



**OREGON HOUSING and
COMMUNITY SERVICES**

725 SUMMER STREET NE, SUITE B | SALEM, OR 97301
503-986-2000 | www.oregon.gov/OHCS

March 3, 2021

Chair Julie Fahey
House Committee on Housing
900 Court Street NE
Salem, OR 97301

RE: Response to HB 2100 Questions and Comments

Dear Chair Fahey, Vice-Chair Morgan, Vice-Chair Campos, and Members of the Committee:

Thank you for the engaging first day of testimony for House Bill 2100. We are eager to continue this conversation next Tuesday and hear from the dozens of people that signed up to share their thoughts. Before we continue the conversation next week, I wanted to provide some response to questions and add clarity to areas of confusion:

What feedback have you heard on this bill and how has that been incorporated?

OHCS has received thoughtful and meaningful feedback from many stakeholders that have informed the latest draft of the bill. We met with almost every Community Action Agency (CAA) and Community Action Partnership of Oregon on the first iteration of HB 2100. At that time, the proposal included a collaborative application for 100% of Emergency Housing Account (EHA) and State Homeless Assistance Program (SHAP) funds. We heard that transition was too fast. We amended that aspect of the bill to only include 20% of EHA/SHAP funds. This allows for meaningful investments in local innovation initiatives and ensures consistency in funds for CAAs. In the 2019-21 biennium, 20% of EHA/SHAP funds equated to less than 3% of the resources directly and non-competitively allocated to CAAs from OHCS.

We also heard feedback from the Governor's Racial Justice Council and culturally specific providers that the definition for culturally specific organizations in the first draft of the bill was too prescriptive. We heard conflicting feedback on that definition and the –1 amendment move the definition to administrative rule, which will allow for more dialogue and a definition that can evolve. Other feedback incorporated included the need for local planning to be called out in statute, ensuring there is a lead grantee if more than one organization receives resources, and more.

As I said this morning, these are very active conversations. You'll hear from the Housing Alliance next week on the proposal their membership supports, though their dialogues included ideas and thoughts not reflective of that proposal. OHCS will continue to listen to the diverse ideas and thoughts on Oregon's homeless system, and we will continue to weigh various stakeholder



perspectives and attempt to take a middle path. HB 2100 may not be perfect, but it is meaningful progress.

What culturally specific organizations currently receive EHA/SHAP?

Currently, only 18 Community Action Agencies have direct access to OHCS homeless service funds. Therefore, no culturally specific organization currently receives funds directly from OHCS and they are prevented from doing so by Oregon law. Non-CAA service providers—including culturally specific and culturally responsive organizations—can be subrecipients of their local CAA. However, this does not afford them the same level of opportunity and agency to drive the direction of their work at a local level for the community that they serve. It also creates inconsistencies in partnerships across the state. Further, since HB 2100 will codify the definition of culturally responsive and culturally specific organizations into statute for the first time, and no such definitions have existed before, there is a lack of data as to which organizations qualify as culturally specific according to a formal definition. What we do know, is many non-CAA organizations have expressed interest and support of the opportunity to access OHCS homeless services resources. We're glad they want to walk this path with us and believe in the contribution they will bring to the homeless service system.

What are rural best practices?

OHCS knows that there is no one-size fits all “rural best practice” and that creative local solutions depend on the community construction and partners. Like all best practices in homeless services, they evolve as systems change and innovated ideas are proven effective. The U.S. Department of Housing and Urban Development (HUD) offers trainings and assistance to providers that detail these best practices. Some of these include partnerships with schools and faith-based organizations, utilizing a ‘no wrong door’ approach that ensures collaboration among service providers, and thinking creatively about shelter (utilizing tents and hotels). Furthermore, they offer detailed toolkits on prevention and diversion strategies in rural areas to adapt to the unique market for housing and homeless services. The [United States Interagency Council on Homelessness](#) further details best practices.

How can OHCS help and support small organizations become culturally responsive?

Providing access to state funds for culturally specific organizations and other services providers for the first time, is a critical step towards shifting the funding system in a way that elevate culturally specific and responses perspectives. Bringing more seats to the table—with a focus on those who are already culturally responsive—will help elevate the understanding and capacity of all organizations participating a communities’ coordinated homeless service response. However, these changes will be incomplete if we do not provide critical support to these agencies.



OHCS will take the lead on providing technical assistance and onboarding support for all new grantees. While OHCS expects community collaboration across local service providers, the training does not fall to the CAAs if the CAA is not the direct recipient. OHCS is currently building our own capacity and framework to support and train new grantees (culturally specific and others), and we will continue to expand in this role—and a key component of this includes training and technical assistance to smaller agencies to become more culturally responsive. This is not a trivial task, but it is critical to building the long-term capacity for new providers who will ultimately strengthen the overall homeless service system. Simply adding seats to the table without proper support and training will not set the individual provider or the system up for success. This is true in terms of coordination across agencies, but also regarding service delivery, best practices, equity and racial justice. We are committed to assessing and dismantling practices that perpetuate systemic racism and keep communities of color from being able to access the resources and supports available through OHCS.

What if a CAA is already doing that? Can they access the 20%?

OHCS strives to ensure both continuity of existing services as well as the opportunity for additional service providers to participate in the homeless services system. Finding the right balance for this local flexibility is critical and this may look different in unique regions throughout the state—and this means placing the power of planning, decision, and collaboration into the hands of community service providers. Please note that the additional 20% of funding is **not required** to go to a non-CAA and OHCS wholeheartedly supports local coordination and collaboration. For example, if a local homeless service organization would like to be the subrecipient of the regional CAA and the regional CAA is willing and able to support the administration of the funds in the region as the coordinating body, OHCS would support that relationship. Of note, some CAAs played this role in the Emergency Solutions Grant Coronavirus competitive process and brought many new sub-applicants in for a collaborative application. Furthermore, providers would be able to coordinate beforehand and submit a joint application to ensure regional collaboration. While this example of leadership is wonderful, there are other areas in the state where creating provider flexibility is critical to ensuring that a diverse area of services can be provided.

