

Legislature Update
March 11, 2009



For More Information

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State legislators heard testimony on the benefits of providing affordable housing with supportive services at a Joint Ways and Means Committee hearing last night.

"Many individuals reentering the community after being incarcerated also need help recovering from addictions. They need a special level of support," said **Pegge McGuire**, Community Resources Division administrator for Oregon Housing and Community Services (OHCS). "We believe a more effective response will pay benefits for these individuals, their families and our communities."

McGuire joined **Ed Blackburn** from Central City Concern in Portland at the hearing before two subcommittees, Public Safety and Human Services. They were just one of several panels to talk about what works in helping individuals move from treatment to recovery, particularly people returning to the community after incarceration.

<u>Central City Concern (CCC)</u> has 30 years of experience in serving people affected by alcohol and drug addiction. Blackburn pointed to integration of services as a cornerstone of CCC's success. The program measures success on three axes: sobriety, permanent housing and legal income. Central City Concern's website is: http://www.centralcityconcern.org/index.htm.

"Housing that is supportive of a lifestyle change is the essential element to move beyond treatment to recovery," **Blackburn** said. He noted that the clients CCC serves have "exhausted and alienated any connection in the community," and CCC housing provides a safe place in which such people can take the first steps to a new life. In 2008, CCC's ADFC Transitional Singles program achieved a 58 percent (229 out of 398 people exiting) treatment completion and permanent housing placement rate. Upon moveout, 93 percent of these were either employed or receiving federal disability entitlements. As of June 30, 2008, 73 percent of the people from this housing who completed treatment and moved to permanent housing were still housed and sober one year later.







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OHCS's recent housing needs analysis found that the state falls far short of meeting the housing needs of released offenders and people in recovery. For example, Marion County has no affordable housing units targeted for released offenders, and just nine units for people in alcohol or drug rehabilitation. The full report is available at www.oregon.gov/OHCS/RA Needs Analysis.shtml.

Cost-benefits studies over the past 25 years have clearly demonstrated that the treatment of mental health and addiction problems saves significant amounts of money in the long-term for local communities.

"These benefits grow when housing is coupled with services," **McGuire** said.

In the most rigorous studies, benefits include:

- New income from gainful employment.
- Reduced criminal activity and therefore fewer encounters with police, courts, jails, prisons and other safety entities.
- Less use of inpatient, emergency and outpatient physical health care services and facilities.
- Less costs associated with aftercare.
- Less costs associated with subsidized housing, publicly paid health insurance, food subsidies, employment training, and further academic or trade skills preparation.
- Less cost to families for members entering treatment programs.

A 2007 Portland State University research study focused on criminal activity among 87 clients pre- and post-enrollment in Central City Concern Alcohol and Drug Free Community housing and treatment. Before entering the programs, the annual cost of illegal drugs used by these clients was estimated at \$6.5 million, with 93 percent involved in criminal activity. Post-treatment, clients reported a 95 percent reduction in the use of illegal drugs and a 93 percent reduction in criminal activity.

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In other action:

The Legislature released its Essential Budget Level Analysis of OHCS's 2009-11 budget, showing a 25 percent decrease from the agency's 2007-09 legislative-approved budget. The report is located at: http://www.leg.state.or.us/comm/lfo/2009_11_budget/09-11%20EBL%20Ec%20Dev.pdf

The report related the decrease to phase-outs of \$11.6 million in General Fund and \$4.6 million in Other Funds for one-time initiatives associated with low-income housing preservation, permanent supported housing for the homeless, and a \$2 million investment in the agency's Housing Finance Fund.

The essential budget also eliminates five agency positions and redistributes remaining positions among program areas to better reflect workload and management reporting structure.

OHCS hopes to recoup some funding through lottery-bond proceeds; monies slated for green and sustainable energy efficiency and weatherization technology for low-income Oregonians; and stimulus funds tagged to preserving affordable housing and supportive services.

Coming up:

Housing Alliance Day at the Capitol, Friday, March 13.
 "We expect our partners to be out in full force to thank legislators for passing the Housing Opportunity bill and advocating for additional resources such as lottery-backed bonds for preservation of existing affordable housing," said Rick Crager, OHCS deputy director.

Crager advocated the importance for OHCS partners and individuals and groups at the grass roots level to educate legislators on community needs regarding affordable housing and supportive services issues.







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"Recently the proposed repeal of an important OHCS program was averted through such input," he said. "It's great to see our partners get so engaged, work so hard, and be able to describe the benefits of our programs to our legislators."

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