

Shelter Workgroup

- Co-convened by Governor's Office and Representative Pam Marsh
- Representatives from shelter providers, regional coordinators and Community Action Agencies, cities and counties, a tribal representative, culturally specific providers, housing authorities,
- Developed set of recommendations around who and how we fund, and data improvements.
- Provided the basis for HB 3644



Sustainable Shelter Legislative Workgroup

mission and objectives



Recognize the state has significantly expanded its role in Oregon's shelter system over past 5 years



Maintain critical funding, examine services and lessons learned with goal of implementing a coherent, effective, and sustainable structure over the long term



Introduce policy findings in 2025 Legislative session

Cross-cutting themes

- Focus on **outcomes** rather than outputs.
- Successful shelter system should ensure **equitable** outcomes for all groups
- Long-term shelter funding must be **flexible** so providers can use experience and expertise to address community's needs.
- **Accountability is essential:** OHCS should create reasonable standards while allowing provider expertise.
- A **regional** funding model allows local providers to react to place-based needs and coordinate care.
- A system that is **consistent, predictable, and transparent** will enable providers across the state to plan investments, reduce administrative burden, and hire adequate staff.

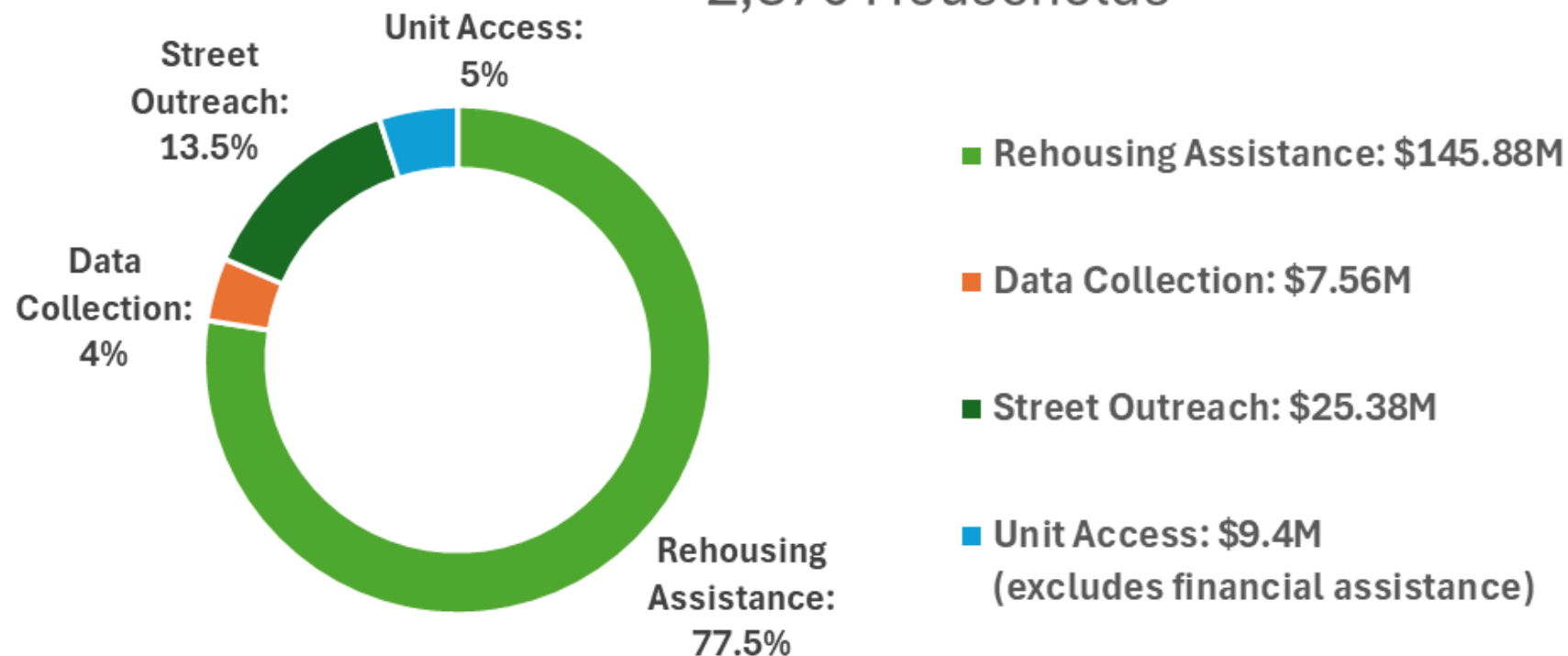


POP 502: Sustaining Rehousing Unsheltered Households

Rehousing Cost Breakdown

PP #502 Sustaining Rehousing: \$188.2M

2,870 Households



POP 502: Sustaining Rehousing Unsheltered Households

\$188M in general funds to rehouse an additional 2,870 households from the experience of homelessness

Includes costs of:

- Deposit, move-in costs, rent for up to 24 months, supportive services, staffing, and administration.
- Street outreach to connect people to pathways to housing.
- Unit access to ensure more affordable rental options.
- Data collection to track results and outcomes

