AMENDMENT TO RULES COMMITTEE PRINT 116-54

OFFERED BY MS. OMAR OF MINNESOTA

Page 1714, after line 2, insert the following new section:

SEC. 60016. AFFORDABLE HOUSING ACQUISITION FUND.

(a) Establishment.—The Secretary of Housing and Urban Development shall establish and manage an Affordable Housing Acquisition Fund (in this section referred to as the “Fund”), to fund the acquisition of multi-family housing projects by eligible purchasers to—

(1) ensure that tenants have access to safe and habitable housing conditions regardless of their landlords’ ability to pay for repairs and maintenance during and after the COVID-19 pandemic;

(2) prevent financial hardship for rental property owners; and

(3) prevent a mass exit in the rental housing market that results in massive corporate purchases similar to the 2008 economic crisis.

(b) First Right of Purchase.—

(1) Notice to Secretary.—During the 5-year period beginning upon the date of the enact-
ment of this Act, the owner of a multifamily housing property may not sell or transfer ownership of such property unless—

(A) the owner has notified the Secretary, in accordance with such requirements as the Secretary shall establish, of the owner’s intent to sell or transfer the property;

(B) a period of 60 days, beginning upon provision of such notice to the Secretary, has elapsed; and

(C) if during such 60-day period any eligible purchaser under paragraph (3) applies to the Secretary for purchase assistance under subsection (c) with respect to such property, the Secretary has approved or denied such application and, if approved, the eligible purchaser has made a bona fide offer to the owner to purchase such project in the amount determined under subsection (c)(3)(A).

(2) NOTICE TO ELIGIBLE PURCHASERS.—Upon provision to the Secretary of notice under paragraph (1)(A) regarding a multifamily housing project, the Secretary shall take such actions as may be necessary to provide notice to eligible purchasers of the owner’s intent to sell or transfer the property.
(3) ELIGIBLE PURCHASERS.—An eligible purchaser under this paragraph shall be a nonprofit organization, a public housing agency, a cooperative housing association, a community land trust, or a State or unit of local government or an agency thereof, as such terms are defined by the Secretary.

(e) PURCHASE ASSISTANCE.—

(1) APPLICATION.—The Secretary shall provide for eligible purchasers to apply for assistance from the Fund to cover the cost of acquisition of a multifamily housing project for which notice has been submitted pursuant to subsection (b)(1)(A).

(2) CRITERIA.—The Secretary shall establish such criteria and preferences as the Secretary considers appropriate to select an eligible purchaser for assistance under this section in cases in which more than one approvable application for such assistance is submitted with respect to a single multifamily housing project.

(3) AMOUNT.—Pursuant to an application submitted under paragraph (1) with respect to a multifamily housing project, the Secretary may provide assistance from the Fund on behalf of eligible purchaser submitting such application, in an amount equal to the purchase price for the project agreed to
under subparagraph (A) of this paragraph, but only if the Secretary determines that—

(A) such eligible purchaser and the owner of such multifamily housing project have voluntarily agreed to a sale of such project to the eligible purchaser for an amount not exceeding the fair market value of the project as of the time of provision of assistance from the Fund for purchase of the project, as determined by the Secretary; and

(B) the eligible purchaser has made the certifications and entered into the agreements required under subsection (d) with respect to the project.

(d) Affordable Housing Restrictions.—The certifications and agreements required under this subsection with respect to a multifamily housing project are such certifications to, and binding agreements with, the Secretary as the Secretary considers necessary to ensure that during the useful life of the project the project will comply with the following requirements:

(1) Affordable Housing.—The project shall comply with the requirements under section 215(a) of the Cranston-Gonzalez National Affordable Hous-
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(2) JUST-CAUSE EVICTIONS.—A tenant of the project may be evicted only for just cause and only pursuant to advance written notice to the tenant of such just cause.

(3) SOURCE OF INCOME DISCRIMINATION.—A prospective tenant household of the project may not be refused rental of a dwelling unit in the project, and a prospective tenant household or tenant household may not be discriminated against in the renting of a dwelling unit in the project, based on the source of income of such household, including income under the program under section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) or any similar tenant-based rental assistance program.

(4) ADMISSIONS RESTRICTIONS.—Tenancy of dwelling units in the project may not be restricted on the basis of sexual identity or orientation, gender identity or expression, conviction or arrest record, credit history, or immigration status.

(5) SUPPORTIVE SERVICES.—Residents of the project shall be provided with free, voluntary supportive services that help address the needs of those experiencing chronic homelessness or housing insta-
bility, including access to healthcare, employment or
education assistance, childcare, financial literacy
education, and other community-based support serv-
ices, as the Secretary shall require.

(6) **DEMOCRATIC CONTROL.**—Tenants of the
project shall have control of living and operating
conditions in the project through a democratically
elected resident board or council.

(e) **RECAPTURE.**—If an eligible purchaser violates
any requirement with respect to a multifamily housing
project purchased with assistance provided from the Fund
under any certification or agreement entered into pursu-
ant to subsection (d), the Secretary shall recapture from
the eligible purchaser an amount equal to the amount of
such assistance provided and shall cover such amount re-
captured into the Fund.

(f) **AUTHORIZATION OF APPROPRIATIONS.**—There is
authorized to be appropriated for the Affordable Housing
Acquisition Fund established pursuant to this section
$100,000,000, to remain available until expended—

(1) for assistance under this section to fund ac-
quision of multifamily housing projects by eligible
purchasers; and
(2) for assistance for the operation and maintenance of eligible properties purchased with assistance provided from the Fund.