HB 3357-A6 (LC 3510) 5/4/17 (BLS/ps)

Requested by Representative BUEHLER

## PROPOSED AMENDMENTS TO A-ENGROSSED HOUSE BILL 3357

1 On page 2 of the printed A-engrossed bill, delete lines 42 through 45 and 2 delete pages 3 and 4.

3 On page 5, delete lines 1 through 9 and insert:

4 **"SECTION 3.** ORS 458.650 is amended to read:

"458.650. (1) The Emergency Housing Account shall be administered by
the Housing and Community Services Department to assist homeless persons
and those persons who are at risk of becoming homeless[.] in attaining affordable housing, subject to the following:

9 "(a) An amount equal to 25 percent of moneys deposited in the account 10 pursuant to ORS 294.187 (2)(b) is dedicated for expenditure for assistance to 11 veterans who are homeless or at risk of becoming homeless; and

"(b) An amount equal to 75 percent of moneys deposited in the account pursuant to ORS 294.187 (2)(b) is dedicated and must be used for the benefit of the county from which the fees deposited in the account were charged and collected pursuant to ORS 205.323 (4)(c). [For purposes of this section, 'account' means the Emergency Housing Account.]

"(2) The Oregon Housing Stability Council shall develop policy for awarding grants to organizations that shall use the funds to provide to low and very low income persons, including but not limited to, persons more than 65 years of age, persons with disabilities, farmworkers and Native Americans: 1 "(a) Emergency shelters and attendant services;

2 "(b) Transitional housing services designed to assist persons to make the 3 transition from homelessness to permanent housing and economic independ-4 ence;

5 "(c) Supportive housing services to enable persons to continue living in 6 their own homes or to provide in-home services for such persons for whom 7 suitable programs do not exist in their geographic area;

8 "(d) Programs that provide emergency payment of home payments, rents
9 or utilities; or

"(e) Some or all of the needs described in paragraphs (a) to (d) of thissubsection.

"(3)(a) The council shall require as a condition of awarding a grant that the organization demonstrate to the satisfaction of the council that the organization has the capacity to deliver any service proposed by the organization.

16 "(b) Any funds granted under this section shall not be used to replace 17 existing funds. Funds granted under this section may be used to supplement 18 existing funds. An organization may use funds to support existing programs 19 or to establish new programs.

"(c) The council, by policy, shall give preference in granting funds to
 those organizations that coordinate services with those programs established
 under ORS 458.625.

"(4) The department may expend funds from the account for administration of the account as provided for in the legislatively approved budget,
as that term is defined in ORS 291.002, for the department.

<sup>26</sup> **"SECTION 4.** ORS 458.655 is amended to read:

"458.655. (1) The Home Ownership Assistance Account shall be administered by the Housing and Community Services Department to expand this state's supply of homeownership housing for, and affordable housing for purchase by, low and very low income families and individuals, including, but not limited to, persons over 65 years of age, persons with disabilities,
 minorities, veterans and farmworkers[.], subject to the following:

"(a) An amount equal to 25 percent of moneys deposited in the account pursuant to ORS 294.187 (2)(b) is dedicated for expenditure to expand this state's supply of homeownership housing for low and very low income veterans and families of veterans; and

"(b) An amount equal to 75 percent of moneys deposited in the ac-7 count pursuant to ORS 294.187 (2)(b) is dedicated and must be used for 8 the benefit of the county from which the fees deposited in the account 9 were charged and collected pursuant to ORS 205.323 (4)(c). [The Oregon 10 Housing Stability Council shall have a policy of distributing funds statewide 11 while concentrating funds in those areas of this state with the greatest need, 12as determined by the council, for low and very low income homeownership 13 housing. However, the council's policy of distributing funds may differ from 14 the distribution policy for the Housing Development and Guarantee Account.] 15"(2) Funds in the Home Ownership Assistance Account shall be granted 16 to organizations that both sponsor and manage low income homeownership 17 programs, including lease-to-own programs, for the construction of new 18 homeownership housing or for the acquisition or rehabilitation of existing 19 structures for homeownership housing for persons of low or very low income, 20or both. 21

"(3) The council shall develop a policy for disbursing grants for any orall of the following purposes:

"(a) To aid low income homeownership programs, including program administration, in purchasing land, providing assistance with down payment costs, or providing homeownership training and qualification services or any combination thereof. Funds in the Home Ownership Assistance Account may not be used by an organization to pay for its general operations or to pay for more than 25 percent of construction or rehabilitation costs.

