

SB 861 -1 STAFF MEASURE SUMMARY

Senate Committee On Housing and Development

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Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 3/29, 4/3

WHAT THE MEASURE DOES:

Appropriates \$10 million from General Fund for Oregon Housing and Community Services (OHCS), in coordination with Department of Land Conservation and Development (DLCD), to provide grants to promote the development of innovative and cost-effective housing types for needed housing.

FISCAL: Has minimal fiscal impact

REVENUE: No revenue impact

ISSUES DISCUSSED:

- Role of funding in completing affordable housing projects
- Use of 501 (c)(3) bonds for affordable housing in other jurisdictions
- Leveraging funding for affordable housing from various sources

EFFECT OF AMENDMENT:

-1 Replaces measure.

Establishes volunteer seven-member Task Force on Innovative and Cost-Effective Housing (Task Force) and includes provisions covering Task Force operations and staff support provided by Oregon Housing and Community Services (OHCS). Specifies OHCS Director appoints four members, with one each representing OHCS, private housing developers, private investors in affordable housing, and private sector housing lenders; State Treasurer appoints either themselves or their designee and an attorney licensed to practice in Oregon with expertise in public bonding; and Department of Land Conservation and Development (DLCD) appoints a representative of DLCD.

Directs Task Force to evaluate, develop, structure, and recommend housing finance programs for promoting affordable, mixed, and middle-income housing construction; develop programs maximizing benefits of existing federal funds and programs, including for 501 (c)(3) tax exempt bonds; evaluate innovative housing finance programs in other jurisdictions and identify best practices; and consider constitutional and statutory amendments to increase efficiency of public funding deployment. Requires Task Force submit report to interim committee of Legislative Assembly related to housing no later than September 15, 2024.

Repeals provisions of Act on December 31, 2024. Provides \$500,000 from General Fund to OHCS, for biennium beginning July 1, 2023, to administer Task Force.

Takes effect on 91st day following adjournment sine die.

BACKGROUND:

Senate Bill 861 directs Oregon Housing and Community Services (OHCS) to coordinate with the Department of Land Conservation and Development (DLCD) to provide grants promoting the development of innovative, cost-effective housing types for needed housing.