

Oregon Housing and Community Services 2021 DRAFT Legislative Agenda: Homeownership Division Preview

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Meeting Expectations

- Please remain on mute.
- Use the chat box for questions or comments.
- This is being recorded, including the chat box conversations.
- Refer to the *OHCS DRAFT 2021 Legislative Agenda Memo* for information on other OHCS legislative priorities.
- Due to limited time together, we may not get to questions. We are eager to hear your thoughts via an online survey.

Legislative Planning Process

- State agencies are required to plan for the next biennium budget more than a year in advance using two venues:
 - **Legislative Concepts** that change statutes
 - **Policy Option Packages** that include resource asks
- Retooling due to COVID-19 needs and new economic reality, including an anticipated dramatic decrease in the state's revenue
- The Governor must balance the state budget with enterprise wide needs considered including vital health care, education, and other needs

Key Dates:

- 5/18 – survey closes
- 5/20 – revenue forecast
- 6/3 – legislative concept details finalized
- July – budget details submitted
- December – Governor's budget is released
- January – 2021 Legislative Session begins

Key OHCS Legislative Agenda

Development Process Guiding Principals



- Use the Statewide Housing Plan, both the policy priorities and guiding principles, as the framework for the agenda
 - Work to ensure program design puts people at the center and that the end users' voices are considered, particularly for communities of color and rural communities
- Minimize concepts that require new program design (given OHCS capacity constraints), while prioritizing "going big" on investments in existing programs

**Breaking
New Ground**
OREGON'S STATEWIDE HOUSING PLAN

2019-2023

Homeownership Division
2021 DRAFT Legislative Agenda



Oregon Housing and Community Services

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Agency Wide Legislative Concepts

- Veterans definition
 - The definition of veteran in statute excludes some veterans as identified by the federal Veterans Administration, like those discharged under Don't Ask, Don't Tell and mothers discharged due to pregnancy. This LC allows OHCS to define veteran by rule.
- Housing Investment Agency
 - This LC would create a new account for interest earnings of OHCS programs and would establish legislative intent that any OHCS revenue would be dedicated to affordable housing opportunities, both rental and homeownership. OHCS is interested in utilizing our role as a State Housing Finance agency and allow program funds to revolve.
- Long Term Rental Assistance
 - Today 27% of Oregon renters are severely housing cost burdened, meaning they spend more than half of their income on housing and utilities. While the federal government provides some relief through housing vouchers, the need greatly outpaces the resource. This placeholder was submitted on behalf of Shannon Singleton, Governor Kate Brown's Housing Policy Advisor

DRAFT 2021 Legislative Agenda Investments

AFFORDABLE RENTAL HOUSING		HOMEOWNERSHIP		HOUSING STABILIZATION	
Bond Funding for LIFT-Rental, PSH, & Land Acquisition	\$210 million	DPA tied to OHCS lending	\$10 million	Individual Development Account	\$15 million
PSH Rental Assistance & Services	\$15 million	Addressing Racial Disparities - Community Outreach	\$2 million	SOAR Expansion	\$5 million
Preservation	\$10 million	Homeownership Development Resources	"on the bubble"	HMIS Investment	\$3 million
Increase in Ag Worker Housing Tax Credits	\$9.5 million	Manufactured Housing Resources	"on the bubble"	COVID-19 Energy Assistance	\$15 million
<i>Please note the draft nature of these investments; OHCS may have to further scale back investment asks.</i>				COVID-19 Revitalization	\$15 million

Refer to the OHCS DRAFT 2021 Legislative Agenda Memo for more information.