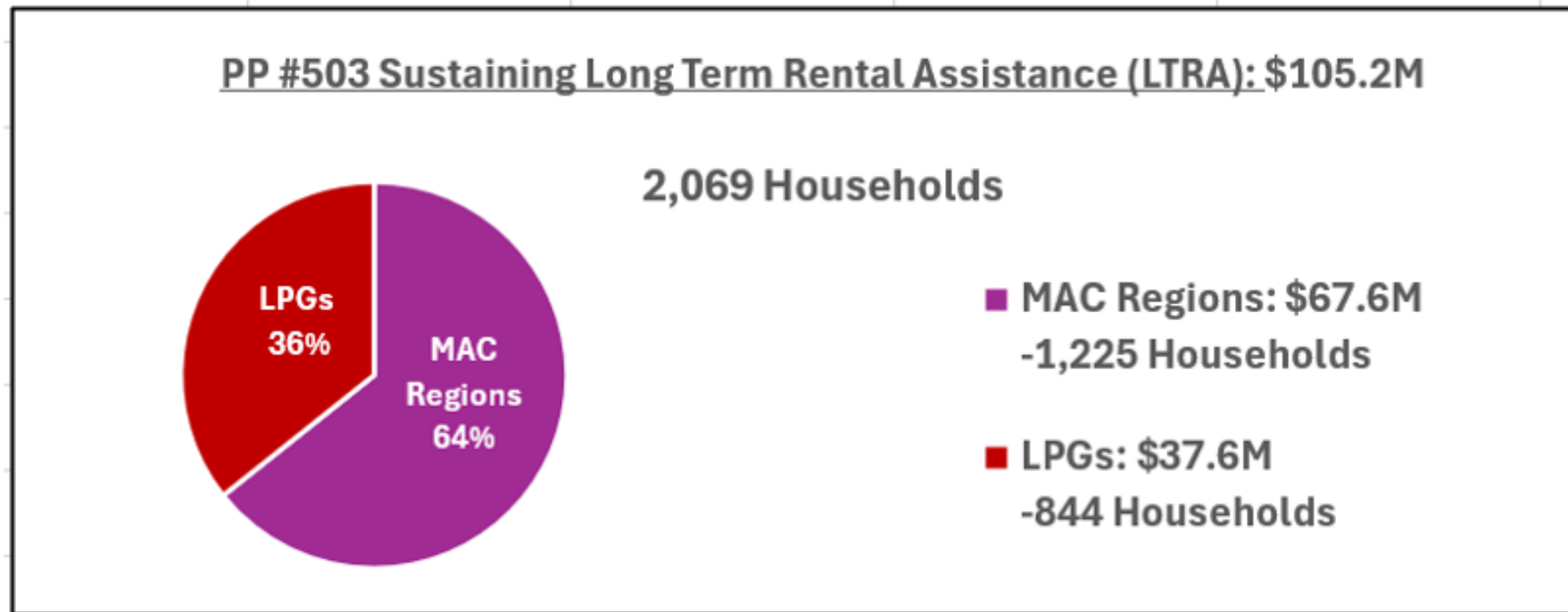


POP 502: Sustaining Rehousing Unsheltered Households

- Supports estimated **2,870 new households** with accessing permanent housing
 - In addition to those rehoused this biennium
 - Up to 24 months of assistance based on population and regional priorities
 - Ongoing services and rental assistance
- **New households not guaranteed** automatic Long-Term Rental Assistance voucher
 - After this program, many households will become self-sustaining by earning higher incomes after accessing supports like workforce or benefits acquisition
 - Some households may transition to federal or local rental assistance programs
 - Over time, some may move to the Long-Term Rental Assistance program as slots open

POP 503: Sustaining Long Term Rental Assistance

LTRA Regional Breakdown



POP 503: Sustaining Long Term Rental Assistance

\$105.2M in general funds that will be transferred to other funds to maintain housing for more than 2,000 households

- Most funding is for ongoing rent payments to help households who require additional time to stabilize in housing.
- 1,225 households in emergency regions rely on this to pay rent
- Will assist 844 households in the rural Balance of State region who are currently housed using shorter-term rehousing funds



POP 503: Sustaining Long Term Rental Assistance



Households were placed into housing using rehousing dollars with priority of quickly moving people from homelessness into housing.



Households with greater needs or higher barriers received Long Term Rent Assistance to prevent a return to homelessness after the 12-24 month rehousing period.



Emergency regions were first to connect households with this longer-term support. POP 503 will extend this to Balance of State, allowing households longer duration rent support.



Without this funding currently-housed people will lose their housing.

Cohesive Homelessness Response

Supporting a cohesive homelessness response system

- POPs 501, 502, and 503 work together to support people experiencing homelessness as they move toward greater safety and stability.
- Street outreach and navigation centers, included in shelter funding, build essential relationships and serve as a vital connection to shelter and other resources.
- Shelter provides essential, life-saving access to a safer place and can help people access rehousing support.
- Rehousing moves people from unsheltered or sheltered homelessness into a place to call home.
- Long Term Rental Assistance provides added assurance that people will not return to homelessness while they secure the supports needed for long-term stability.

