

May 6, 2009

To: **Oregon House Ways and Means Committee**

From: **Jerralynn Ness, Executive Director, Community Action**

Re: **OHCS 2009-2011 Budget**

In the best of times, Oregon Housing and Community Services' funding support is critical to Community Action's efforts to address issues of homelessness and housing instability. And now we are facing an unprecedented economic downturn that is forcing thousands more Oregon families into crisis.

Poverty has been a growing concern in Washington County for some time. Washington County's population grew 18% between 2000 and 2007, yet the poverty population grew 38%. This growth in poverty has caused more families than ever before to struggle to meet basic needs like housing, utilities and food. While this has been the environment Community Action has been working within, as the economy went into recession, issues of family economic security have rapidly escalated.

In Washington County, we are losing 53 jobs a day. At our Community Action agency, our phones are ringing, our lobby is full, and our shelter waiting list is long. The lines are blurring as people from all walks of life find themselves facing financial challenges that just last year were unimaginable. It is heartbreaking to see the magnitude of the economy's impact on local families, not to mention our local businesses.

Unemployment, and under-employment, is the primary factors impacting local families. People want to work but work is simply not available. Businesses are closing; they are eliminating jobs or reducing the volume of available work. To keep staff employed, many businesses are reducing workers' hours or are requiring that employees take unpaid leave. Loss of employment also results in a loss of health care benefits and families are foregoing vital medications and putting off care until illnesses become emergencies. The ripple effect of rising unemployment can be devastating on many, many levels. Without work, housing instability threatens families' security and wellbeing.

So it comes as no surprise that the number of people in Washington County seeking assistance has grown significantly. Many are seeking assistance for the first time and they are turning to Community Action for emergency help with their basic needs. They are learning to navigate the social service system and are often surprised that the community safety net is not broader and deeper. A system already struggling to meet the needs of those living in poverty is now strained beyond measure in an attempt to accommodate a new population of economically insecure families.

Here are some examples of how the demand has grown. Three years ago, on the average, Community Action received about 300 calls each month from families with 72 hour eviction notices seeking rent assistance. Last year that average more than doubled, to 670 requests each month. By January of 2009 the number of calls reached 1,141 and requests for rent assistance continue to grow, far exceeding available resources. Our funding partnership with Oregon Housing and Community Services is absolutely essential to our ability to respond to housing instability issues in our community. We have used their funding support to leverage matching funds from our local communities to grow our response from 45 families each month to over 140 families this month. And we are continuing to raise local awareness and support to strengthen this safety net service.

Experiencing an economic crisis of this magnitude is a new experience for most Oregonians. Sometimes it's difficult to imagine what the future holds. These extraordinary times are demanding much from all of us. But we know that the right services at the right time will make a difference to the families most impacted by this recession. By uniting together to find creative solutions, we will come out of this difficult time stronger. Thank you for your consideration of continued support of OHCS's 2009-2011 budget; they provide a critical lifeline to our communities in need.