

General Housing Account

Projected Amount Available

The Legislative Revenue Office projects that the new recording fee will generate \$15 million in the 2009-11 biennium. The Housing Opportunity Bill directs \$11.4 million to the General Housing Account, of which \$10.5 million will be allocated to multi-family housing and \$900,000 to capacity building.

Resource Allocation Strategies

Multi-Family Housing

The department anticipates allocating the bulk of the new funds through the Consolidated Funding Cycle. A portion will fill gaps in the department's other multi-family housing finance tools.

The department proposes five uses of the General Housing Account resources in support of affordable multi-family rental housing:

1. **Operating grants and capital grants and loans - \$6 million** (paired with the estimated \$6.5 million in Housing Trust Fund resources)

Operating grants

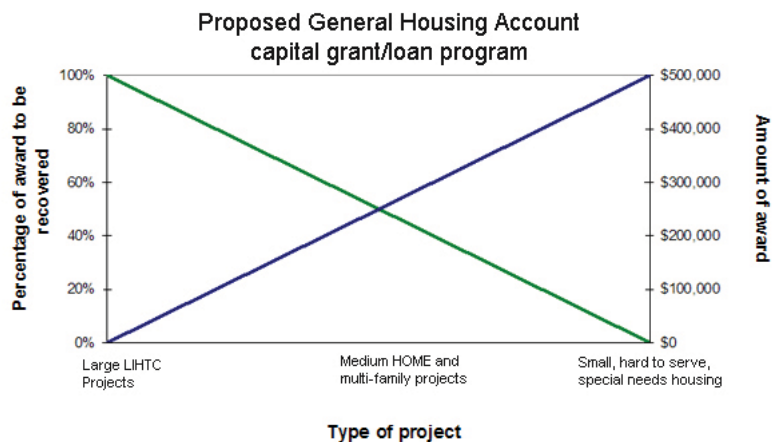
OHCS will define the scope of the operating grants in the Consolidated Funding Cycle application materials, with the following parameters:

- maximum award of \$100,000
- capitalized up front
- recoverable based on the size of the project
- limited to housing projects that serve people at 80 percent area median income or below
- allowable for operating reserves, rent subsidy and eligible services
- limited to projects serving residents at or below 50 percent of area median income

Capital grants and loans

- maximum award of \$500,000
- recoverable based on the size of the project
- limited to housing projects that serve people at 80 percent area median income or below

The following chart provides a visual explanation of how the awards will scale according to project type and size. OHCS may make GHAP awards of up to \$500,000 for a single project.



2. **Permanent preservation of expiring use projects - \$1.6 million**

OHCS will make funds available as grants and loans and support for capital needs assessments on preservation projects.

3. **Permanent supportive housing strategies - \$1.2 million**

Potential Neighborhood Stabilization Program II grant match or other similar activities.

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4. Contingency fund -- \$1 million

Support for older developments that need repairs or assistance to remain operational and viable.

5. Discretionary pool - \$700,000

OHCS will make funds available on a competitive basis for innovative strategies to increase the supply of affordable housing, such as land banking; manufactured dwelling park preservation, and other innovative strategies.

Capacity Building

The department believes in strong partners that can better manage publicly funded affordable housing developments.

OHCS proposes three uses for the capacity-building portion of the General Housing Account:

1. Operational grants - \$720,000

Organizations will apply competitively for maximum grants of \$50,000 annually for projects to enhance capacity. While, multiple year grants are likely, the department does not intend for the grants to an ongoing subsidy of organizational operations.

2. Training and technical assistance - \$90,000

OHCS will work with partners to identify their needs. The department will award funds on a competitive basis.

3. Capacity assessments - \$90,000

OHCS will fund collaborative assessments of individual organizations to assess needs and strengths in the process of expanding capacity to develop or manage more affordable housing.

Please send your comments and questions to:

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