

House Bill 4065

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Housing and Homelessness for Representative Maxine Dexter)

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**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act would create a fund for grants to developers of affordable housing. (Flesch Readability Score: 63.4).

Authorizes cities and counties to adopt a program for awarding grants to developers of affordable housing and moderate income housing projects to finance certain costs associated with such housing projects. Directs the Housing and Community Services Department to develop a revolving loan program to make interest-free loans to participating cities and counties to fund the grants. Imposes an annual fee on each grantee developer in repayment of the loans. Provides for the distribution of the fee moneys first to fire districts for ad valorem property taxes and then to the department in repayment of the loan that funded the grant awarded to the developer.

Appropriates moneys to the Housing and Community Services Department to provide grants to nonprofits to engage with tenants whose housing is being withdrawn from publicly supported housing.

Takes effect on the 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to financing affordable housing; and prescribing an effective date.

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

SECTION 1. As used in sections 1 to 12 of this 2024 Act:

4
5 (1) **“Assessor,” “tax collector” and “treasurer” mean the individual filling that county**
6 **office so named or any county officer performing the functions of the office under another**
7 **name.**

8 (2) **“County tax officers” and “tax officers” mean the assessor, tax collector and treas-**
9 **urer of a county.**

10 (3) **“Eligible costs” means the following costs associated with an eligible housing project:**

11 (a) **System development charges;**

12 (b) **Predevelopment costs;**

13 (c) **Construction costs; and**

14 (d) **Land write-downs.**

15 (4) **“Eligible housing project” means a project to construct housing, or to convert a**
16 **building from a nonresidential use to housing, that is:**

17 (a) **If for-sale property, a single-family dwelling, middle housing as defined in ORS**
18 **197A.420 or a multifamily dwelling affordable at initial sale to households with an annual in-**
19 **come not greater than 120 percent of the area median income; or**

20 (b) **If rental property:**

21 (A)(i) **Middle housing as defined in ORS 197A.420;**

22 (ii) **A multifamily dwelling;**

23 (iii) **An accessory dwelling unit as defined in ORS 215.501; or**

24 (iv) **Any other form of affordable housing or moderate income housing; and**

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 (B) Rented at a monthly rate that is affordable to households with an annual income not
2 greater than 120 percent of the area median income.

3 (5) "Eligible housing project property" means the taxable real and personal property
4 constituting the improvements of an eligible housing project.

5 (6) "Fee payer" means, for any property tax year, the person responsible for paying ad
6 valorem property taxes on eligible housing project property to which a grant awarded under
7 section 6 of this 2024 Act relates.

8 (7) "Fire district taxes" means property taxes levied by fire districts within whose terri-
9 tory all or a portion of eligible housing project property is located.

10 (8) "Nonexempt property" means property other than eligible housing project property
11 in the tax account that includes eligible housing project property.

12 (9) "Nonexempt taxes" means the ad valorem property taxes assessed on nonexempt
13 property.

14 (10) "Sponsoring jurisdiction" means:

15 (a)(A) A city with respect to eligible housing projects located within the city boundaries;
16 or

17 (B) A county with respect to eligible housing projects located in urban unincorporated
18 areas of the county; or

19 (b) The governing body of a city or county described in paragraph (a) of this subsection.

20 **SECTION 2.** (1) A sponsoring jurisdiction may adopt by ordinance or resolution a pro-
21 gram under which the sponsoring jurisdiction awards grants to developers for eligible costs.

22 (2) The ordinance or resolution shall set forth:

23 (a) The kinds of eligible housing projects for which a developer may seek a grant under
24 the program; and

25 (b) Any eligibility requirements to be imposed on projects and developers in addition to
26 those required under sections 1 to 12 of this 2024 Act.

27 (3) A grant award:

28 (a) Shall be in the amount determined under section 3 (3) of this 2024 Act; and

29 (b) May include reimbursement for eligible costs incurred for up to 12 months preceding
30 the date on which the eligible housing project received local site approval.

31 (4) Eligible housing project property for which a developer receives a grant for eligible
32 costs may not be granted any exemption, partial exemption or special assessment of ad
33 valorem property taxes other than the exemption granted under section 7 of this 2024 Act.

34 (5) A sponsoring jurisdiction may amend an ordinance or resolution adopted pursuant to
35 this section at any time. The amendments shall apply only to applications submitted under
36 section 3 of this 2024 Act on or after the effective date of the ordinance or resolution.

37 **SECTION 3.** (1)(a) A sponsoring jurisdiction that adopts a grant program pursuant to
38 section 2 of this 2024 Act shall prescribe an application process, including forms and dead-
39 lines, by which a developer may apply for a grant with respect to an eligible housing project.

40 (b) An application for a grant must include, at a minimum:

41 (A) A description of the eligible housing project;

42 (B) An itemized description of the eligible costs for which the grant is sought;

43 (C) The proposed schedule for completion of the eligible housing project;

44 (D) A project pro forma demonstrating that the project is economically feasible only with
45 the grant moneys; and

1 (E) Any other information, documentation or attestation that the sponsoring jurisdiction
 2 considers necessary or convenient for the application review process.

3 (c)(A) The project pro forma under paragraph (b)(D) of this subsection shall be on a form
 4 provided to the sponsoring jurisdiction by the Housing and Community Services Department
 5 and made available to grant applicants.

6 (B) The department may enter into an agreement with a third party to develop the
 7 project pro forma template.