30 "(b) To match public and private moneys available from other sources for

purposes of the provision of low or very low income homeownership housing.
"(c) To administer the Home Ownership Assistance Account as provided
for in the legislatively approved budget, as that term is defined in ORS
291.002, for the department.

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

7 "(a) Provide the greatest number of low and very low income 8 homeownership housing units constructed, acquired or rehabilitated for the 9 amount of account money expended by matching account funds with other 10 grant, loan or eligible in-kind contributions;

"(b) Ensure the longest use for the units as low or very low income 11 homeownership housing units, such as by including some form of equity re-12capture, land trust or shared equity provisions, as determined by the council; 13 "(c) Include social services for occupants and proposed occupants of the 14 proposed housing, including but not limited to, programs that address home 15health care, mental health care, alcohol and drug treatment and post-16 treatment care, child care, homeownership training, mortgage qualification 17 service, credit repair and case management; and 18

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

## <sup>24</sup> "<u>SECTION 5.</u> ORS 458.665 is amended to read:

"458.665. (1) The Housing and Community Services Department shall ad minister the General Housing Account.

"(2) The department shall disburse moneys credited to the account to
provide affordable housing and to accomplish the purposes described in
ORS 456.515 to 456.725, [except that] subject to the following:

30 "(a) An amount equal to 25 percent of moneys deposited in the account

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pursuant to ORS 294.187 (2)(b) is dedicated for expenditure to meet the
critical housing needs of veterans in this state; and

"(b) An amount equal to 75 percent of moneys deposited in the account pursuant to ORS 294.187 (2)(b) is dedicated and must be used for
the benefit of the county from which the fees deposited in the account
were charged and collected pursuant to ORS 205.323 (4)(c).

"(3) The department may disburse moneys in the account by contract,
grant, loan or otherwise as the department determines necessary.

9 "(4) The department may set interest rates on loans made with moneys in 10 the account.

11 "(5) The department shall establish guidelines for the types of loans fi-12 nanced with moneys in the account by rule.

"(6) The department may use moneys in the account to pay allowable ad ministrative expenses incurred under ORS 456.515 to 456.725.

15 "(7) The department may, in the director's discretion, return moneys re-16 ceived for deposit in the account to the original source of the moneys.

"(8) The department may accept moneys for deposit in the account pursuant to ORS 458.620 (4) and enter into agreements regarding the use of moneys deposited with the original source of the moneys.

20 "(9) The department shall adopt rules that:

"(a) Subject to subsection (2) of this section, govern the allocation of moneys deposited in the account to best meet critical housing needs and build organizational capacity of partners throughout this state; and

"(b) Consistent with subsection (10) of this section, require equitable distribution of resources over time based on objective measures of need, including the number and percentage of low and very low income households in an area.

(10) The Oregon Housing Stability Council shall adopt a policy that provides for distribution by the department of account moneys and account investment revenue statewide while concentrating account moneys and account investment revenue in those areas of this state with the greatest need,
as determined by the council, for housing for persons with a low or very low
income.

"SECTION 6. (1) Any moneys in the Emergency Housing Account 4 on the effective date of this 2017 Act that were deposited pursuant to  $\mathbf{5}$ ORS 294.187 (2)(b), that are not used or committed for use as provided 6 in ORS 458.650 (1), as amended by section 3 of this 2017 Act, within 7 three years after the effective date of this 2017 Act, shall be paid over 8 to the county treasurer of the county from which the fees were 9 charged and collected, and shall be credited to the general fund of the 10 county for purposes of affordable housing. 11

"(2) Any moneys in the Home Ownership Assistance Account on the 12 effective date of this 2017 Act that were deposited pursuant to ORS 13 294.187 (2)(b), that are not used or committed for use as provided in 14 ORS 458.655 (1), as amended by section 4 of this 2017 Act, within three 15 years after the effective date of this 2017 Act, shall be paid over to the 16 county treasurer of the county from which the fees were charged and 17 collected, and shall be credited to the general fund of the county for 18 purposes of affordable housing. 19

"(3) Any moneys in the General Housing Account on the effective 20date of this 2017 Act that were deposited pursuant to ORS 294.187 (2)(b), 21that are not used or committed for use as provided in ORS 458.665 (2), 22as amended by section 5 of this 2017 Act, within three years after the 23effective date of this 2017 Act, shall be paid over to the county treas-24urer of the county from which the fees were charged and collected, 25and shall be credited to the general fund of the county for purposes 26of affordable housing.". 27

In line 10, delete "6" and insert "7".

In line 25, delete "7" and insert "8" and after the period insert "Section 6 of this 2017 Act and". 1 In line 26, delete "6" and insert "5 and 7".

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