

**PROPOSED AMENDMENTS TO  
A-ENGROSSED HOUSE BILL 2349**

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

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

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

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

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

16 “307.657. (1)*[(a)]* ORS 307.651 to 307.687 apply to single-unit housing lo-  
17 cated within the jurisdiction of a governing body that adopts, by resolution  
18 or ordinance, ORS 307.651 to 307.687. Except as provided in subsection (2)  
19 of this section, the exemption provided by ORS 307.651 to 307.687 applies only  
20 to the tax levy of a governing body that adopts ORS 307.651 to 307.687.

21 “[*(b) Each governing body that adopts, by resolution or ordinance, ORS*  
22 *307.651 to 307.687 shall adopt rules specifying the process for determining the*

1 *boundaries of a distressed area and for distressed area boundary changes. The*  
2 *cumulative land area within the boundaries of distressed areas within a city,*  
3 *determined for purposes of ORS 307.651 to 307.687, may not exceed 20 percent*  
4 *of the total land area of the city.]*

5 “(2)(a) **Except as provided in paragraph (b) of this subsection,** the tax  
6 exemption provided under ORS 307.651 to 307.687 applies to the tax levy of  
7 all taxing units [*when upon request of the city that has adopted ORS 307.651*  
8 *to 307.687,*] **with jurisdiction over property granted the tax exemption**  
9 **by a city if** the rates of taxation of taxing units whose governing bodies  
10 agree by resolution **or ordinance** [*to the policy of providing tax exemptions*  
11 *for single-unit housing as described in ORS 307.651 to 307.687*] **to grant the**  
12 **tax exemption,** when combined with the rate of taxation of the city, equal  
13 51 percent or more of the total combined rate of taxation levied on the  
14 property [*which is tax exempt under ORS 307.651 to 307.687*].

15 “(b) **If the rate of taxation of the city that has granted the tax ex-**  
16 **emption equals 40 percent or more of the total combined rate of tax-**  
17 **ation of all taxing units with jurisdiction over the property, the tax**  
18 **exemption applies to the tax levy of all taxing units only if:**

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

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

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

26 “[*(4)*] **(3)** The city shall adopt standards and guidelines to be utilized in  
27 considering applications and making the determinations required under ORS  
28 307.651 to 307.687, including but not limited to:

29 “[*(a) Standards and guidelines for designating a distressed area, including*  
30 *but not limited to the probability of revitalization in the area without the as-*

1 *sistance of the property tax exemption provided under ORS 307.651 to*  
2 *307.687.]*

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

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

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