

HB 2095 A STAFF MEASURE SUMMARY

Senate Committee On Housing and Development

Prepared By: Devin Edwards, LPRO Analyst

Meeting Dates: 4/22

WHAT THE MEASURE DOES:

Aligns timing of extension of affordability restriction for publicly supported housing with timing of delivery of notice of intent to withdraw property from publicly supported housing. Requires property owners of publicly supported housing to deliver second notice of withdrawal to Oregon Housing and Community Services (OHCS) and local government where property is located between 24 and 30 months prior to withdrawal of property from publicly supported housing. Extends affordability restriction for at least 30 months from delivery of first notice if not on time or at least 24 months from delivery of second notice if not on time. Allows OHCS to designate qualified purchaser of property upon delivery of first notice or 30 months prior to date when contract term expires. Requires property owners of publicly supported housing to notify tenants of intent to withdraw between 12 and 14 months prior to delivery of first withdrawal notice to OHCS and local government. Applies to properties subject to affordability restriction or contract scheduled to terminate on or after 30 months following effective date of measure.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Oregon law defines publicly supported housing as multifamily rental housing developments of five or more units that receive government assistance or subsidies under a contract containing an affordability restriction, which is a limit on rent charged or use of a participating property. Oregon Housing and Community Services' Publicly Supported Housing Preservation program was established with the intent of preserving homes as affordable beyond expiration of a predetermined affordability period.

Owners of publicly supported housing are required to provide notice to Oregon Housing and Community Services and to local governments regarding the owner's intent to withdraw a property from publicly supported housing at the expiration of a contract. Qualified purchasers (the department and local governments) have the first right of refusal to purchase a property that is withdrawn from publicly supported housing.

House Bill 2095 A aligns the timing of the extension of affordability restrictions for publicly supported housing with the delivery timing of the notice of intent to withdraw property from publicly supported housing. Property owners of publicly supported housing will be required to deliver a second notice of withdrawal to Oregon Housing and Community Services (OHCS) and a local government where property is located between 24 and 30 months prior to withdrawal of the property from publicly supported housing. Affordability restrictions will be extended for at least 30 months from the delivery of the first notice if that notice is not on time, or at least 24 months from the delivery of the second notice if that notice is not on time. OHCS may designate a qualified purchaser of the property upon delivery of the first notice or 30 months prior to the date when the contract term expires. Property owners of publicly supported housing must notify tenants of the intent to withdraw between 12 and 14 months prior to the delivery of the first withdrawal notice to OHCS and the local government. The measure applies to properties subject to affordability restrictions or contract scheduled to terminate on or after 30 months following the effective date of measure.