

**PROPOSED AMENDMENTS TO  
B-ENGROSSED HOUSE BILL 2198**

1 On page 1 of the printed B-engrossed bill, line 2, delete the second  
2 “and”.

3 Delete line 3 and insert “ing ORS 270.100 and 456.559; and declaring an  
4 emergency.”.

5 After line 13, insert:

6 “(4) ‘Low income individuals or families’ means individuals who have in-  
7 comes at or below 60 percent of the area median income for individuals, or  
8 families that have incomes at or below 60 percent of the area median income  
9 for families.”.

10 Delete lines 14 through 22 and delete page 2.

11 On page 3, delete lines 1 through 29 and insert:

12 **“SECTION 2. (1) The Housing and Community Services Department**  
13 **shall, with the advice and consent of the State Housing Council, de-**  
14 **velop and implement the Local Innovation and Fast Track Housing**  
15 **Program for the purpose of expanding the state’s supply of affordable**  
16 **housing for low income individuals or families.**

17 **“(2) Pursuant to subsection (1) of this section, the department may:**

18 **“(a) Acquire, construct, remodel, repair, equip or furnish real**  
19 **property that is or will be owned by the State of Oregon for the pur-**  
20 **pose of providing affordable housing in this state for low income indi-**  
21 **viduals or families;**

22 **“(b) Pay development costs to develop real property that may be**

1 considered part of the cost of a capital asset under generally accepted  
2 accounting principles; and

3 “(c) Create entities, cooperate or participate with persons or enti-  
4 ties and contract with persons and entities.

5 “(3) Interests in real property owned by the State of Oregon or the  
6 department under this section are limited to the following:

7 “(a) A fee simple interest;

8 “(b) A leased fee interest;

9 “(c) A tenancy in common for which the state’s or department’s  
10 interest in the property is proportionate to the contribution of the  
11 state or department to the property’s purchase price;

12 “(d) A fee simple interest in a condominium; or

13 “(e) An easement, right of way, license or similar interest func-  
14 tionally related to and necessary for the use of real property acquired  
15 by the state or department.

16 “(4) In funding the acquisition, construction, remodeling, repairing,  
17 equipping or furnishing of real property under the program:

18 “(a) The department shall give preference to applicants with af-  
19 fordable housing projects that will:

20 “(A) Provide the greatest number of affordable housing units for  
21 the amount of funding provided; and

22 “(B) Ensure the longest possible use of the real property as afford-  
23 able housing units.

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

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

28 “(B) Takes into account the means to reduce the cost of the af-  
29 fordable housing project while considering factors such as the quality  
30 of construction, durability, location and local design requirements.

1       “(5)(a) Moneys made available through the program must be dis-  
2 tributed statewide and concentrated in areas of this state with the  
3 greatest need for affordable housing, as determined by the council. To  
4 implement this requirement, the department and the council shall  
5 consider the following factors on a county-by-county basis:

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

8       “(B) Underserved geographic areas, taking into account the pro-  
9 portion of low income individuals or families compared to the avail-  
10 ability of affordable housing within the geographic area; and

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

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

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

18       “(a) Reach traditionally underserved communities, including com-  
19 munities of color and rural communities;

20       “(b) Reduce the cost of acquiring, constructing, remodeling, re-  
21 pairing, equipping or furnishing real property for the purpose of pro-  
22 viding affordable housing; and

23       “(c) Involve regional solutions advisory committees and teams,  
24 Early Learning Hubs, coordinated care organizations and other per-  
25 sons or organizations.

26       “(7) The Director of the Housing and Community Services Depart-  
27 ment shall report regularly to the council regarding the status and  
28 progress of the program and of the department’s responsibilities for  
29 implementing and administering the program.

30       “(8) The department shall adopt rules to implement the provisions

1 of this section, including but not limited to prescribing requirements  
2 for acquiring, constructing, remodeling, repairing, equipping or fur-  
3 nishing real property for the purpose of providing affordable housing  
4 under the program.

