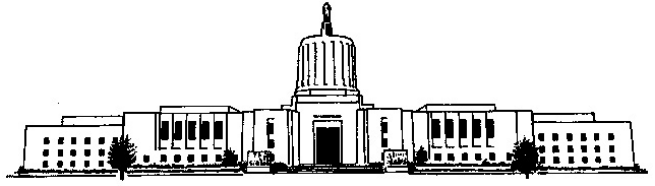


HOUSING



FINANCING

In the 2021 Regular Session, the Legislative Assembly renewed or created two significant property tax exemptions for affordable housing. [House Bill 2446](#) extends the sunset of an exemption for nonprofit properties offered, occupied, or used as low-income housing until July 1, 2028. [House Bill 3275](#) exempts land owned by an eligible covenant holder who is burdened by an affordable housing covenant requiring permanent affordability, specifying that exempt land must be held or improved for the construction or rehabilitation of owner-occupied housing.

Expansions of tax credits for certain affordable housing projects did not pass. [House Bill 2096 B](#) (*not enacted*) would have increased the available tax credits for agriculture workforce housing projects from \$3.6 million per year to \$16.7 million per biennium. [House Bill 2584 B](#) (*not enacted*) would have increased the total amount of outstanding affordable housing lender tax credits allowed in a given fiscal year from \$25 million to \$35 million while modifying certification requirements for qualified borrowers.

Building on past efforts to modify the mortgage interest deduction, [Senate Bill 852](#) (*not enacted*) and [House Bill 2578](#) (*not enacted*) would have prohibited the deduction of mortgage interest from personal income tax liability for residences other than principal residences, with certain exceptions. Both measures proposed the creation of the Oregon Housing Opportunity Account, funded by revenue attributable to limits on mortgage interest deduction, to support affordable homeownership and homelessness prevention programs.

The Legislative Assembly considered [Senate Bill 330 A](#) (*not enacted*), an income tax credit to fully compensate landlords for rent forgiven under [House Bill 4401](#) (*not enacted*), it directed the Oregon Housing and Community Services (OHCS) to reimburse landlords participating in the Landlord Compensation Fund for the 20 percent of past-due rent that landlords were initially required to forgive, in

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See the [2021 Legislative Summary Report for Housing](#), which highlights policy measures that received a public hearing during Oregon's 2021 Regular Legislative Session.

addition to compensating new qualifying applicants for 100 percent of past-due rent that accrued during the COVID-19 emergency period (see [Senate Bill 278](#), under Rental Assistance).

HOMELESSNESS/SHELTERING

To address the needs of the growing unsheltered homeless population throughout the state, [House Bill 2006](#) reduces barriers to local government approval of locating and siting emergency homeless shelters. The Legislative Assembly approved \$36.5 million, in part, through the budget rebalance vehicle [House Bill 5042](#) for the development of low-barrier navigation centers in Bend, The Dalles, Eugene, McMinnville, Medford, Portland, Roseburg, and Salem. [House Bill 3261](#) aims to ease regulatory barriers to converting hotel and motel properties to emergency shelters and later to affordable housing, and [House Bill 2004](#) appropriates \$9.7 million to the acquisition and retrofitting of such properties for shelter use.

Oregon Housing and Community Services' administration and distribution of federal antipoverty grants to meet the housing stability needs of culturally

specific communities will be addressed by the Task Force on Homelessness and Racial Disparities, established by [House Bill 2100](#).

[House Bill 3115](#) protects unsheltered Oregonians from certain fines or arrest when sleeping or camping on publicly owned property; [House Bill 2367](#) (*not enacted*) would have established the Oregon Right to Rest Act related to the rights of people experiencing homelessness in public spaces. [House Bill 3124](#) clarifies requirements regarding notification and storage of personal property belonging to homeless individuals who are removed from an established camping site.

HOMEOWNERSHIP

Building on [House Bill 4204](#) in the 2020 First Special Session, [House Bill 2009](#) (HB 2009) renewed foreclosure protections and temporary mortgage payment deferral until June 30, 2021 for borrowers who own no more than five properties that each include four or fewer residential dwelling units. HB 2009 prohibits default for nonpayment if the borrower notifies their lender of lost income due to the impacts of COVID-19. The measure also authorizes the Governor to extend the mortgage foreclosure moratorium period for two successive three-month periods beyond June 30, 2021; on August 16, the Governor made the final moratorium extension to December 31, 2021.

To address homeownership opportunity for low-income individuals and people of color, [Senate Bill 79](#) authorizes OHCS to focus grants and technical assistance efforts, while [House Bill 2007](#) establishes the Joint Task Force on Addressing Racial Disparities in Homeownership, charged with presenting recommendations to the Legislative Assembly by September 15, 2022.

