Housing Production Advisory Council

March 17, 2023

Existing Housing Production Recommendations

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Alana J. Cox
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Introduction to Building Codes Division

Creating the foundation for safe, efficient, affordable buildings in Oregon.

- Support 7 governor appointed, senate confirmed boards
- Adopt and administer the state building code
- Resolve code disputes
- Assist local government building departments, and provide building inspection services where locals don't
- Issue plumbing and electrical licenses
- Train and certify inspectors, plans examiners, and building officials
- Host and support ePermitting software
- Perform manufactured home and prefabricated construction inspections

Building Codes Division Recommendations

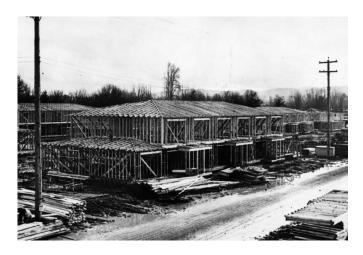
- Building Department Administrative Improvements
 - Identifying and scaling best practices
 - Leveraging technology
 - Fund dedication

- Building Department Workforce
 - Grow the pool of professional plans examiners, inspectors, and building officials in the state
 - Increase efficiency with cross training, technology, and mutual aid
 - Explore state role in targeted affordable housing projects

Building Codes Division Recommendations

- Removing barriers to building smaller & denser
 - Considering inherent energy efficiency of smaller homes
 - Exploring improved processes and hand offs for denser building and adaptive reuse
- Federal Funding Opportunities
 - Use the council to coordinate agency alignment and a communication strategy for federal funding opportunities
- Construction Workforce
 - Grow the pool of skilled electricians and plumbers in Oregon
 - Identify and deploy tools for skilled workers to spend more of their time on their craft and less on process/paperwork requirements















Oregon Housing Needs Analysis (OHNA) – Appendix B: Follow Up Policy Work Housing Production Advisory Council

Meeting 2

March 17, 2023

Mari Valencia Aguilar, Housing Planner Thea Chroman, Housing Planner

OHNA Process: What We Heard



Partnership

- Capacity building, especially in smaller communities
- County and regional collaboration
- State coordination and support on housing



Accountability

- Local solutions with state guidance, direction, and support
- Tools, resources, and messaging to support communities



Investment

- Flexible funding is essential for production
- Infrastructure, site preparation, and resilient communities

OHNA: Continuing Policy Work

• Items not included in HB 2001A (2023 Session) for HPAC consideration

Recommendation 2: Build what's needed, where it's needed

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2.1) Fund housing the market would not produce on its own

Recommendation 3: Commit to working together with urgency



3.1) Coordinate state agencies on housing production



3.2) Organize continuing policy work to support production

OHNA Appendix B: Follow-up Policy Work

OHNA Recommendation 3.2 – Organize continuing policy work to support production

- Issue themes raised by stakeholders in <u>Appendix B</u>:
 - A. Decrease barriers to production and affordability (8)
 - B. Increase homeownership and housing stability (4)
 - C. Increase accessibility & housing choice for people with disabilities (3)
 - D. Support Oregon's nine federally recognized Tribes and their members (4)
 - E. Affirmatively Furthering Fair Housing (6)









Housing Production Advisory Council

March 17, 2023

Questions





Equity & Racial Justice

Statewide
Housing
Plan:
Progress on
priorities



Homelessness

86% of households served are stabilized in housing for six months or longer.





Permanent Supportive Housing

Funded over 1,200 units of permanent supportive housing.







Affordable Rental Housing

Increased existing pipeline of affordable rental housing by 20,624 homes.





<u>Homeownership</u>

Assisted 1,568 households in becoming successful homeowners.





