

HOUSE AMENDMENTS TO B-ENGROSSED HOUSE BILL 2198

By JOINT COMMITTEE ON WAYS AND MEANS

July 6

- 1 On page 1 of the printed B-engrossed bill, line 2, delete the second “and”.
- 2 Delete line 3 and insert “ing ORS 270.100 and 456.559; and declaring an emergency.”.
- 3 After line 13, insert:
- 4 “(4) ‘Low income individuals or families’ means individuals who have incomes at or below 60
- 5 percent of the area median income for individuals, or families that have incomes at or below 60
- 6 percent of the area median income for families.”.
- 7 Delete lines 14 through 22 and delete page 2.
- 8 On page 3, delete lines 1 through 29 and insert:
- 9 **“SECTION 2. (1) The Housing and Community Services Department shall, with the advice**
- 10 **and consent of the State Housing Council, develop and implement the Local Innovation and**
- 11 **Fast Track Housing Program for the purpose of expanding the state’s supply of affordable**
- 12 **housing for low income individuals or families.**
- 13 **“(2) Pursuant to subsection (1) of this section, the department may:**
- 14 **“(a) Acquire, construct, remodel, repair, equip or furnish real property that is or will be**
- 15 **owned by the State of Oregon for the purpose of providing affordable housing in this state**
- 16 **for low income individuals or families;**
- 17 **“(b) Pay development costs to develop real property that may be considered part of the**
- 18 **cost of a capital asset under generally accepted accounting principles; and**
- 19 **“(c) Create entities, cooperate or participate with persons or entities and contract with**
- 20 **persons and entities.**
- 21 **“(3) Interests in real property owned by the State of Oregon or the department under**
- 22 **this section are limited to the following:**
- 23 **“(a) A fee simple interest;**
- 24 **“(b) A leased fee interest;**
- 25 **“(c) A tenancy in common for which the state’s or department’s interest in the property**
- 26 **is proportionate to the contribution of the state or department to the property’s purchase**
- 27 **price;**
- 28 **“(d) A fee simple interest in a condominium; or**
- 29 **“(e) An easement, right of way, license or similar interest functionally related to and**
- 30 **necessary for the use of real property acquired by the state or department.**
- 31 **“(4) In funding the acquisition, construction, remodeling, repairing, equipping or fur-**
- 32 **nishing of real property under the program:**
- 33 **“(a) The department shall give preference to applicants with affordable housing projects**
- 34 **that will:**
- 35 **“(A) Provide the greatest number of affordable housing units for the amount of funding**

1 provided; and

2 “(B) Ensure the longest possible use of the real property as affordable housing units.

3 “(b) The department, with the advice and consent of the council, may adopt a formula
4 that:

5 “(A) Optimizes the function and duration of the affordable housing project; and

6 “(B) Takes into account the means to reduce the cost of the affordable housing project
7 while considering factors such as the quality of construction, durability, location and local
8 design requirements.

9 “(5)(a) Moneys made available through the program must be distributed statewide and
10 concentrated in areas of this state with the greatest need for affordable housing, as deter-
11 mined by the council. To implement this requirement, the department and the council shall
12 consider the following factors on a county-by-county basis:

13 “(A) The proportion of renters in the county who have a severe rent burden;

14 “(B) Underserved geographic areas, taking into account the proportion of low income
15 individuals or families compared to the availability of affordable housing within the ge-
16 ographic area; and

17 “(C) Market data, including but not limited to the cost of housing, vacancy rates and
18 available affordable housing supply.

19 “(b) As used in this subsection, ‘severe rent burden’ means rent that is more than 50
20 percent of the income of low income individuals or families.

21 “(6) For purposes of implementing the program, the council shall develop strategies to:

22 “(a) Reach traditionally underserved communities, including communities of color and
23 rural communities;

24 “(b) Reduce the cost of acquiring, constructing, remodeling, repairing, equipping or fur-
25 nishing real property for the purpose of providing affordable housing; and

26 “(c) Involve regional solutions advisory committees and teams, Early Learning Hubs,
27 coordinated care organizations and other persons or organizations.

28 “(7) The Director of the Housing and Community Services Department shall report reg-
29 ularly to the council regarding the status and progress of the program and of the
30 department’s responsibilities for implementing and administering the program.

31 “(8) The department shall adopt rules to implement the provisions of this section, in-
32 cluding but not limited to prescribing requirements for acquiring, constructing, remodeling,
33 repairing, equipping or furnishing real property for the purpose of providing affordable
34 housing under the program.

35 “SECTION 3. (1) The Local Innovation and Fast Track Housing Program Fund is estab-
36 lished in the State Treasury, separate and distinct from the General Fund. Interest earned
37 on moneys in the Local Innovation and Fast Track Housing Program Fund shall be credited
38 to the fund.

39 “(2) The fund consists of moneys deposited into the fund pursuant to chapter _____,
40 Oregon Laws 2015 (Enrolled House Bill 5005).

41 “(3) Moneys in the fund are continuously appropriated to the Housing and Community
42 Services Department for:

43 “(a) The purposes described in section 2 of this 2015 Act;

44 “(b) Payment of the costs incurred by the department to administer the fund; and

45 “(c) Payment of bond-related costs, as defined in ORS 286A.816.