LAND USE AND DEVELOPMENT

The Legislative Assembly enacted changes to affordable housing siting. [Senate Bill 8](#) requires local governments to allow, without requiring a zone change or conditional use permit, the development of affordable housing projects on lands inside an urban

growth boundary not zoned for residential use, subject to certain zoning, property ownership, and land use requirements. [Senate Bill 458](#) establishes conditions under which local governments must approve divisions of real property for new middle housing development on lots and parcels in residential zones. [House Bill 2008](#) restricts conditions that local governments may place on development of affordable housing provided by religious nonprofit corporations and expands zoning where such housing must be allowed.

For rural residential development, the Legislative Assembly expressed its intent to pursue broader reforms to the state land use system. [Senate Bill 391](#) allows counties to authorize owners of a lot or parcel in rural residential zones to construct one accessory dwelling unit (ADU) on the lot or parcel, subject to certain conditions and compliance with local land use regulations. [House Bill 2918](#) requires local governments to compile and submit an inventory of surplus real property owned by the local government, including surplus real property outside of an urban growth boundary zoned for rural residential use. Several bills addressing rural affordable housing development did not pass, including [House Bill 3072 A](#) (*not enacted*), which would have allowed a local government, upon a landowner's petition, to expand its urban growth boundary for the development of workforce housing or combined workforce housing and workforce commercial uses, subject to certain conditions.

LANDLORD/TENANT

The residential eviction moratorium was central to the Legislative Assembly's deliberation throughout the three 2020 Special Sessions and the 2021 Regular Session. During its First Special Session in June 2020, the Legislative Assembly passed [House Bill 4213](#) (HB 4213), which established an eviction moratorium for residential and nonresidential tenants through September 30, 2020, and allowed a six-month grace period for tenants to repay outstanding rent by March 31, 2021.

In the Third Special Session in December 2020, the Legislative Assembly enacted [House Bill 4401](#), which extended the emergency period for the eviction

moratorium as well as the grace period for tenant nonpayment of rent and other charges to June 30, 2021. The grace period established in HB 4213 was extended by [Senate Bill 282](#) (SB 282) to February 28, 2022, for tenant repayment of rent accrued during the emergency period of April 1, 2020 through June 30, 2021. SB 282 also addresses occupancy limits, prohibiting landlords from imposing restrictions against guests based on the maximum duration of a guest's stay in a tenant's dwelling and from enforcing lower maximum occupancies than established by federal, state, or local law for a given dwelling. Along similar lines, [House Bill 2583](#) prohibits local governments from establishing or enforcing maximum occupancy limits in residential dwellings based on familial or nonfamilial relationships among occupants.

[Senate Bill 291](#) (SB 291) modifies how a landlord may evaluate a prospective tenant application for housing on the basis of criminal history. SB 291 prohibits landlords from considering previous arrests if applicants entered into a diversion program or received a deferred judgment, or if the applicant's conviction was for conduct that is no longer illegal under Oregon law.

Tenant rights-focused legislation that did not pass include [House Bill 2372](#) (*not enacted*), which would have prohibited eviction without cause outside of the COVID-19 emergency. [House Bill 2427](#) (*not enacted*) would have established a uniform, online rental application system and limited screening charges, while [House Bill 3306](#) (*not enacted*) would have allowed a landlord and tenant to agree on a recurring charge in lieu of a security deposit.

MANUFACTURED DWELLINGS

Relief packages for communities impacted by the September 2020 wildfires include support for displaced residents, as well as funding to redevelop and repair manufactured dwellings. [House Bill 3218](#) allows OHCS to utilize loan and grant funds from an existing program to support the repair or reconstruction of manufactured homes destroyed by natural disaster. Related to manufactured dwelling tenant rights, [House Bill 2364](#) requires a manufactured dwelling or floating home facility owner to consider tenant or tenant committee's offer to

purchase a facility upon owner notification of intent to sell.

[House Bill 2761 A](#) (*not enacted*) would have required a manufactured dwelling park landlord to provide critical rental documents in any of the state's five most commonly spoken languages other than English, if requested by a prospective tenant or purchaser.

RENTAL ASSISTANCE

[Senate Bill 278](#) prohibits residential landlords from pursuing eviction actions against a tenant for nonpayment for a 60-day period from the time that a tenant has provided a landlord with documentation of application for rental assistance, beginning July 1, 2021. The measure also directs OHCS to reimburse landlords participating in the Landlord Compensation Fund for the 20 percent of past-due rent that was forgiven and compensate new qualifying applicants for 100 percent of past-due rent that accrued during the COVID-19 emergency period.

Two new programs were created with rental assistance components. [House Bill 2163](#) establishes a long-term rental assistance program within OHCS to support individuals younger than 25 years of age who are or have recently been homeless. [House Bill 2842](#) creates the Healthy Homes Program within the Oregon Health Authority, for the purpose of awarding grants to eligible entities which provide financial assistance to low-income households and communities disproportionately affected by environmental pollution or other hazards, and to landlords for the repair and rehabilitation of residential dwelling units.

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