

House Bill 2812

Sponsored by Representative KENY-GUYER, Senator MANNING JR, Representative MEEK; Representatives HERNANDEZ, NOBLE, NOSSE, REARDON, ZIKA, Senator KNOPP

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Expands Housing and Community Services Department's use of Home Ownership Assistance Account to support households with below area median income and to support organizations' homeownership programs with any percentage of home construction or rehabilitation costs.

A BILL FOR AN ACT

1
2 Relating to the Home Ownership Assistance Account; amending ORS 458.610 and 458.655.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1.** ORS 458.655, as amended by section 12, chapter 109, Oregon Laws 2018, is
5 amended to read:

6 458.655. (1) The Home Ownership Assistance Account *[shall be]* **is** administered by the Housing
7 and Community Services Department to expand this state's supply of homeownership housing for
8 families and individuals, **including persons over 65 years of age, persons with disabilities, mi-**
9 **norities, veterans and farmworkers,** *[who the Oregon Housing Stability Council determines, based*
10 *on information from the United States Department of Housing and Urban Development, have income*
11 *that is not more than 100 percent of]* **with below area** median *[family] income**[, including, but not*
12 *limited to, persons over 65 years of age, persons with disabilities, minorities, veterans and*
13 *farmworkers]*. An amount equal to 25 percent of moneys deposited in the account pursuant to ORS
14 294.187 is dedicated for expenditure to expand this state's supply of homeownership housing for *[low*
15 *and very low income]* veterans and families of veterans **with below area median income**. The
16 **Oregon Housing Stability** Council shall have a policy of distributing funds statewide while con-
17 centrating funds in those areas of this state with the greatest need, as determined by the council,
18 for *[low and very low income homeownership housing]* **households with below area median**
19 **income.** *[However,]* The council's policy of distributing funds may differ from the distribution policy
20 for the Housing Development and Guarantee Account.

21 (2) Funds in the Home Ownership Assistance Account *[shall]* **must** be granted to organizations
22 that both sponsor and manage *[low income]* homeownership programs **for households with below**
23 **area median income,** including:

24 (a) Lease-to-own programs*[,]*; *[for the]*

25 (b) Construction of new *[homeownership]* housing; or *[for the]*

26 (c) Acquisition or rehabilitation of existing structures *[for homeownership housing for persons*
27 *of low or very low income, or both]*.

28 (3) The council shall develop a policy for disbursing grants for any or all of the following pur-
29 poses:

30 (a) To aid *[low income]* homeownership programs **for households with below area median in-**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 **come**, including program administration, in purchasing land, providing assistance with down pay-
 2 ment costs, or providing homeownership training and qualification services or any combination
 3 thereof. Funds in the Home Ownership Assistance Account may not be used by an organization to
 4 pay for its general operations [*or to pay for more than 25 percent of construction or rehabilitation*
 5 *costs*].

6 (b) To match public and private moneys available from other sources [*for purposes of the pro-*
 7 *vision of low or very low income*] **to provide** homeownership housing **for households with below**
 8 **area median income**.

9 (c) To administer the Home Ownership Assistance Account as provided for in the legislatively
 10 approved budget, as that term is defined in ORS 291.002, for the Housing and Community Services
 11 Department.

12 (4) The council, in developing policy under subsection (3) of this section, shall give preference
 13 in making grants to those entities that propose to:

14 (a) Provide the greatest number of [*low and very low income*] homeownership housing units
 15 constructed, acquired or rehabilitated for **households with below area median income** for the
 16 amount of account money expended by matching account funds with other grant, loan or eligible
 17 in-kind contributions;

18 (b) Ensure the longest use for the units as [*low or very low income*] homeownership housing units
 19 **for households with below area median income**, such as by including some form of equity re-
 20 capture, land trust or shared equity provisions, as determined by the council;

21 (c) Include social services for occupants and proposed occupants of the proposed housing
 22 including[*but not limited to,*] programs that address home health care, mental health care, alcohol
 23 and drug treatment and post-treatment care, child care, homeownership training, mortgage quali-
 24 fication service, credit repair and case management; and

25 (d) Support a comprehensive strategy to reverse the decreasing rates of homeownership among
 26 minorities, giving priority to activities that support adopted comprehensive community plans that
 27 incorporate recognized best practices or demonstrate proven success in increasing homeownership
 28 for minorities.

29 **SECTION 2.** ORS 458.610 is amended to read:

30 458.610. For purposes of ORS 458.600 to 458.665:

31 (1) **“Area median income” means the median family income for the area, subject to ad-**
 32 **justment for areas with unusually high or low incomes or housing costs, all as determined**
 33 **by the Oregon Housing Stability Council based on information from the United States De-**
 34 **partment of Housing and Urban Development.**

35 [(1)] (2) “Council” means the Oregon Housing Stability Council established in ORS 456.567.

36 [(2)] (3) “Department” means the Housing and Community Services Department established in
 37 ORS 456.555.

38 [(3)] (4) “Low income” means income that is more than 50 percent and not more than 80 percent
 39 of the **area** median [*family*] income [*for the area, subject to adjustment for areas with unusually high*
 40 *or low incomes or housing costs, all as determined by the council based on information from the United*
 41 *States Department of Housing and Urban Development*].

42 [(4)] (5) “Minority” means an individual:

43 (a) Who has origins in one of the black racial groups of Africa but who is not Hispanic;

44 (b) Who is of Hispanic culture or origin;

45 (c) Who has origins in any of the original peoples of the Far East, Southeast Asia, the Indian

1 subcontinent or the Pacific Islands; or

2 (d) Who is an American Indian or Alaskan Native having origins in one of the original peoples
3 of North America.

4 [(5)] (6) "Organization" means a:

5 (a) Nonprofit corporation established under ORS chapter 65;

6 (b) Housing authority established under ORS 456.055 to 456.235; or

7 (c) Local government as defined in ORS 197.015.

8 [(6)] (7) "Persons with disabilities" means persons with handicaps described in 42 U.S.C. 3602(h).

9 [(7)] (8) "Very low income" means income that is 50 percent or less of the **area** median
10 [family] income [for the area, subject to adjustment for areas with unusually high or low incomes or
11 housing costs, all as determined by the council based on information from the United States Department
12 of Housing and Urban Development].

13 [(8)] (9) "Veteran" has the meaning given that term in ORS 408.225.

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