



Lisa Joyce  
Legislative Relations Manager

## LEGISLATIVE UPDATE

**Date:** April 14, 2009

**Contact:** **Lisa Joyce**, OHCS Legislative Relations Manager  
Ph: (503) 986-0951  
E-mail: <mailto:Lisa.Joyce@hcs.state.or.us>

### **CORRECTED UPDATE: Legislation expands Oregon's Affordable Housing Tax Credit (OAHTC)**

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*Salem* - Despite economic belt tightening, the Senate Finance and Revenue Committee approved legislation that will expand Oregon's Affordable Housing Tax Credit (OAHTC).

"Investment in tax credits now to preserve existing federally-subsidized housing maintains federal rent subsidies in the state for decades to come," said **Rick Crager**, deputy director for Oregon Housing and Community Services (OHCS), which administers the tax credit program. "SB 199's \$4 million increase in the OAHTC cap will preserve much needed affordable housing, prevent displacement of tenants, and maintain the housing's affordability for 20 to 60 years."

Senate Bill (SB) 199 will increase the OAHTC from an annual cap of \$17 million to \$21 million.

The increase in OAHTC will create \$100 million in loan funds at interest rates of approximately 4 percent below market," **Crager** said. "This increase will keep \$219.3 million in federal subsidy dollars flowing into Oregon over the next two decades."

Committee chair Senator **Ginny Burdick** (D-Portland) commended OHCS for how it quantified the benefits, both economic and social, of affordable housing preservation.

"That was the deciding factor in moving the bill forward," she said.

SB 199 heads to Ways and Means, because of its impact on state revenues.

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A related bill, House Bill (HB) 2261 authorizes OHCS to pair loans financed by tax-exempt bonds with OAHTC tax credits for qualified affordable housing developments. This bill adds that OAHTC, a state income-tax credit that produces lower rents for low-income renters in affordable housing projects, can be layered with taxable bonds as well as tax-exempt bonds. The bill moves to the Senate floor.

### In other action:

OHCS is waiting for authority to spend federal dollars from the Neighborhood Stabilization Program and the first round of ARRA funds. A vehicle to grant permission should move forward by the end of April.

"We also continue to follow with interest a variety of bills relating to energy to ensure that the needs and perspectives of low-income Oregonians are honored," Crager said.

These include, SB 80, which originally took the form of a cap and trade initiative and is undergoing significant amendments, and HB 2626, Rep. **Tobias Read's** (D-Beaverton) and Rep. **Jules Bailey's** (D-Portland) energy efficiency and sustainable technology loan fund.

The Joint Ways and Means Committee will hold eight public budget hearings around the state during the last two weeks of April, beginning in Lincoln City on April 20 and including one at the state Capitol on April 23. The latter hearing will be held at 5:30-8 p.m. in Hearing Room F.

At each of the public hearings ([click here for schedule](#)) attendees will receive a survey instrument, allowing them to make choices about proposed service cuts, potential revenue increases and other critical budget issues.

For Oregonians unable to attend a hearing, [oregonbudget.gov](http://oregonbudget.gov), a new simplified Internet site offers information on the budget process, including proposals for potential service cuts provided by OHCS and other state agencies.

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# Oregon Housing and Community Services

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The Joint Ways and Means road show schedule may mean that the OHCS budget presentation will go before a subcommittee a bit later than originally projected, perhaps as late as the week of May 4.

### Weekly bill updates:

HB 2255: Defines manufactured dwelling park units in manufactured dwelling park nonprofit cooperatives as real property instead of personal property. Passed the House unanimously and is on its way to the Senate.

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