

Deschutes County Housing Trust Fund Policy Proposal

Deschutes County Board of County Commissioners

February 15, 2023

CURRENT HOUSING NEED:

Deschutes Co needs **55,887 total homes by 2040**

Deschutes Co needs **11,412 homes for 80 - 120% AMI in the next twenty years¹**

- 2022 Deschutes Co 80 - 120% AMI for a family of 4 = \$71,900 - \$107,880
- Purchase price affordable to this income range = \$315,587 - \$473,513

Workforce Housing Homeownership Opportunity to support our Deschutes County workforce:

- Food service and accommodation employee (average salary \$35,914)
- Bend-LaPine SD employees (average salary: \$42,734)
- St. Charles employee (average salary: \$50,500)
- Bright Wood Corporation employee (average salary: \$45,557)
- Minimum wage employee (approximately \$28,080)

REQUEST:

HOUSING TRUST FUND

Funded by Deschutes County's Unallocated Transit Room Tax dollars at \$2 million.

Provides a \$30K Developer Credit per workforce home upon closing to offset high cost of market prohibitive conditions, incentivizing free market development. Home must be built in the County within the price range allowable for buyers within 80-120% of AMI

- Will fund 66 workforce homes per year, which will remain affordable to Deschutes Co. employees for 30 years by deed restriction. This investment of taxpayer dollars equates to 1 thousand dollars a year for 30 years of dedicated workforce housing.

PROGRAM REQUIREMENTS

1. Guaranteed by a 30-year deed restriction, which would be recorded at closing.
2. Qualifying Family Income is between 80 - 120% adjusted annually for area median income as defined by HUD and home sales price is in alignment with income requirements.

¹ *[RHNA Technical Report Final Revised \(oregon.gov\)](#) (page 59)

3. Qualifying home price cannot exceed more than 30% of a qualifying monthly income (including Principle, Interest, Tax, and Insurance).
4. Required to currently be employed in Deschutes County (copy of employees pay stub required).
5. Must be a primary residence.
6. You are a U.S. citizen or have permanent resident alien status (required for applicant(s) only).
7. Home (Single family or Middle Housing) that meets all planning and building code requirements and constructed in Deschutes County can qualify.
8. At closing of each deed-restricted home that meets all eligible requirements will be issued \$30K to the builder/developer fulfilling a public private partnership to offset the high cost and prohibitive market conditions of building workforce housing from the Housing Trust Fund until the initial \$2 million fund is depleted.
9. When homeowners sell their home they can only sell the home for a maximum increase of 1% per year, capping out at 7% while continuing to meet the 80 - 120% AMI deed restriction allowing the home to remain affordable to the workforce for 30 years, and the homeowner to generate income for their next home this will be on the deed restrictions.