5 **“SECTION 3. (1) The Local Innovation and Fast Track Housing**  
6 **Program Fund is established in the State Treasury, separate and dis-**  
7 **ting from the General Fund. Interest earned on moneys in the Local**  
8 **Innovation and Fast Track Housing Program Fund shall be credited**  
9 **to the fund.**

10 **“(2) The fund consists of moneys deposited into the fund pursuant**  
11 **to chapter \_\_\_\_\_, Oregon Laws 2015 (Enrolled House Bill 5005).**

12 **“(3) Moneys in the fund are continuously appropriated to the**  
13 **Housing and Community Services Department for:**

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

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

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

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

19 **“270.100. (1)(a) Before offering for sale any real property or equitable in-**  
20 **terest therein owned by the state, the state agency acting for the state in**  
21 **such transaction shall report its intent of sale or transfer to the Oregon**  
22 **Department of Administrative Services. The department, or the agency spe-**  
23 **cifically designated by the department, shall notify other state agencies au-**  
24 **thorized to own real property of the intended sale or transfer to determine**  
25 **whether acquisition of the real property or interest therein would be advan-**  
26 **tageous to another state agency.**

27 **“(b) The department shall give political subdivisions, as defined in ORS**  
28 **271.005, the first opportunity after other state agencies to acquire, purchase,**  
29 **exchange or lease real property to be sold or disposed of by the State of**  
30 **Oregon. The state agency responsible for selling or transferring the property**

1 may require at the time of the sale or transfer that any state real property  
2 sold or transferred to a political subdivision, as defined in ORS 271.005, shall  
3 be for use for a public purpose or benefit, and not be for resale to a private  
4 purchaser.

5 “(c) If property is not disposed of under paragraph (a) or (b) of this sub-  
6 section, in accordance with rules adopted by the department, the state  
7 agency desiring to sell or transfer the property shall cause it to be appraised  
8 by one or more competent and experienced appraisers. Except as provided in  
9 ORS 273.825, if such property has an appraised value exceeding \$5,000 it shall  
10 not be sold to any private person except after notice calling for such pro-  
11 posals as set forth in ORS 270.130.

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

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

29 “(3) Before any terminal disposition of real property or an interest in real  
30 property, the state agency acting for the state in the transaction must secure

1 approval of the transaction from the Oregon Department of Administrative  
2 Services.

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

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

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

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

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

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

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

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

14 “(5) Notwithstanding the provisions of subsection (4) of this section, prior  
15 approval by the Oregon Department of Administrative Services is required  
16 for the terminal disposition of public land for less than the fair market value  
17 of that land.

18 “(6) The provisions of ORS 184.634, 270.005 to 270.015, 270.100 to 270.190,  
19 273.416, 273.426 to 273.436, 273.551 and 308A.709 (1) to (4) do not apply to:

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

22 “(b) Real property acquired or sold by the Housing and Community Ser-  
23 vices Department under the provisions of ORS 456.515 to 456.725 or ORS  
24 chapter 458 **or sections 1 to 3 of this 2015 Act.**”.

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

26 In line 36, delete “awarded and”.

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

28 On page 5, after line 7, insert:

29 **“SECTION 7. In addition to and not in lieu of any other appropri-  
30 ation, there is appropriated to the Housing and Community Services**

1 Department, for the biennium beginning July 1, 2015, out of the Gen-  
2 eral Fund, the amount of \$117,779, for payment of expenses related to  
3 the development of affordable housing for low income individuals or  
4 families funded with proceeds from bonds issued under authority of  
5 Article XI-Q of the Oregon Constitution through the Local Innovation  
6 and Fast Track Housing Program created under section 2 of this 2015  
7 Act.

8 **“SECTION 8.** Notwithstanding any other law limiting expenditures,  
9 the amount of \$88,979 is established for the biennium beginning July  
10 1, 2015, as the maximum limit for payment of expenses related to the  
11 development of affordable housing for low income individuals or fam-  
12 ilies funded with proceeds from bonds issued under authority of Article  
13 XI-Q of the Oregon Constitution through the Local Innovation and  
14 Fast Track Housing Program created under section 2 of this 2015 Act  
15 from fees, moneys or other revenues, including Miscellaneous Receipts  
16 and reimbursements from federal service agreements, but excluding  
17 lottery funds and federal funds not described in this section, collected  
18 or received by the Housing and Community Services Department.

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

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