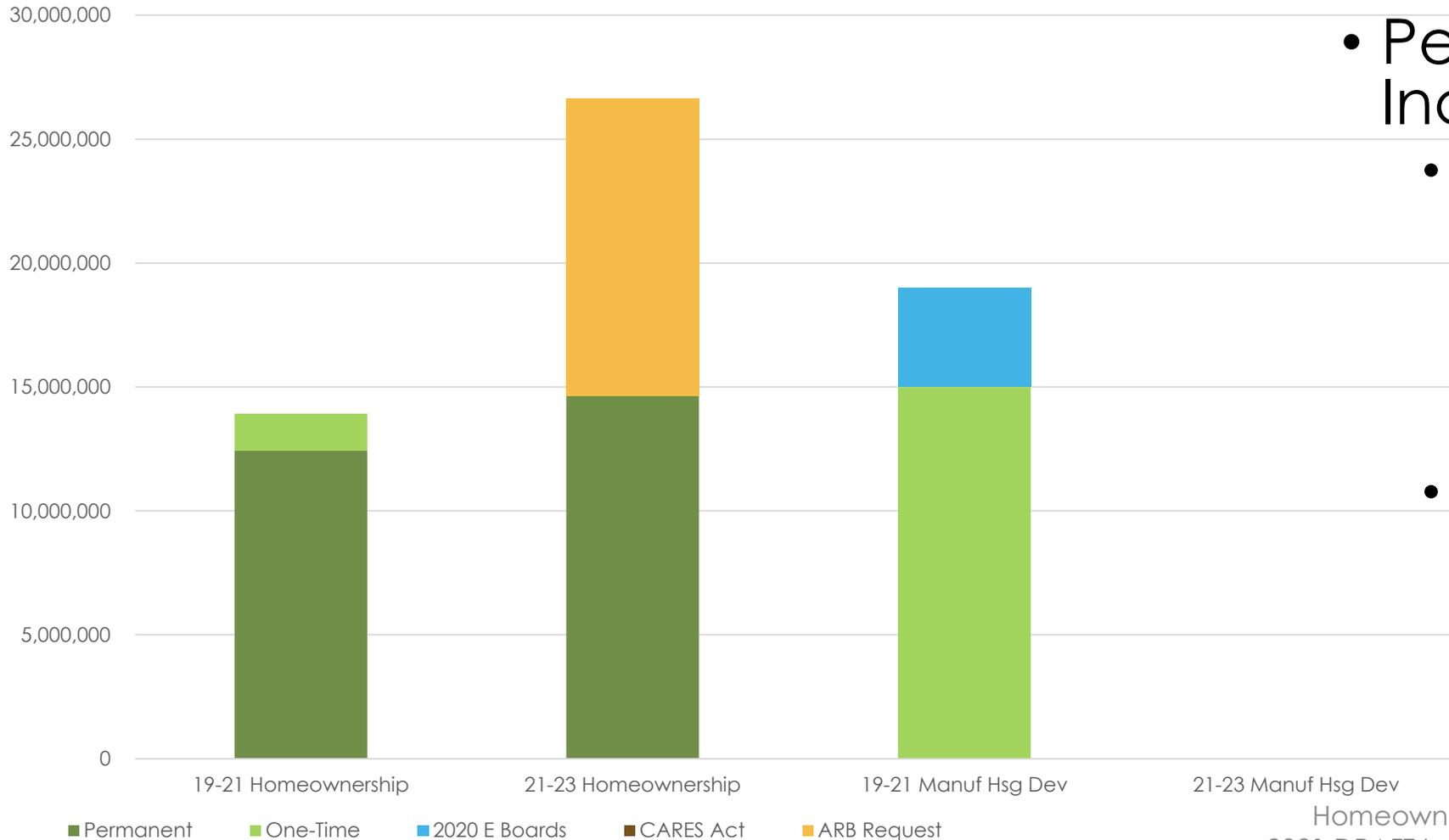


Homeownership Division

2021 DRAFT Legislative Agenda

DRAFT 2021 Legislative Agenda Investments

Comparing 2019-21 Budget to 2021-23 Proposals



- Permanent Funds Include:
 - Homeownership Assistance Program (HOAP), Document Recording Fee and Construction Excise Tax
 - Marinas and Manufactured Communities Resource Center



DRAFT 2021 Legislative Agenda Investments

- DPA tied to OHCS lending - \$10 million
- Racial disparities in homeownership - \$2 million
- Homeownership development resources – on the bubble
- Manufactured homeownership support – on the bubble