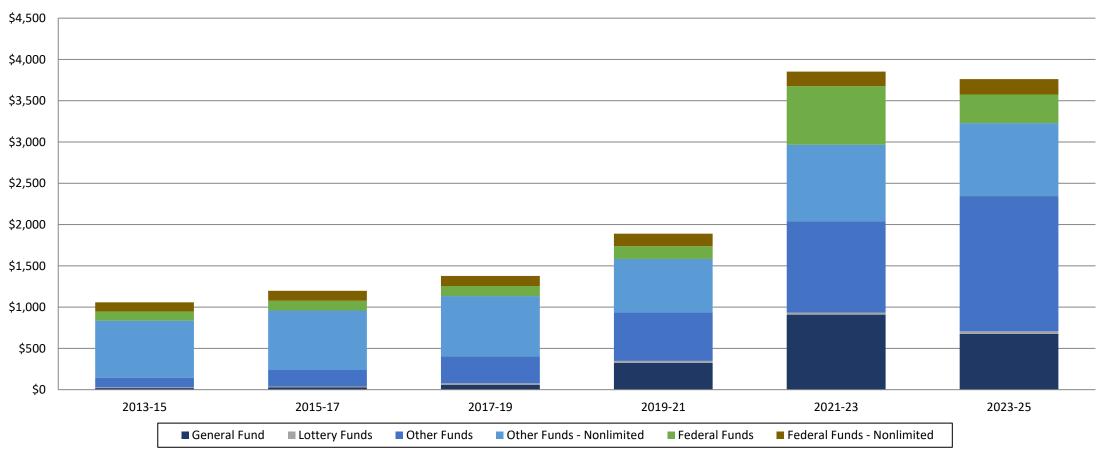
Rural Communities

Funded 3,612 affordable housing units in rural Oregon.



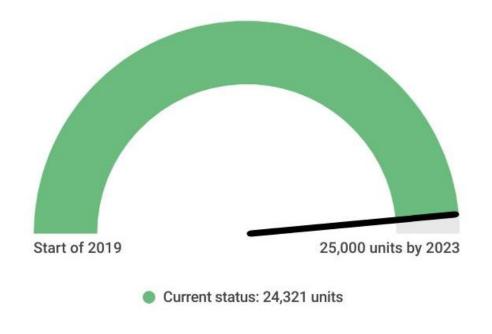
10 years at a glance

OHCS Agencywide Funding (in millions)



Developing and preserving homes

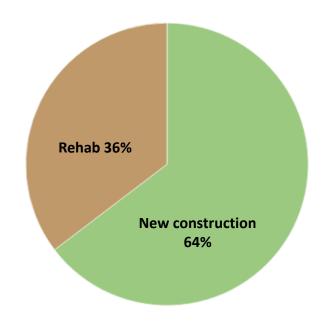
Goal: Add 25,000 homes to the Affordable Rental Housing Pipeline





In 2 years:

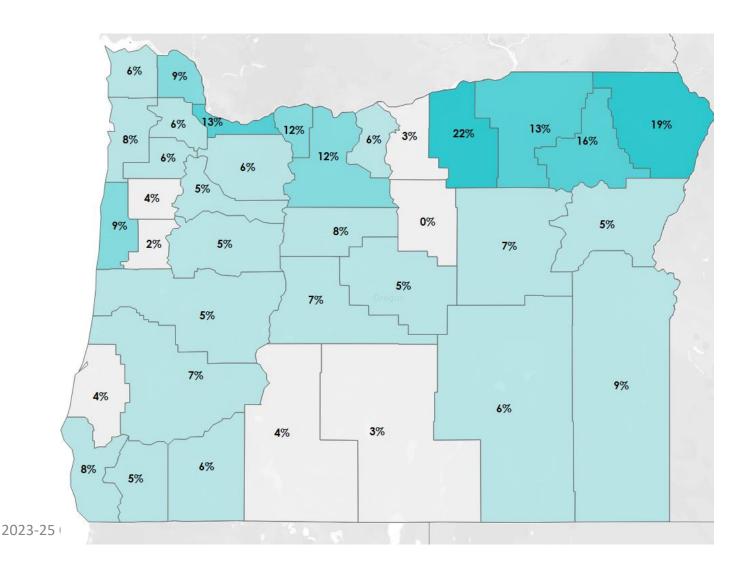
- 8,954 homes approved for funding
- 27% in rural Oregon



OHCS-funded homes as a percentage of total rental homes

- 610,000 renter occupied housing
- 48,087 of those are active, OHCS funded properties (14% increase from last biennium)
- 8% of total stock

