



Legislative Fiscal Office
 83rd Oregon Legislative Assembly
 2025 Regular Session

Prepared by: Michael Graham
 Reviewed by: Michelle Deister
 Date: March 10, 2025

Bill Title: Relating to homeownership development incubator programs.

Government Unit(s) Affected: Housing and Community Services Department

Summary of Fiscal Impact

2025-27 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Housing and Community Services Department	\$ 16,900,000	\$ -	\$ -	\$ -	\$ 16,900,000	-	-
Total Fiscal Impact	\$ 16,900,000	\$ -	\$ -	\$ -	\$ 16,900,000	-	-

2027-29 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Housing and Community Services Department	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
Total Fiscal Impact	\$ -	\$ -	\$ -	\$ -	\$ -	-	-

Measure Description

The measure directs the Housing and Community Services Department (HCSD) to amend its homeownership development incubator program to ensure the program funds the development of housing for households that earn up to 120% of the area median income and offers predevelopment funding for housing developers. The measure includes a one-time \$16.9 million General Fund appropriation to HCSD in the 2025-27 biennium to implement the measure.

Fiscal Analysis

The measure appropriates \$16.9 million General Fund to HCSD to fund the Homeownership Development Incubator Program, which has currently committed all funding appropriated to date. With this funding, HCSD expects to fund tribal homeownership projects, innovative homeownership projects that are ineligible for the Local Innovation and Fast Track Housing Program, and provide pre-development grants and loans to developers to get their projects shovel ready. HCSD projects that this funding will lead to 71 new homes (including 28 homes for Tribal members and 43 new homes funded with development subsidies) and support 17 developers to get projects underway to build an estimated 200+ homes.

Because construction projects usually take longer than 2 years from funding award to completion, HCSD typically deposits General Fund appropriated for housing development into an Other Funds account, requiring additional Other Funds expenditure limitation to deploy funding to developers.

Relevant Dates

The measure takes effect on January 1, 2026, and sunsets on January 2, 2028.