



## AGENDA REQUEST & STAFF REPORT

**MEETING DATE:** May 8, 2024

**SUBJECT:** Workforce Housing Program for Median-Income Earners (HOME Fund)

**BACKGROUND AND POLICY IMPLICATIONS:**

In May of 2023, the Board heard a proposal to establish a program to incentivize the building of new workforce homes which would remain affordable to qualified persons for 30 years by deed restriction. The program, called Workforce Home Ownership for Median-Income Earners (Workforce HOME) would provide a \$30,000 builder credit for each home which is within the price range affordable for buyers having 80-120% of area median income (AMI).

A Memorandum of Understanding has been drafted by the proposers, under which NeighborImpact would administer the program relating to the initial sale of the home by conducting outreach, determining the eligibility of developers and potential buyers, overseeing the application processes and funding commitments, and managing all other administrative functions, including submitting reports to the County.

However, the program as initially presented has materially changed to where it will be the County's responsibility to monitor and enforce violations for the duration of the 30-year deed restriction. Specifically, Section 12 of the deed restriction, is the County will need to avail itself of any remedies for a violation of the deed restriction. The only ongoing service provided by NeighborImpact pursuant to the deed restriction would be for it to mail annual form letters out to the initial property owners reminding them of the deed restrictions. There would be no annual compliance declaration by the property owners or verification by staff. Rather, it would be up to the County or its designee to request any information or report that may be required to demonstrate compliance. It will be up to the County to either perform the following tasks or hire someone to provide the following tasks: request and collect information from property owners, verify the information, and seek enforcement of the deed restrictions if violations are discovered.

County staff has requested NeighborImpact for estimated costs to perform these services, as the \$20,000 administrative fee to be paid to NeighborImpact will not cover these costs. It is important to note that the County does not currently have staff, staff with expertise, or a designee to provide the services.

**ATTENDANCE:**

Morgan Greenwood, Central Oregon Builders Association

Nick Lelack, AICP, County Administrator and Legal, Finance and Administration staff