OHCS portfolio dashboard online here



Affordable Rental Housing Perspective

• Production:

- Need to expedite and facilitate housing that meets community need
- Culturally responsive

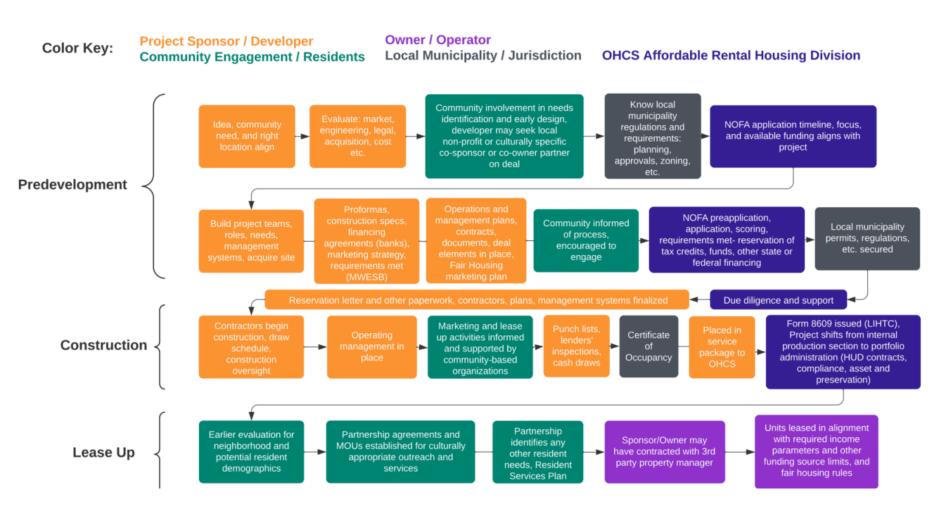
Assets of Quality:

- Will serve community and perform long-term
- Catalyst for community and economic growth

Sustainability & Impact:

- Economic
- Racial Justice
- Climate
- Education

Affordable Rental Housing Fund Offerings



- Competitive
- Early Funding
- Customized Offerings aligned with Policy Objectives
 - Permanent Supportive Housing
 - New Units
 - Small Projects
 - Veterans

Affordable Rental Housing Finance Programs

- Article XI-Q Bonds:
 - LIFT Rental with 4% LIHTC
 - LIFT Rental without 4% LIHTC
 - Permanent Supportive Housing
- General Housing Account Program (GHAP)
 - 25% dedicated for Veterans
 - 6% for Capacity
- Housing Development Grant Program (HDGP)
- Preservation; Manufactured Park Preservation
- Oregon Affordable Housing Tax Credits (оантс)
- Agricultural Workforce Housing Tax Credits
- Oregon Rural Rehabilitation
- Land Acquisition Program

- 9% Low-Income Housing Tax Credits (LIHTC)
- 4% LIHTC with Private Activity Bond
- HOME
- National Housing Trust Fund (HTF)



Photo: Groundbreaking of Marylhurst Commons

Affordable Rental Housing Trends

- Private Activity Bond / 4% LIHTC constraint
 - What do economies of scale look like without tax credit / equity leverage?
- Increasing & Volatile Costs:
 - Materials
 - Labor
 - Interest Rates
 - Insurance Rate Increases
- Demand for technical assistance across Oregon communities
- Need for capacity investments to support advancing racial equity goals and objectives; including COBID certified MWESB contractors and sub-contractors

Affordable Rental Housing Actions

- Expansion of funding tools to further impact given constraint of Private Activity Bonds
 - 501c3 Bonds existing tool OHCS looking to expand use of
 - Private Activity Bond recycling ability to recycle short term use of bonds; does not generate a 4% LIHTC but is lower interest rate; have piloted though broader use would require bridge financing for OHCS
 - State Low Income Housing Tax Credits many other states have this state tax credit to provide another equity investment into projects
 - Oregon Affordable Housing Tax Credit (OAHTC) evaluation to secure 80% AMI affordable rental housing

