

Senate Bill 1005

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Senate Interim Committee on Human Services and Rural Health Policy for Housing and Community Services Department)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Authorizes Housing and Community Services Department to contract to provide compliance monitoring or other administrative functions regarding housing developments and affordable housing.

A BILL FOR AN ACT

1
2 Relating to contracts for housing developments; creating new provisions; and amending ORS 456.625.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1.** ORS 456.625 is amended to read:

5 456.625. The Housing and Community Services Department may:

6 (1) Undertake and carry out studies and analyses of housing needs within the state and ways
7 of meeting such needs and make the results of such studies and analyses available to the public,
8 qualified housing sponsors and the private housing sector.

9 (2) Prepare proposals on measures it considers necessary to address administration, housing
10 programs or community services programs.

11 (3) With the approval of the State Housing Council, assess fees, charges or interest in con-
12 nection with housing programs.

13 (4) Encourage community organizations to assist in initiating housing projects for persons and
14 families of lower income.

15 (5) Encourage the salvage of usable housing scheduled for demolition or dislocation because of
16 highway, school, urban renewal or other public projects by seeking authority for the public agencies
17 involved in such programs to use the funds provided for the demolition or relocation of such
18 buildings to enable qualified housing sponsors to relocate and rehabilitate such buildings for use by
19 persons and families of lower income.

20 (6) Encourage research and demonstration projects to develop techniques and methods for in-
21 creasing the supply of adequate, decent, safe and sanitary housing for persons and families of lower
22 income.

23 (7) Make or participate in the making of residential loans to qualified individuals or housing
24 sponsors to provide for the acquisition, construction, improvement, rehabilitation or permanent fi-
25 nancing of residential housing or housing development; undertake commitments to make residential
26 loans; purchase and sell residential loans at public or private sale; modify or alter such mortgages
27 or loans; foreclose on any such mortgage or security interest or commence any action to protect
28 or enforce any right conferred upon the department by any law, mortgage, security, agreement,
29 contract or other agreement and to bid for and purchase property that is subject to such mortgage

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 or security interest at any foreclosure or other sale; acquire or take possession of any such property
 2 and complete, administer, conserve, improve and otherwise use the property to accomplish the
 3 department's purposes, pay the principal and interest on any obligations incurred in connection with
 4 such property and dispose of such property in such manner as the department determines necessary
 5 to protect its interests under ORS 456.515 to 456.725 and ORS chapter 458.

6 (8) Unless specifically exempted by the State Treasurer, deposit with the State Treasurer any
 7 funds held in reserve or sinking funds under ORS 456.515 to 456.725 and ORS chapter 458 and any
 8 other moneys not required for immediate use or disbursement by the department, subject to the
 9 provisions of any agreement with holders of bonds entered into prior to October 15, 1983.

10 (9) Advise and assist in the creation of any nonprofit housing corporation, consumer housing
 11 cooperative or limited dividend housing sponsor and give approval of the articles of incorporation
 12 and bylaws of any such organization in carrying out ORS 456.515 to 456.725.

13 (10) Cooperate with and exchange services, personnel and information with any federal, state
 14 or local governmental agency.

15 (11) With the approval of the State Treasurer, contract for the services of and consultation with
 16 trustees, investment and financial advisors, paying agents, remarketing agents and other profes-
 17 sional persons or organizations in carrying out ORS 456.515 to 456.725 and ORS chapter 458.

18 (12) Contract for, act on or perform any other duties that the department considers necessary
 19 or appropriate to carry out housing programs and community services programs, **including but not**
 20 **limited to contracting to provide compliance monitoring or other administrative functions**
 21 **with respect to housing developments and affordable housing, whether or not the housing**
 22 **developments or affordable housing receives department funding and whether or not the**
 23 **housing developments or affordable housing is located within this state. For purposes of this**
 24 **subsection, "affordable housing" has the meaning given that term in ORS 456.055.**

25 (13) Purchase, service, sell and make commitments to purchase, service and sell residential loans
 26 to the extent permitted by ORS 456.635 and 456.640 (1) to (3).

27 (14) Initiate or assist appropriate state agencies, governmental bodies and public or private
 28 housing sponsors in the development, construction, acquisition, ownership, leasing, rehabilitation or
 29 management of housing to carry out the purposes of ORS 456.515 to 456.725 and ORS chapter 458
 30 where such housing is not otherwise affordable or available in the area.

31 (15) Execute and record written instruments that contain terms, including but not limited to
 32 restrictive covenants or equitable servitudes, pertaining to the use and enjoyment of housing
 33 projects. Notwithstanding any other provision of law, the executed instruments shall constitute and
 34 create restrictive covenants affecting and running with the property according to the terms of the
 35 instruments when recorded in the records of the county where the property is located. County clerks
 36 shall accept the instruments for recording when presented by or on behalf of the department.

37 (16) Subject to the provisions of any agreement then existing with bondholders, make available
 38 funds by contract, grant, loan or otherwise, including loan guarantees, insurance or other financial
 39 leveraging techniques, from moneys made available by the department to carry out the purposes of
 40 ORS 456.515 to 456.725, if such moneys are not needed for the operations of the department or oth-
 41 erwise determined by the director to be a necessary or prudent reserve.

42 **SECTION 2. The amendments to ORS 456.625 by section 1 of this 2010 Act apply to con-**
 43 **tracts entered into on or after the effective date of this 2010 Act.**