

Senate Bill 820

Sponsored by COMMITTEE ON HOUSING

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**.

Updates form, style and references within Housing Authorities Law.

A BILL FOR AN ACT

Relating to housing; amending ORS 456.055, 456.075, 456.080, 456.095, 456.110, 456.180 and 456.233.

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

SECTION 1. ORS 456.055 is amended to read:

456.055. As used in the Housing Authorities Law, unless the context requires otherwise:

(1) "Affordable housing" means dwelling units [*that may be purchased or rented*] **available for purchase or rent**, with or without government assistance, by persons of eligible income.

(2) "Blighted area" means any area where housing, by reason of neglect and dilapidation, is detrimental to the safety or health of the occupants or of the neighborhood in which the housing is located.

(3) "Bonds" means any bonds, notes, interim certificates, debentures or other obligations issued by an authority pursuant to the Housing Authorities Law. The giving of a note secured by a mortgage or trust deed will not constitute a bond.

[(4) "*The City*" means the particular city included within a particular housing authority.]

[(5)] (4) "Clerk" means the recorder of the city, [or] the clerk of the county[, *as the case may be,*] or the officer of the city or the county[, *respectively,*] charged with the duties customarily imposed on such clerk.

[(6) "*County*" means any county in the state. "*The county*" means a particular county or counties for which a particular housing authority is created.]

[(7)] (5) "Governing body" means, in the case of a city, the common council or other legislative body [*thereof*], and, in the case of a county, the county court, commission or other legislative body [*thereof*].

[(8)] (6) "Housing" means housing of all kinds, including [*but not limited to*] single-family dwellings, multifamily dwellings, emergency shelters, dwelling accommodations, living accommodations, manufactured dwelling parks, residential units, housing projects or other dwellings.

[(9)] (7) "Housing unit" or "unit" means a single-family dwelling, a single apartment or [*other*] **another** single dwelling.

[(10)] (8) "Mixed income housing" means a housing project that houses tenants with a mixture of income levels, including those not of lower income, for the purpose of reducing the rents for tenants whose incomes are no greater than 60 percent of the area median income.

[(11)] (9) "Obligee of the authority" or "obligee" includes any bondholder or trustee for any bondholder, or lessor demising to the authority property used in connection with a housing project,

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 any assignee of *[such]* **the** lessor's interest or any part thereof, and the federal government when
2 it is a party to any contract with the authority.

3 *[(12)]* **(10)** "Persons of eligible income" means individuals or families who meet the applicable
4 income limits of local, state or federally funded programs or developments.

5 *[(13)]* **(11)** "Private market" means those rental housing units owned and operated by nongov-
6 ernment entities and without government subsidies.

7 *[(14)]* **(12)** "Person of lower income" or "family of lower income" means a person or a family,
8 residing in this state, whose income is not greater than 80 percent of the area median income, ad-
9 justed for family size, as determined by the Housing and Community Services Department using
10 United States Department of Housing and Urban Development information.

11 *[(15)]* **(13)** "Real property" includes all lands, including improvements and fixtures thereon, and
12 property of any nature appurtenant thereto, or used in connection therewith, and every estate, in-
13 terest and right, legal or equitable, therein, including terms for years and liens by way of judgment,
14 mortgage or otherwise and the indebtedness secured by such liens.

15 **SECTION 2.** ORS 456.075 is amended to read:

16 456.075. In each city[, *as defined in ORS 456.055,*] and county there *[hereby]* is created a public
17 body corporate and politic to be known as the "housing authority" of the city or county.
18 *[However,]* The housing authority *[shall]* **may** not transact any business or exercise its powers until
19 or unless the governing body *[of the city or the county]*, by proper resolution, declares that there is
20 need for an authority to function in *[such]* **the** city or county*].* *The governing body of the city or the*
21 *county shall also elect to have the powers of a* **and elects how the** housing authority *[exercised in*
22 *any one of the two ways provided in]* **may exercise its powers under** ORS 456.095 (1).

