

CHAPTER 88

AN ACT

HB 2812

Relating to the Home Ownership Assistance Account; amending ORS 458.610 and 458.655.

Be It Enacted by the People of the State of Oregon:

SECTION 1. ORS 458.655, as amended by section 12, chapter 109, Oregon Laws 2018, is amended to read:

458.655. (1) The Home Ownership Assistance Account *[shall be]* is administered by the Housing and Community Services Department to expand this state's supply of homeownership housing for families and individuals, **including persons over 65 years of age, persons with disabilities, minorities, veterans and farmworkers**, *[who the Oregon Housing Stability Council determines, based on information from the United States Department of Housing and Urban Development, have income that is not more than 100 percent of]* **with below area median** *[family] income*, *[including, but not limited to, persons over 65 years of age, persons with disabilities, minorities, veterans and farmworkers]*. An amount equal to 25 percent of moneys deposited in the account pursuant to ORS 294.187 is dedicated for expenditure to expand this state's supply of homeownership housing for *[low and very low income]* veterans and families of veterans **with below area median income**. The **Oregon Housing Stability Council** shall have a policy of distributing funds statewide while concentrating funds in those areas of this state with the greatest need, as determined by the council, for *[low and very low income homeownership housing]* **households with below area median income**. *[However,]* The council's policy of distributing funds may differ from the distribution policy for the Housing Development and Guarantee Account.

(2) Funds in the Home Ownership Assistance Account *[shall]* **must** be granted to organizations that both sponsor and manage *[low income]* homeownership programs **for households with below area median income**, including:

(a) Lease-to-own programs*[,]*; *[for the]*

(b) Construction of new *[homeownership]* housing; or *[for the]*

(c) Acquisition or rehabilitation of existing structures *[for homeownership housing for persons of low or very low income, or both]*.

(3) The council shall develop a policy for disbursing grants for any or all of the following purposes:

(a) To aid *[low income]* homeownership programs **for households with below area median income**, including program administration, in purchasing land, providing assistance with down payment costs, or providing homeownership training and qualification services or any combination thereof. Funds in the Home Ownership Assistance Account may not be used by an organization to pay for its general

operations *[or to pay for more than 25 percent of construction or rehabilitation costs]*.

(b) To match public and private moneys available from other sources *[for purposes of the provision of low or very low income]* **to provide homeownership housing for households with below area median income**.

(c) To administer the Home Ownership Assistance Account as provided for in the legislatively approved budget, as that term is defined in ORS 291.002, for the Housing and Community Services Department.

(4) The council, in developing policy under subsection (3) of this section, shall give preference in making grants to those entities that propose to:

(a) Provide the greatest number of *[low and very low income]* homeownership housing units constructed, acquired or rehabilitated for **households with below area median income** for the amount of account money expended by matching account funds with other grant, loan or eligible in-kind contributions;

(b) Ensure the longest use for the units as *[low or very low income]* homeownership housing units **for households with below area median income**, such as by including some form of equity recapture, land trust or shared equity provisions, as determined by the council;

(c) Include social services for occupants and proposed occupants of the proposed housing including*[,] but not limited to,* programs that address home health care, mental health care, alcohol and drug treatment and post-treatment care, child care, homeownership training, mortgage qualification service, credit repair and case management; and

(d) Support a comprehensive strategy to reverse the decreasing rates of homeownership among minorities, giving priority to activities that support adopted comprehensive community plans that incorporate recognized best practices or demonstrate proven success in increasing homeownership for minorities.

SECTION 2. ORS 458.610 is amended to read:

458.610. For purposes of ORS 458.600 to 458.665:

(1) **"Area median income" means the median family income for the area, subject to adjustment for areas with unusually high or low incomes or housing costs, all as determined by the Oregon Housing Stability Council based on information from the United States Department of Housing and Urban Development.**

[(1)] (2) "Council" means the Oregon Housing Stability Council established in ORS 456.567.

[(2)] (3) "Department" means the Housing and Community Services Department established in ORS 456.555.

[(3)] (4) "Low income" means income that is more than 50 percent and not more than 80 percent of the **area median** *[family] income* *[for the area, subject to adjustment for areas with unusually high or low incomes or housing costs, all as determined by the council based on information from the United*

States Department of Housing and Urban Development].

[(4)] (5) “Minority” means an individual:

- (a) Who has origins in one of the black racial groups of Africa but who is not Hispanic;
- (b) Who is of Hispanic culture or origin;
- (c) Who has origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent or the Pacific Islands; or
- (d) Who is an American Indian or Alaskan Native having origins in one of the original peoples of North America.

[(5)] (6) “Organization” means a:

- (a) Nonprofit corporation established under ORS chapter 65;
- (b) Housing authority established under ORS 456.055 to 456.235; or
- (c) Local government as defined in ORS 197.015.

[(6)] (7) “Persons with disabilities” means persons with handicaps described in 42 U.S.C. 3602(h).

[(7)] (8) “Very low income” means income that is 50 percent or less of the **area** median [*family*] income [*for the area, subject to adjustment for areas with unusually high or low incomes or housing costs, all as determined by the council based on information from the United States Department of Housing and Urban Development*].

[(8)] (9) “Veteran” has the meaning given that term in ORS 408.225.

SECTION 2a. If House Bill 2056 becomes law, section 2 of this 2019 Act (amending ORS 458.610) is repealed and ORS 458.610, as amended by section 3, chapter 576, Oregon Laws 2019 (Enrolled House Bill 2056), is amended to read:

458.610. For purposes of ORS 458.600 to 458.665:

(1) “Area median income” means the median family income for the area, subject to adjustment for areas with unusually high or low incomes or housing costs, all as determined by the Oregon Housing Stability Council based on information from the United States Department of Housing and Urban Development.

[(1)] (2) “Council” means the Oregon Housing Stability Council established in ORS 456.567.

[(2)] (3) “Department” means the Housing and Community Services Department established in ORS 456.555.

[(3)] (4) “Low income” means income that is more than 50 percent and not more than 80 percent of the **area** median [*family*] income [*for the area, subject to adjustment for areas with unusually high or low incomes or housing costs, all as determined by the council based on information from the United States Department of Housing and Urban Development*].

[(4)] (5) “Minority” means an individual:

- (a) Who has origins in one of the black racial groups of Africa but who is not Hispanic;
- (b) Who is of Hispanic culture or origin;
- (c) Who has origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent or the Pacific Islands; or
- (d) Who is an American Indian or Alaskan Native having origins in one of the original peoples of North America.

[(5)] (6) “Moderate income” means income that is more than 80 percent and not more than 120 percent of the **area** median [*family*] income [*for the area, subject to adjustment for areas with unusually high or low incomes or housing costs, all as determined by the council based on information from the United States Department of Housing and Urban Development*].

[(6)] (7) “Organization” means a:

- (a) Nonprofit corporation established under ORS chapter 65;
- (b) Housing authority established under ORS 456.055 to 456.235; or
- (c) Local government as defined in ORS 197.015.

[(7)] (8) “Persons with disabilities” means persons with handicaps described in 42 U.S.C. 3602(h).

[(8)] (9) “Very low income” means income that is 50 percent or less of the **area** median [*family*] income [*for the area, subject to adjustment for areas with unusually high or low incomes or housing costs, all as determined by the council based on information from the United States Department of Housing and Urban Development*].

[(9)] (10) “Veteran” has the meaning given that term in ORS 408.225.

Approved by the Governor May 7, 2019

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