Will funding leave my community?

Again, for the record, no funding will leave a community under HB 2100 and the –1 amendment. Please review section (4) (6) of the –1 amendment copied below, highlights added, which applies to all EHA/Shap funds. With this language, OHCS is codifying the needs-based allocation formula that has been in place for many biennia. OHCS would consult with CAAs, local governments, tribal nations, culturally specific providers, and others on the formula. OHCS is open to discuss alternative bill language to meet this goal. To date, we have not received specific feedback on this language.



(6) Program funds must be allocated statewide to community action agency service regions in a manner proportionate to local needs. If more than one entity in a region receives resources, the department shall identify a lead grantee to coordinate regional resources.

Why now?

With the ongoing concurrent crises and a large influx of resources it has been made clear that OHCS must modernize our funding systems to meet communities where they are and provide resources in a sustainable, equitable manner. The Governor is driving state agencies to be more specific and intentional about our COVID response and recovery plan. This includes direction to invest in culturally specific and culturally responsive organizations. We must take lessons learned from the 2008 recovery. If government and other institutions of power do not build in equity to the foundation of our COVID response and underlying homeless service system, which will take years, than we will see income and wealth inequality worsen as it did in the Great Recession. This moment calls for intentional and culturally specific responses. Communities of color are disproportionately impacted by the COVID and by the economic turmoil. Additionally, the Black Lives Matter movement calls on government to take intentional actions to undo racist systems that have, intentionally or not, led to barriers to access and disparate outcomes. Moving towards a more modern, outcomes-oriented statewide system has been in the works for a few years, including through collaborative work done to address two budget notes. The time is right to take the next step.

Additionally, we know other organizations are ready to partner with OHCS and need flexible state funds to do so. During the Emergency Solutions Grant Coronavirus competitive process over 100 organizations showed interest in competing for these funds to provide homeless service in communities throughout the state. In the end, over 50 organizations applied, leaving a significant gap between those who are interested and those who finally applied. During informational webinars and via direct conversations a key piece of feedback received by OHCS from organizations—many of whom opted out from applying—was that without access to flexible and consistent state resources one-time federal dollars were not sufficient to warrant an application for one-time federal funding. This helped to shape our understanding of the need for equitable access to ongoing EHA and SHAP resources.

What are CAAs doing wrong?

HB 2100 isn't about blaming an organization or a network. HB 2100 acknowledges that our closed systems create fragmentation. There is no coordinated approach to homelessness. There is no statewide strategy to address homelessness. HB 2100 is an attempt to address that fragmentation, to solidify the work we have been doing with the CAAs to move toward an emphasis on unsheltered homelessness, ending veteran homelessness and homelessness amongst families with children, to embrace nationally recognized best practices, and to lead



with racial equity. We cannot confront our fragmented system by staying silent on these shared goals.

Emergency Solutions Grant Process

In response to the COVID-19 pandemic and the large allocation of Emergency Solutions Grant COVID (ESG-CV) funds, OHCS has worked to balance short-term needs to release some funds expeditiously with long-term goals of using the ESG-CV funds to not only meet crisis response needs but also to appropriately plan and prepare for future needs. ESG-CV dollars are administered by the U.S. Department of Housing and Urban Development. OHCS—as the direct grantee—is complying with all Federal requirements and in line with funding timelines and expectations. OHCS plans to release an *Intent to Award* letter in the coming week.

We know that systems improvement, forging partnerships, and improving service delivery takes time, commitment, and dedication. Regarding timing and meeting immediate needs: this is a discussion we have had extensively both internally and with our partners. There has been shelter and homeless service funds available to CAAs in order to meet immediate needs over the last several months, especially as state-specific funding from the Emergency Board has continued to support homeless service needs at a magnitude above and beyond our current service level. The additional funding both at the state and federal level allows for a full ESG-CV competitive process to take place to meet differential needs across the state. Below is a brief overview available resources to meet immediate needs while we were engaging new partners in the ESG-CV process:

- [EHA](#) and [SHAP](#) yearly allocations which have similar if not more flexible allowable activities.
- Wave 1 and 2 of Out of the Cold funds from existing state resources and Emergency Board resources approximate \$12 million in flexible funding to meet winter and severe sheltering needs in the shorter-term.
- Wave 1 of ESG CV funds are allocated to CAAs.
- \$7 million of wave 2 of ESG CV funds have been allocated

All told, the full range of ESG CV resources will be deployed and on-the-ground prior to 3/31/2021. The ESG CV process is another example of balancing meeting immediate needs while simultaneously working and planning to improve the overall system. Additionally, this was OHCS Homeless Services Section first competitive process. HB 2100 and –1 amendment would establish a collaborative application for Fiscal Year 2022 to allow for engagement with potential grantees and the Housing Stability Council, application design, and more.

What is the value of statutorily excluding other organizations?

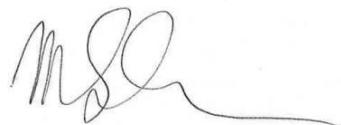
We do not see value in locking out other providers from partnering with the state. HB 2100 unlocks that door.



OHCS Follow Up – HB 2100 -1 – March 3, 2021

We look forward to ongoing conversations on HB 2100 and necessary reforms to the homeless services system. We urge action this session to begin this vital work.

Sincerely,



Margaret Salazar
Executive Director, Oregon Housing and Community Services