23 **SECTION 3.** ORS 456.080 is amended to read:

24 456.080. (1) *[The determination]* Whether there is a need for a housing authority to function in
25 a city or county may be *[made]* **determined** either by election as provided in this section or by the
26 governing body *[of a city or county]* on its own motion. The governing body *[of the city or county]*
27 shall order the election when a petition is filed as provided in this section.

28 (2) A petition under this section must state that there is a need for a housing authority to
29 function.

30 (3) Except as provided in subsections (4) and (5) of this section, the requirements for preparing,
31 circulating and filing a petition under this section *[shall]* **must** be as provided for an initiative pe-
32 tition:

33 (a) In the case of a county, in ORS 250.165 to 250.235.

34 (b) In the case of a city, in ORS 250.265 to 250.346.

35 (4) Notwithstanding ORS 250.325, a city governing body shall submit the question to the electors
36 without first considering its adoption or rejection.

37 (5) If ORS 250.155 makes ORS 250.165 to 250.235 inapplicable to a county or if ORS 250.255
38 makes ORS 250.265 to 250.346 inapplicable to a city, the requirements for preparing, circulating and
39 filing a petition under this section *[shall be]* **are** as provided for an initiative petition under the
40 county or city charter or an ordinance adopted under the county or city charter.

41 (6) An election under this section *[shall]* **must** be conducted under ORS chapters 246 to 260^[,]
42 and:

43 (a) In the case of a city, must be held on a date specified in ORS 221.230.

44 (b) In the case of a county, must be held on a date specified in ORS 203.085.

45 (7) If the electors voting at the election favor the functioning of the housing authority, the

1 governing body shall declare that there is need for such housing authority to function.

2 (8) The question of need *[shall]* **may** not *[again]* be submitted at any election within one year
3 immediately following the election at which the question was voted upon.

4 **SECTION 4.** ORS 456.095 is amended to read:

5 456.095. (1) When the governing body *[of a city or county]* adopts a resolution pursuant to ORS
6 456.085, the governing body *[may then]* **shall** elect to have *[the powers of]* a housing authority *[under*
7 *this chapter, ORS chapter 455 and ORS 446.515 to 446.547 exercised in any of the following ways]*
8 **exercise its powers by:**

9 (a) Appointing by resolution[,] a commission composed of five, seven or nine persons[.]; **or**

10 (b) Declaring[,] by resolution[,] that the governing body, itself, shall exercise the powers of a
11 housing authority *[under this chapter, ORS chapter 455 and ORS 446.515 to 446.547]*.

12 (2) A governing body that exercises the powers of a housing authority **under subsection (1)(b)**
13 **of this section** may appoint at least one but not more than two additional commissioners for the
14 housing authority. An appointed commissioner has the same authority as other housing authority
15 commissioners, but may not exercise any powers of the governing body. At least one appointed
16 commissioner must be a resident who receives direct assistance from the housing authority. The
17 second appointed commissioner, if any, at a minimum must live within the jurisdiction of the au-
18 thority. An appointed commissioner serves a term of office equal in length to the terms of office for
19 governing body members, but not more than four years. An appointed commissioner may be removed
20 only for cause as described in ORS 456.110 or if the commissioner ceases to meet the requirements
21 for being an appointed commissioner. *[In the event that]* **If** a housing authority commission consisting
22 of the governing body of a city and one or more appointed commissioners has an even number of
23 members, the mayor *[shall be]* **is** included as a member of the commission for the housing authority.
24 An act of a governing body exercising the powers of a housing authority is an act of the commission
25 for the housing authority only and not of the governing body.