Affordable Rental Housing Actions

- Reframe Funding Strategies:
 - Focus on Funding at Readiness to avoid impacts of cost volatility
 - Align and coordinate Resources to support Shovel Ready projects
 - Pivot NOFA scoring metrics to minimum threshold evaluation
- Foster and Support Development Pipeline:
 - Pre-development Resources
 - Technical Advisors
 - Capacity Financial Investments; Expand BIPOC Development Partners
- Expedite Delivery of Resources:
 - Legal Document / DOJ process
 - Open or Consolidated Fund Offering for Readiness
 - Bridge Funds



2022 OREGON TALENT ASSESSMENT





SUMMARY OF OTA

• Insight into several key employment sectors

• Employer's perspectives on the state of Oregon's workforce

• List of recommended reforms to the workforce development system



PRIMARY OBJECTIVE FOR HPAC

- Review recommended reforms in Figure 6 directly related to housing production
- Decide which recommendations to move forward in the draft plan framework



Figure 6: Recommended reforms to the workforce development system, by actor and source

	Workforce Education, A New Roadmap	Reimagining the Workforce Development and Employment System for the 21st Century and Beyond	After COVID-19: Building a More Coherent and Effective Workforce Development System in the United States
	Adequately fund WIOA, TIAA, and the Perkins Act	Standardize language on skills and positions	Expand eligibility for Pell Grants for short, for-credit programs
Federal	Restructure WIOA, TIAA, and Perkins to upskill incumbent workers	Facilitate remote work through broadband investments	Expand funding for high-quality, high-return certificates
	Support student aid pilot projects supporting quality non-degree work	Subsidize job-based relocations	Increase funding for apprenticeships
	Consolidate budgeting for and evaluation of workforce development	Support a learning agenda for systems redesign	Strengthen accountability for for-profit schools
	Increase funding for apprenticeships and career and technical education		Enact a modest displacement tax on employers to fund retraining
	Modernize workforce information systems		Strengthen early warning systems for large-scale layoffs
	Expand NSF's Advanced Technological Education (ATE) program		Fund permanent trade adjustment grants for community colleges
	Develop new advanced manufacturing curricula		
	Extend training to incumbent workers and high school students	Support rapid exchange of timely/accurate information	Explore outcome-based funding models, with federal support
	Create youth apprenticeships	Build flexible programming that adjusts to changing conditions	Create lifelong learning accounts, with federal support
	Reorganize remedial education	Deploy innovative, incentives-aligned financing mechanisms	
	Create short technical-training programs	Improve use of data and evidence-based policymaking	
	Revive CTE in secondary schools	Support tighter industry-educator collaborations	
States	Create lifelong learning programs in higher education	Provide timely information on training costs and ROI	
	Require stronger career advising in higher education	Improve institutional performance scorecards	
	Unify state, labor, education, and economic development programs	Build robust connections between employers/educators	
	Bring education in advanced technologies to the workforce	Develop electronic education and training records	
		Expand availability of portable benefits for gig workers	



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		Organize new delivery frameworks for higher-end skills		
	Universities	Develop online delivery systems and new technologies		
	Universities	Prepare content and delivery for higher-end workforce skills		
		Develop lifelong learning curricula for higher-end skills		
		Increase completion rates	Provide "just-in-time" training to incumbent workers	
		Expand mentoring and career advising	Accelerate development of quality noncredit programming	
	Community Colleges	Connect with high schools on youth apprenticeships	Build out digital microcredentials	
		Implement short skill programs	Foster flexible and large educator pipelines	
		Reach incumbent workers to better support		
		employers		
		Link to universities and NSF's ATE program		
		Bring workforce development into high schools	Develop literate, engaged citizens	
	P-12	Create new technical high schools in collaboration with colleges/employers	Engrain lifelong learning skills	
	1-12		Teach basic skills that support lifetime work	
			Provide robust foundation of technology skills	
			Expose students to careers through CTE	
		Co-develop apprenticeships and internships	Expand earn-and-learn models	
		Break the pattern of one-off, nonreplicable programs	Improve job posting consistency and emphasize precise skills	
	Employers	Develop skill and certification programs through associations	Improve skill needs forecasting	
		Support new labor information systems	Build retention clauses into tuition-reimbursement offers	



THANK YOU

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Workforce Program Analyst

Higher Education Coordinating Commission

