

HOUSE AMENDMENTS TO A-ENGROSSED HOUSE BILL 2349

By COMMITTEE ON REVENUE

May 20

1 On page 2 of the printed A-engrossed bill, delete lines 4 through 38 and insert:

2 “**SECTION 2.** ORS 307.654 is amended to read:

3 “307.654. (1) The Legislative Assembly finds it to be in the public interest [*to stimulate the con-*
4 *struction of new single-unit housing in distressed urban areas in this state in order to improve in those*
5 *areas the general life quality, to promote residential infill development on vacant or underutilized*
6 *lots,*] to encourage homeownership [*and to reverse declining property values*] **among low and mod-**
7 **erate income families.**

8 “(2) The Legislative Assembly further finds and declares that the cities of this state **should** be
9 able to establish and design programs to stimulate the construction of new single-unit housing [*in*
10 *distressed urban areas*] **for homeownership by low and moderate income families** by means of a
11 limited property tax exemption, as provided under ORS 307.651 to 307.687.

12 “**SECTION 3.** ORS 307.657 is amended to read:

13 “307.657. (1)[*(a)*] ORS 307.651 to 307.687 apply to single-unit housing located within the juris-
14 diction of a governing body that adopts, by resolution or ordinance, ORS 307.651 to 307.687. Except
15 as provided in subsection (2) of this section, the exemption provided by ORS 307.651 to 307.687 ap-
16 plies only to the tax levy of a governing body that adopts ORS 307.651 to 307.687.

17 “[*(b)* *Each governing body that adopts, by resolution or ordinance, ORS 307.651 to 307.687 shall*
18 *adopt rules specifying the process for determining the boundaries of a distressed area and for dis-*
19 *tressed area boundary changes. The cumulative land area within the boundaries of distressed areas*
20 *within a city, determined for purposes of ORS 307.651 to 307.687, may not exceed 20 percent of the total*
21 *land area of the city.*]

22 “(2)(a) **Except as provided in paragraph (b) of this subsection,** the tax exemption provided
23 under ORS 307.651 to 307.687 applies to the tax levy of all taxing units [*when upon request of the*
24 *city that has adopted ORS 307.651 to 307.687,*] **with jurisdiction over property granted the tax**
25 **exemption by a city if** the rates of taxation of taxing units whose governing bodies agree by re-
26 solution **or ordinance** [*to the policy of providing tax exemptions for single-unit housing as described*
27 *in ORS 307.651 to 307.687*] **to grant the tax exemption,** when combined with the rate of taxation
28 of the city, equal 51 percent or more of the total combined rate of taxation levied on the property
29 [*which is tax exempt under ORS 307.651 to 307.687*].

30 “(b) **If the rate of taxation of the city that has granted the tax exemption equals 40 per-**
31 **cent or more of the total combined rate of taxation of all taxing units with jurisdiction over**
32 **the property, the tax exemption applies to the tax levy of all taxing units only if:**

33 “(A) **The percentage requirement of paragraph (a) of this subsection is met; and**

34 “(B) **The governing body of the county also agrees, by resolution or ordinance, to grant**
35 **the tax exemption to the property.**

1 “(3) *The city shall designate one or more distressed areas, located within the territorial boundaries*
2 *of the city, within which the city proposes to allow exemptions under ORS 307.651 to 307.687.*]

3 “[(4)] (3) The city shall adopt standards and guidelines to be utilized in considering applications
4 and making the determinations required under ORS 307.651 to 307.687, including but not limited to:

5 “[(a)] *Standards and guidelines for designating a distressed area, including but not limited to the*
6 *probability of revitalization in the area without the assistance of the property tax exemption provided*
7 *under ORS 307.651 to 307.687.*]

8 “[(b)] (a) Design elements for construction of the single-unit housing proposed to be exempt.

9 “[(c)] (b) Extensions of public benefits from the construction of the single-unit housing beyond
10 the period of exemption.”.

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