26 [(2)] (3) When the governing bodies of two or more authorities join and cooperate with one an-
27 other and create a regional authority to exercise all the powers conferred by the Housing Authori-
28 ties Law, as authorized by ORS 456.140, the governing bodies of the cooperating cities and counties
29 shall by resolution appoint a commission for the regional authority consisting of nine persons. The
30 cooperating cities and counties shall each appoint an equal number of the nine commissioners. If
31 nine divided by the number of joining or cooperating cities and counties produces a fraction, then
32 the commissioners appointed by *[such]* **the** cities and counties shall appoint one commissioner so
33 that nine commissioners in all are appointed. The nine commissioners appointed by or on behalf of
34 cities or counties may appoint at least one but not more than two additional commissioners for the
35 housing authority. At least one additional commissioner must be a resident who receives direct as-
36 sistance from the housing authority. The second additional commissioner, if any, at a minimum must
37 live within the jurisdiction of the authority. The term of office for an additional commissioner is
38 equal to the term of office for a commissioner appointed by or on behalf of cities or counties. An
39 additional commissioner may be removed only for cause as described under ORS 456.110 or if the
40 person ceases to meet the requirements for being an additional commissioner.

41 [(3)] (4) A commissioner of an authority may not be an officer or employee of any city or county
42 for which the authority is created, unless the commissioner is a member of the governing body or
43 one of the governing bodies.

44 [(4)] (5) Persons appointed to the commission *[shall]* **must** include a variety of occupations. At
45 least one commissioner, but not more than two commissioners, appointed under subsection (1)(a) of

1 this section must be a resident who receives direct assistance from the housing authority.

2 [(5)] (6) A governing body shall adopt a resolution for the appointment or reappointment of a
3 commissioner. A governing body resolution is conclusive evidence that the commissioner was prop-
4 erly appointed.

5 **SECTION 5.** ORS 456.110 is amended to read:

6 456.110. For inefficiency or neglect of duty or misconduct in office, a commissioner of an au-
7 thority appointed pursuant to ORS 456.095 [(1) or (2)] (2) or (3) may be removed by the mayor or,
8 in the case of an authority for a county, by the governing body of the county or, in the case of a
9 regional authority, by the appointing authority for the commissioner. This section does not allow the
10 removal of a member of a governing body exercising power as a housing authority. A commissioner
11 [shall] **may** not be removed until after the commissioner has been given a copy of the charges at
12 least 10 days prior to the hearing thereon and had an opportunity to be heard in person or by
13 counsel. In the event of the removal of any commissioner, a record of the proceedings, together with
14 the charges and findings thereon, [shall] **must** be filed in the office of the clerk for each city and
15 county in the authority.

16 **SECTION 6.** ORS 456.180 is amended to read:

17 456.180. (1) Neither the commissioners of an authority nor any person executing the bonds [shall
18 be] **is** liable personally on the bonds by reason of the issuance thereof.

19 (2) The bonds and other obligations of an authority [shall not be] **are not** a debt of the city, the
20 county, the state or any political subdivision thereof, and the bonds and obligations shall so state
21 on their face. Neither the city, the county, nor the state or any political subdivision thereof [shall
22 be] **is** liable thereon. [Nor, in any event, shall] Such bonds or obligations [be] **are not** payable out
23 of any funds or properties other than those of the authority.

24 (3) The bonds [shall not constitute] **are not** an indebtedness within the meaning of any consti-
25 tutional or statutory debt limitation or restriction.

26 **SECTION 7.** ORS 456.233 is amended to read:

27 456.233. If, pursuant to this chapter, ORS chapter 455 and ORS 446.515 to 446.547,] the governing
28 body [in a city or a county] has declared, by resolution, that the governing body [itself] shall exercise
29 the powers of a housing authority [under this chapter, ORS chapter 455 and ORS 446.515 to
30 446.547], the governing body may [thereafter], by resolution, elect to transfer such powers and the
31 authority to act as the housing authority to any other body [which] **that** may be designated [by this
32 chapter, ORS chapter 455 and ORS 446.515 to 446.547] to exercise such powers **under ORS 456.055
33 to 456.235**. The governing body [of the city or county] may, by resolution, transfer the powers and
34 authority to act as the housing authority to itself. All duties and obligations of the governing body
35 as the housing authority of the municipality [shall] thereafter **must** be assumed and performed by
36 the body to which such powers and authority are transferred.

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