HB 3555 A STAFF MEASURE SUMMARY

House Committee On Housing and Homelessness

Action Date: 04/04/23

Action: Do pass with amendments and be referred to Ways and Means by prior reference.

(Printed A-Eng.)

Vote: 8-2-1-0

Yeas: 8 - Dexter, Fahey, Gamba, Hartman, Helfrich, Helm, Javadi, Levy E

Nays: 2 - Cate, Wright

Exc: 1 - Boice

Fiscal: Fiscal impact issued **Revenue:** No revenue impact

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Meeting Dates: 3/28, 4/4

WHAT THE MEASURE DOES:

Directs Oregon Housing and Community Services (OHCS) to provide grants to qualified housing sponsors for predevelopment or development costs related to developing community housing supporting agricultural employees. Defines, for purposes of grantmaking, "community housing supporting agricultural employees" as a housing development within an urban growth boundary; consisting of a multifamily dwelling or cluster of buildings, including manufactured housing, prefabricated, modular, 3-D printed housing or other innovative construction; located within 20 miles of significant agricultural employment; and promoted and developed with amenities suitable for agricultural workers and their families. Requires housing units remain affordable to rent for low income households for no less than 60 years, and be operated as a consumer housing cooperative or similar model preserving affordability or resident control of property. Allows OHCS to prioritize in awarding grants: applications from nonprofits serving agricultural workers or developers partnering with such nonprofit organizations; availability of other potential funding to be leveraged to support a housing project, and proximity of proposed development to significant agricultural employment and specific amenities. Specifies reporting requirements for grant recipients. Appropriates, for the biennium beginning July 1, 2023, \$10 million in General Fund moneys to OHCS for agricultural employee community housing development grants. Repeals provisions of Act January 2, 2028. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Agricultural workforce housing repair fund provisions and allocations removed from measure due to incorporation in enrolled House Bill 2001 (2023)
- Assistance requested in measure is in addition to agriculture workforce housing tax credit
- Request for information on current state program supporting agriculture workforce housing
- Limiting housing to within urban growth boundary to support community access to resources

EFFECT OF AMENDMENT:

Removes provisions and allocations for Agricultural Housing Repair Fund. Expands, for grants for community housing supporting agricultural employees, eligible housing types to include prefabricated, modular, 3-D printed housing or other innovative construction. Modifies required affordability period for grant-funded housing from 99 years to 60 years. Specifies Oregon Housing and Community Services (OHCS) may prioritize, in awarding grants, applications from nonprofits serving agricultural workers or developers partnering with such nonprofit organizations. Appropriates, for the biennium beginning July 1, 2023, \$10 Million in General Fund moneys to OHCS for agricultural worker housing predevelopment and development grants.

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BACKGROUND:

There are two primary types of housing for agricultural workers: farm-based and community-based. Seasonal and migrant farmworkers often live in housing on or near the farm where they work. Agricultural employers and labor camp operators are required to annually register their farm-based farmworker housing with the Oregon Occupational Safety & Health Division (OR-OSHA). There were 400 registered farmworker housing facilities in 2022, with an estimated occupancy of over 10,000 workers. The COVID-19 Farmworker Study (2021) conducted by various Oregon and California university researchers highlighted the disproportionate impacts of COVID-19 on the working and living conditions of Oregon agricultural workers, and underscored the need for safe and stable farm-based and community-based housing near agricultural employment sites.

The existing Agriculture Workforce Housing Tax Credit program provides support for the construction, rehabilitation, and acquisition of housing for agricultural workers and their immediate families. The tax credit can be applied to 50 percent of eligible costs paid or incurred to complete an agricultural workforce housing project. Under this program, Oregon Housing and Community Services (OHCS) may allocate up to \$16.75 million each year to fund eligible project costs.

House Bill 3555 A allocates \$10 million to OHCS for predevelopment and development grants for nonprofits and partner developers building community housing supporting agricultural employees, and specifies conditions of housing developed under these grants related to location, long-term affordability, and use of a housing cooperative model.