

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 4015 - 10

80th Oregon Legislative Assembly – 2020 Regular Session
Legislative Fiscal Office

*Only Impacts on Original or Engrossed
Versions are Considered Official*

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Measure Description:

Requires the Oregon Housing and Community Services Department to provide a grant to a nonprofit for an accessory dwelling unit pilot program.

Government Unit(s) Affected:

Cities, Housing and Community Services Department (HCSD), Counties

Summary of Fiscal Impact:

Costs related to the measure may require budgetary action - See analysis.

Analysis:

This bill, as amended, requires the Housing and Community Services Department (OHCS) to provide a grant in the amount of \$960,000 General Fund to the Hacienda Community Development Corporation to fund Accessory Dwelling Unit (ADU) community pilot programs. The pilot programs would allow an eligible homeowner to site an ADU on their property and then rent it to an eligible tenant. The bill lists the requirements for the programs and allows the distribution of grant funds to subgrantees.

The bill also requires OHCS to report to the Legislature no later than September 15, 2023 on the ADU community pilot programs established by the bill, including the amounts expended and the information reported by each grant recipient.

Oregon Housing and Community Services Department (OHCS)

Hacienda CDC has implemented this type of ADU program in partnership with other nonprofit organizations. The program design in the bill is based on Hacienda’s program, and will not require significant work for program design by OHCS. OHCS will consider the funding as a pass-through award to fund an existing initiative at Hacienda. The department write a grant agreement which includes the stipulations provided in the bill, monitor that grant funds are used as awarded, receive reports from Hacienda, and prepare a report for the Legislative Assembly. OHCS will also monitor the program for the duration of the ten-year affordability period, and prepare and present the required report to the Legislature. OHCS can absorb the activities associated with this measure using existing staff and resources.

The bill appropriates funds to OHCS to grant to Hacienda. The fiscal impact to OHCS is \$960,000 General Fund in 2019-21. There is a minimal fiscal impact to the department for 2021-23.

Cities and Counties

There may be a minimal impact to counties to process code changes under this bill. There is no anticipated fiscal impact to cities.

This bill should be referred to the Joint Committee on Ways and Means for expenditure limitation.