

# Oregon Housing and Community Services Department

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## Legislature Update

March 4, 2009

**Lisa Joyce**  
Legislative Relations Manager



### For More Information

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Two bills that rebalance the state budget through the current biennium passed the Senate yesterday, a move that will allow legislators to focus on the \$3.3 billion budget shortfall for 2009-11.

Senate Bill (SB) 5552 reduces agency budgets by \$311 million, and uses \$401 in federal stimulus funds and \$150 million in other state funds and budget adjustments. The bill passed the Senate 21-8 along with SB581, which includes program changes. Both measures move to the House where a vote is expected later this week.

"It's still possible, especially looking at Department of Human Services caseloads, that this issue will be revisited through June," said **Rick Crager**, deputy director for Oregon Housing and Community Services (OHCS).

Meanwhile, OHCS joins other state agencies in turning attention to the 2009-11 biennium.

"Our budget presentation will demonstrate the investments OHCS makes across the state, from serving families in crisis to being ready to buy their first home," **Crager** said.

Last week's passage of the Housing Opportunity Bill changes the outlook for the department's 2009-11 budget. The Governor's recommended budget proposed cuts to homelessness programs and elimination of the homeownership assistance program. However, both areas receive a dedicated percentage of the fees collected under HB 2436.

And while the new revenue stream will provide a much needed resource for affordable housing, the need for preservation and development dollars still surpasses available revenue. The Governor's budget proposes \$19.4 million in lottery-backed bonds for preservation of existing affordable housing stock and manufactured dwelling park purchases.

In addition to what the department knows about the Governor's budget, it is still learning what the federal American Reinvestment and Recovery Act will bring.

OHCS expects to see support for weatherization, affordable housing development, homelessness, community services, and other programs.

"We are working to get our arms around what is exactly in the stimulus package as well as how we're going to implement our share," **Crager** said. "Stay tuned."

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In other action:

**HB2225:** OHCS will be represented at a public hearing held by the House Sustainability and Economic Development Committee at **1 p.m. Thursday in hearing room E**. The bill was developed in a work group with the department of Land Conservation and Development Commission.

**Chair John Van Landingham** worked hard to find solutions to the lack of affordable housing in the state. HB2225 proposes a pilot project that allows five rural cities to expand their urban growth boundaries to allow for the building of affordable housing units, including single-family development, multi-family housing and individuals and manufactured dwelling parks.

"In some cities, the workforce faces unsustainable commutes because of the lack of affordable housing near jobs," **Crager** said. "Inside the urban growth boundary, land can be costly and expensive to develop. This proposal offers a reasonable option to meet the needs of communities and low-income Oregonians."

### For more information, please contact:

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