1 “**SECTION 4.** ORS 270.100 is amended to read:

2 “270.100. (1)(a) Before offering for sale any real property or equitable interest therein owned by
3 the state, the state agency acting for the state in such transaction shall report its intent of sale or
4 transfer to the Oregon Department of Administrative Services. The department, or the agency spe-
5 cifically designated by the department, shall notify other state agencies authorized to own real
6 property of the intended sale or transfer to determine whether acquisition of the real property or
7 interest therein would be advantageous to another state agency.

8 “(b) The department shall give political subdivisions, as defined in ORS 271.005, the first op-
9 portunity after other state agencies to acquire, purchase, exchange or lease real property to be sold
10 or disposed of by the State of Oregon. The state agency responsible for selling or transferring the
11 property may require at the time of the sale or transfer that any state real property sold or trans-
12 ferred to a political subdivision, as defined in ORS 271.005, shall be for use for a public purpose or
13 benefit, and not be for resale to a private purchaser.

14 “(c) If property is not disposed of under paragraph (a) or (b) of this subsection, in accordance
15 with rules adopted by the department, the state agency desiring to sell or transfer the property shall
16 cause it to be appraised by one or more competent and experienced appraisers. Except as provided
17 in ORS 273.825, if such property has an appraised value exceeding \$5,000 it shall not be sold to any
18 private person except after notice calling for such proposals as set forth in ORS 270.130.

19 “(d) The department shall adopt rules to carry out the provisions of this section.

20 “(2) Before acquisition of any real property or interest therein by any state agency, except for
21 highway right of way acquired by the Department of Transportation and park properties acquired
22 by the State Parks and Recreation Department and property within the approved projected campus
23 boundaries for public universities of the Oregon University System or public universities with gov-
24 erning boards listed in ORS 352.054, the state agency shall report its intent of acquisition to the
25 Oregon Department of Administrative Services. The department shall notify other state agencies
26 owning land of the intended acquisition to determine whether another state agency desires to sell
27 or transfer property which would meet the needs of the purchasing agency. In accordance with rules
28 adopted by the Oregon Department of Administrative Services, if no other state agency desires to
29 sell or transfer property which would meet the needs of the agency, the agency may acquire the real
30 property or interest therein, consistent with applicable provisions of law.

31 “(3) Before any terminal disposition of real property or an interest in real property, the state
32 agency acting for the state in the transaction must secure approval of the transaction from the
33 Oregon Department of Administrative Services.

34 “(4) Subsection (3) of this section does not apply to terminal disposition of the following real
35 property:

36 “(a) Property controlled by the State Department of Fish and Wildlife;

37 “(b) State forestlands controlled by the State Forestry Department;

38 “(c) Property controlled by the Department of Transportation;

39 “(d) Property controlled by the Department of State Lands;

40 “(e) Property controlled by the Oregon University System or controlled by public universities
41 with governing boards listed in ORS 352.054;

42 “(f) Property controlled by the legislative or judicial branches of state government; and

43 “(g) Property controlled by the State Parks and Recreation Department.

44 “(5) Notwithstanding the provisions of subsection (4) of this section, prior approval by the
45 Oregon Department of Administrative Services is required for the terminal disposition of public land

1 for less than the fair market value of that land.

2 “(6) The provisions of ORS 184.634, 270.005 to 270.015, 270.100 to 270.190, 273.416, 273.426 to
3 273.436, 273.551 and 308A.709 (1) to (4) do not apply to:

4 “(a) A home or farm acquired or sold by the Department of Veterans’ Affairs under ORS 88.720,
5 406.050, 407.135, 407.145, 407.375 and 407.377.

6 “(b) Real property acquired or sold by the Housing and Community Services Department under
7 the provisions of ORS 456.515 to 456.725 or ORS chapter 458 **or sections 1 to 3 of this 2015**
8 **Act.**”.

9 In line 30, delete “4” and insert “5”.

10 In line 36, delete “awarded and”.

11 In line 39, delete “5” and insert “6”.

12 On page 5, after line 7, insert:

13 **“SECTION 7. In addition to and not in lieu of any other appropriation, there is appro-**
14 **priated to the Housing and Community Services Department, for the biennium beginning July**
15 **1, 2015, out of the General Fund, the amount of \$117,779, for payment of expenses related to**
16 **the development of affordable housing for low income individuals or families funded with**
17 **proceeds from bonds issued under authority of Article XI-Q of the Oregon Constitution**
18 **through the Local Innovation and Fast Track Housing Program created under section 2 of**
19 **this 2015 Act.**

20 **“SECTION 8. Notwithstanding any other law limiting expenditures, the amount of \$88,979**
21 **is established for the biennium beginning July 1, 2015, as the maximum limit for payment of**
22 **expenses related to the development of affordable housing for low income individuals or**
23 **families funded with proceeds from bonds issued under authority of Article XI-Q of the**
24 **Oregon Constitution through the Local Innovation and Fast Track Housing Program created**
25 **under section 2 of this 2015 Act from fees, moneys or other revenues, including Miscella-**
26 **neous Receipts and reimbursements from federal service agreements, but excluding lottery**
27 **funds and federal funds not described in this section, collected or received by the Housing**
28 **and Community Services Department.**

29 **“SECTION 9. This 2015 Act being necessary for the immediate preservation of the public**
30 **peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect**
31 **July 1, 2015.”.**