

Housing Alliance Development and Land Use Workgroup
Thursday, October 12, 3:00–5:00 PM

Bill Van Vliet (NOAH), Jessica Woodruff (Reach), Martha McLennan (NHA), Rob Prasch (NOAH), Andy Smith (City of Hillsboro), Ariel Nelson (OHCS), Ellen May (City of Eugene), Ramsay Weit, Shannon Vilhauer (Habitat for Humanity of Oregon), Val Valfre (Washington County), Peggy Lynch (LWV), Matt Tschabold (City of Portland), Mary Kyle McCurdy (1000 Friends), Randy Tucker (Metro), Peter Hainley (CASA of Oregon), Ryan Fisher (Oregon Housing Authorities), Lynn Lindgren-Schreuder (HDC), Christine Paglialunga (BRIDGE), Alison McIntosh (NP)

Presentation by Elana Pirtle-Guiney, Office of Governor Kate Brown Energy Efficiency Executive Order (Notes are available as a separate document)

2017 legislative session recap: 2017 was a very successful legislative session for new development resources.

- \$80 million for the LIFT Program in General Obligation bonds, \$40 million to be distributed in 2018, and \$40 million to be distributed in 2019.
- The extension of the sunset for the Oregon Affordable Housing Tax Credit to 2026, plus an expansion to \$25 million.
- The creation of the Land Acquisition Program (HB 2912).
- Other resources for preservation of affordable housing (\$25 million in lottery bonds) plus policy changes through HB 2002.

2018 and 2019 legislative sessions –discussion

- Legislative landscape/context: The 2018 session will be extremely short, at only 35 days. Each Senator will have one bill and Representatives will have two bills. The Senate is signaling that any bill must have bipartisan support.
- Current discussions about possible Housing Alliance agenda items include a potential document recording fee increase in 2018. In 2017, the Housing Alliance asked to increase it by \$20, and while the bill was alive and moving until the final days, it was caught up in politics around HB 2004 and other bills.
- Recently, California passed a \$75 document recording fee for affordable housing (Washington State's is \$62 for housing and homelessness).
- The coalition has been discussing a larger increase, possibly as high as \$55 (to be a total of \$75), as a starting place.
- In discussions with legislators, it has become clear that the Realtors Association would like to revive a proposal from 2017 as well, which would provide a benefit to first time home buyers to save for a down payment. The Housing Alliance should discuss ways this proposal could be improved to better serve people in rural communities, people with low incomes, and people of color. There were a number of questions about how the proposal would work, and how it could be improved to better support people with lower incomes.

- Potential change needed to be able to utilize both 4% and 9% LIHTC resources to develop a single property: Reach CDC brought this to the City of Portland in 2015 – currently, Oregon law does not allow new construction projects to utilize both 4% LIHTC and 9% LIHTC because our condominium laws do not allow developers to split air rights between two developments and create the necessary ownership structures until after the building is developed. This is a potential 2019 Legislative proposal.
- Potential constitutional amendment referral(s) related to local general obligation and state general obligation bonds.
- Currently there are two constitutional issues which limit our ability to utilize general obligation bonds:
 - For municipalities, Article XI Section 9 states that municipalities may not lend their credit for the benefit of a private party. This is interpreted to mean that with the recent bonds in the City of Portland that the City must own and operate the housing developed with these bonds, and that they cannot be blended with other funds such as tax credits.
 - The City of Portland would like to ask the Legislature to refer a question to voters in the November 2018 election that asks them to create an exemption to this provision specifically for affordable housing.
 - For the state, Article XI-Q says the State must own or operate the asset developed with the bond resources. OHCS and multifamily developers have currently figured out a “work around” which seems to be working so far.
 - There is an open question as to whether we should also refer this to voters at the same time in order to leverage limited campaign resources.
 - Groups are working on gathering resources to conduct a poll.
 - The lending of credit issue seems more urgent, given that the state bonds seem to be working thus far.

Other 2018 items?

- Technical Fix to SB 1051 (formerly HB 2007), which would clarify that Accessory Dwelling Units are only required to be allowed on single family lots in single family zones within urban growth boundaries. There is a question about whether this proposal might include additional technical fixes or not.
- The Legislature is currently discussing a proposal “Clean Energy Jobs”, which would essentially be a cap and invest type proposal where carbon emissions are capped, and then the ability to pollute is essentially sold to industries and other emitters. Oregon is currently discussing whether some of these funds should be redirected into weatherization of low income homes, and on other states, these funds can be spent to build affordable housing.

Other items

- Statewide Housing Plan: OHCS is currently engaged in outreach to their Statewide Housing Plan and is traveling around the state. The latest schedule is available here: <http://www.oregon.gov/ohcs/DO/shp/2017-Statewide-Housing-Plan-Outreach%20Schedule.pdf>.
- Ballot Measure 101: A new ballot measure will be coming to Oregonians in January for a special election. The measure would ask Oregonians to reaffirm a law passed in the 2017 legislative session that funds the expansion of health care for Oregonians with low incomes. The Housing Alliance would like to support the coalition leading the effort, and would encourage members to get involved as well.
- Workplan! Next month, this workgroup will review a workplan for the next year.