

OREGON HOUSING AND COMMUNITY SERVICES

Moderate-Income Revolving Loan (MIRL) Program



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Dec. 10, 2024
Senate Interim Committee On Housing and Development

SB 1537 (2024)

Key Provisions for OHCS

Governor Kotek's \$376 million priority housing package from the short session included a one-time \$75 million General Fund allocation for the **Moderate-Income Revolving Loan (MIRL) Program** at OHCS.

- MIRL is a revolving loan fund established at the state to capitalize development grants made and administered by local governments and paid back through a fee in lieu of specific property improvements (construction or conversion of property to moderate-income housing).
- The fund intends to boost the production of moderate-income housing through local public resources.
- The program is for both homeownership and rental homes that are affordable to Oregonians with moderate incomes.



Moderate-Income Revolving Loan (MIRL) Program Key Components

OHCS will issue **zero-interest loans** to cities and counties (*sponsoring jurisdictions*) who then award those funds in the form of **grants** to developers with eligible housing development projects.



- Grantees (*housing developers*) will receive **property tax exemption** for improvements to the property.
- After project completion, grantees start paying an **annual program fee** for approximately 10 years to the sponsoring jurisdiction.
- Sponsoring Jurisdictions pay **back their loan to OHCS with the fees**; OHCS can then recycle funds.

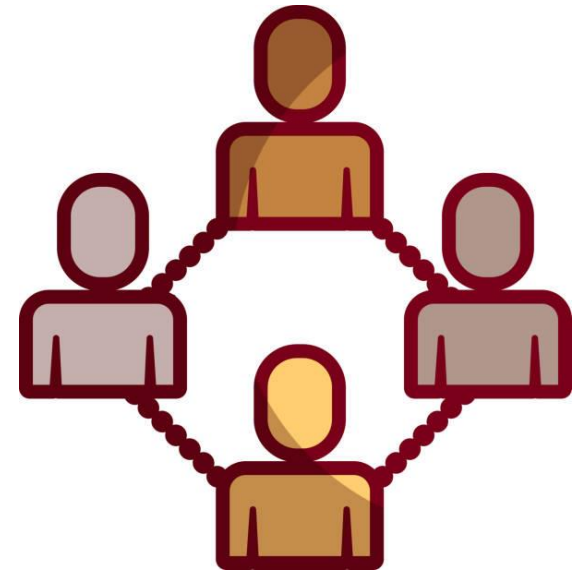
Implementation Progress & Considerations

- **Speed of implementation:** A key priority for the Governor and legislative sponsors.
- **Light touch compliance:** Cities and counties will enforce affordability requirements.
- **New direct relationships:** Cities and counties administer their programs while the agency serves as a program facilitator providing technical assistance.
- **Determine clear roles and responsibilities:** Engagement with partners has helped define these in this complex program.



External Engagement

- Convened key stakeholders early in implementation process
 - Cities and counties
 - County tax assessors and treasurers
 - Housing developers
 - AOC and LOC
 - Legislators and legislative advocates
- Held large public engagement on Oct. 22
- Initiated multiple focus group discussions with developers, cities and counties throughout creation of the framework
- Developed a survey and currently integrating feedback into final draft of the program framework



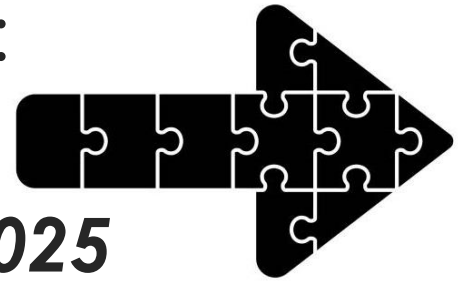
Progress Toward Launch Deliverables

- **External Engagement** | Work with stakeholders to determine roles – **Complete**
- **Internal Hiring** | 11 positions authorized; 2 hired – **In progress**
- **Agency Processes** | OARs, HSC updates, webpage – **In progress**
- **Program Documents** | Framework and Program Manual drafting – **In progress**
- **Database Configuration** | New program set up in Prolink system – **In progress**
- **Template Program Materials** | IGA's, Proforma's, submittal process – **In progress**
- **Final DOJ Review** | **Not yet started**



Next Steps & Key Milestones

- Finalize draft framework: **December 2024**
- Application materials, manual, and rulemaking: **December 2024 – February 2025**
- Hire program staff: **December 2024 – January 2025**
- Program launch : **Early 2025**



Questions?

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