All requests are of general funds

Legislative Concepts

Manufactured Housing Program Fix

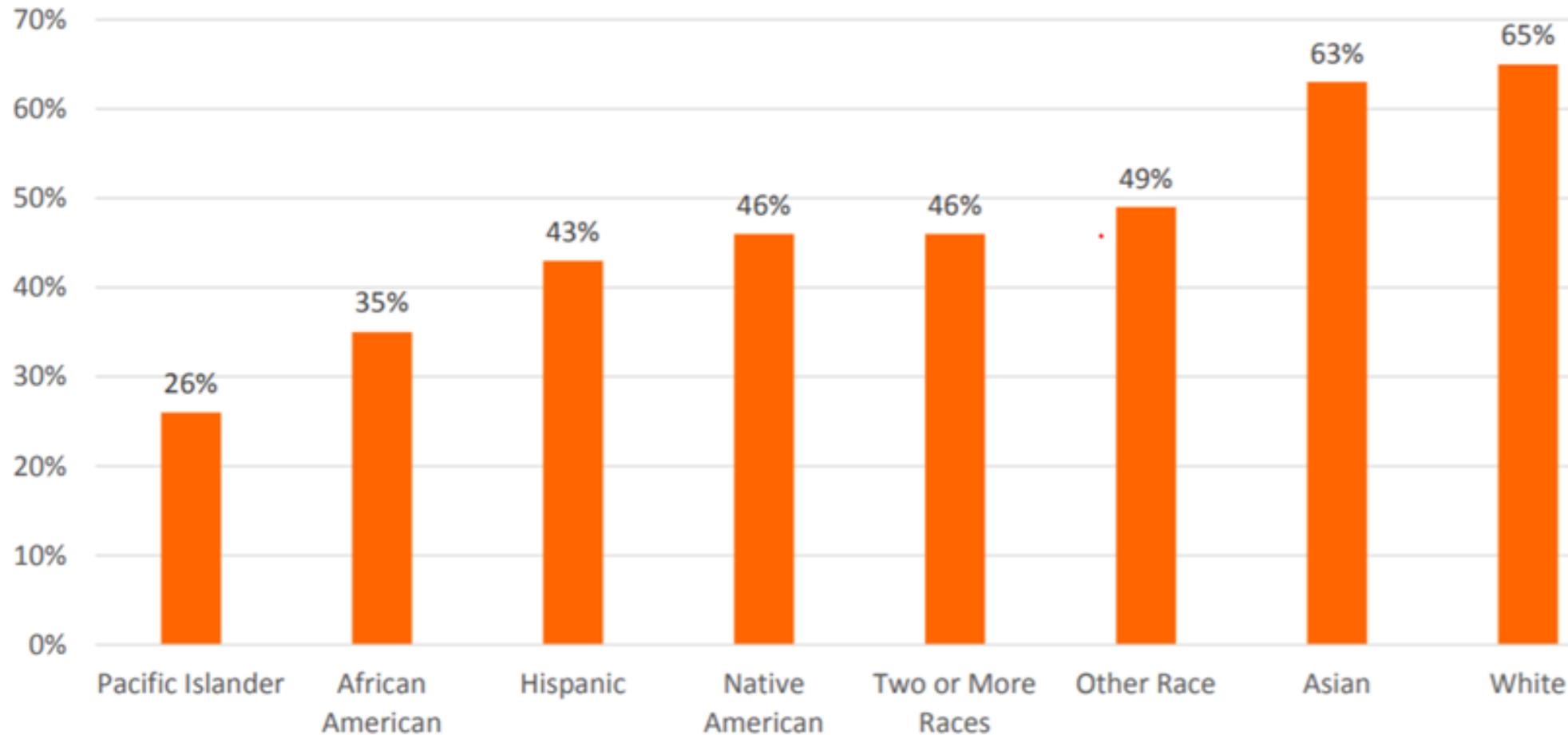
- House Bill 2896 (2019) established a program to decommission and replace older model homes, provided funding for a new park and park preservation, and established the Manufactured Housing Advisory Committee (MHAC).
- OHCS would like to remove the cap of \$35,000 for replacement loans and instead set the cap by rule.
- The MHAC will review this bill before finalization.

Addressing Racial Disparities in Homeownership

- The LC includes the changes to the Homeownership Assistance Program (HOAP) that were included in HB 4003 (2020)
- OHCS has a corresponding investment ask (\$2 million)
- More information on the next slide

Addressing Racial Disparities in Homeownership

Oregon Homeownership Rates by Race and Ethnicity, 2017



Addressing Racial Disparities in Homeownership

Investment: \$2 million

Legislative Concept:

- Allows HOAP funds to be used for outreach strategies to communities of color
- Confirms AMI eligibility for HOAP

Background:

- Joint Legislative Task Force on Addressing Racial Disparities in Homeownership
 - Months of work
 - Hours of public meeting and process
 - Two phases of recommendations
- House Bill 4003 (2020)

Down Payment Assistance Tied to OHCS Lending Products

- Down payment assistance (DPA) is currently funded by the Document Recording Fee, but those funds are insufficient to meet the needs of Oregonians
- OHCS will seek **\$10 million** to establish a DPA revolving loan program to be paired with OHCS lending products
 - OHCS will balance the revolving loan to support homeowner establish or increase generational wealth
- This DPA could also be paid with other cash resources (like HOAP) to serve low- and moderate-income families

“On the Bubble”

Manufactured Homeowner Support

- \$12 million to continue the homeowner support programs established by HB 2896 (2019)
 - Grants to decommission old, inefficient homes and loans to replace them, \$3 million
 - Resources to preserve manufactured home parks, \$9 million

Homeownership Development Resources

- Oregon lacks supply of “starter” homes
- \$5 million seed funding to create an evergreen revolving loan fund for homeownership development

Questions?

Please complete the OHCS DRAFT 2021 Legislative Agenda Survey by visiting <https://www.oregon.gov/ohcs/Pages/legislative-updates.aspx>.

Survey responses are due Monday, May 18th.