8 (2)(a) The review of an application under this section shall be completed within 90 days
 9 following the receipt of the application by the sponsoring jurisdiction.

10 (b) Notwithstanding paragraph (a) of this subsection:

11 (A) The sponsoring jurisdiction may in its sole discretion extend the review process be-
 12 yond 90 days if the volume of applications would make timely completion of the review pro-
 13 cess unlikely.

14 (B) The sponsoring jurisdiction may consult with a developer about the developer's ap-
 15 plication, and the developer, after the consultation, may amend the application on or before
 16 a deadline set by the sponsoring jurisdiction.

17 (3) The sponsoring jurisdiction shall:

18 (a) Review each application;

19 (b) Request that the county tax officers provide to the sponsoring jurisdiction the de-
 20 terminations made under section 4 of this 2024 Act;

21 (c) Set the term of the loan that will fund the grant award, for a period not to exceed
 22 10 years;

23 (d) Set the amount of the grant that may be awarded to the developer under section 6
 24 (2) of this 2024 Act by multiplying the increment determined under section 4 (1)(c) of this
 25 2024 Act by the term of the loan; and

26 (e)(A) Provisionally approve the application as submitted;

27 (B) Provisionally approve the application on terms other than those requested in the
 28 application; or

29 (C) Reject the application.

30 (4)(a) The sponsoring jurisdiction shall forward provisionally approved applications to the
 31 Housing and Community Services Department.

32 (b) The department shall review the provisionally approved applications for completeness,
 33 including but not limited to, the completeness of the project pro forma submitted with the
 34 application under subsection (1)(b)(D) of this section and the amounts computed under sec-
 35 tion 4 (1) of this 2024 Act, and notify the sponsoring jurisdiction of its determination.

36 (5)(a) If the department has determined that a provisionally approved application is in-
 37 complete, the sponsoring jurisdiction may:

38 (A) Consult with the applicant developer and reconsider the provisionally approved ap-
 39 plication after the applicant revises it; or

40 (B) Reject the provisionally approved application.

41 (b) If the department has determined that a provisionally approved application is com-
 42 plete, the approval shall be final.

43 (c) The sponsoring jurisdiction shall notify each applicant and the department of the final
 44 approval or rejection of an application and the amount of the grant award.

45 (d) The rejection of an application and the amount of a grant award may not be appealed,

1 but a developer may reapply for a grant at any time within the applicable deadlines of the
 2 grant program for the same or another eligible housing project.

3 (6) Upon request by a sponsoring jurisdiction, the department may assist the sponsoring
 4 jurisdiction with, or perform on behalf of the sponsoring jurisdiction, any duty required un-
 5 der this section.

6 **SECTION 4.** (1) Upon request of the sponsoring jurisdiction under section 3 (3)(b) of this
 7 2024 Act, the assessor of the county in which is located the eligible housing project to which
 8 an application being reviewed under section 3 of this 2024 Act relates shall:

9 (a) Using the last certified assessment roll for the property tax year in which the appli-
 10 cation is received under section 3 of this 2024 Act:

11 (A) Determine the amount of property taxes assessed against all tax accounts that in-
 12 clude the eligible housing project property; and

13 (B) Subtract the amount of fire district taxes from the amount determined under sub-
 14 paragraph (A) of this paragraph.

15 (b) For the first property tax year for which the completed eligible housing project
 16 property is estimated to be taken into account:

17 (A) Determine the estimated amount of property taxes that will be assessed against all
 18 tax accounts that include the eligible housing project property; and

19 (B) Subtract the estimated amount of fire district taxes from the amount determined
 20 under subparagraph (A) of this paragraph.

21 (c) Determine the amount of the increment that results from subtracting the amount
 22 determined under subsection (1)(a) of this section from the amount determined under sub-
 23 section (1)(b) of this section.

24 (2) As soon as practicable after determining amounts under this subsection, the county
 25 tax officers shall provide written notice to the sponsoring jurisdiction and the Housing and
 26 Community Services Department certifying the amounts.

27 **SECTION 5.** (1)(a) The Housing and Community Services Department shall develop a
 28 program to make loans to sponsoring jurisdictions to fund grants awarded under the spon-
 29 soring jurisdiction’s grant program adopted pursuant to section 2 of this 2024 Act.

30 (b) The loans shall be interest free for the term set by the sponsoring jurisdiction under
 31 section 3 (3)(c) of this 2024 Act.

32 (2) For each application approved under section 3 (5)(b) of this 2024 Act, the Housing and
 33 Community Services Department shall:

34 (a) Enter into a loan agreement with the sponsoring jurisdiction in the amount of the
 35 grant award for the application set under section 3 (3)(d) of this 2024 Act; and

36 (b) Pay to the sponsoring jurisdiction the loan proceeds out of the Housing Project Re-
 37 volving Loan Fund established under section 12 of this 2024 Act.

38 (3) In addition to the payment made under subsection (2)(b) of this section, the depart-
 39 ment shall pay out of the fund, with respect to each loan:

40 (a) An amount equal to one percent of the loan proceeds to the sponsoring jurisdiction
 41 to reimburse the sponsoring jurisdiction for the costs of administering the grant program,
 42 other than the costs of tax administration;

43 (b) An amount equal to one percent of the loan proceeds to the sponsoring jurisdiction
 44 to pay the county in which the sponsoring jurisdiction is situated to reimburse the county
 45 for the costs of the tax administration of the grant program by the county tax officers; and

1 (c) A reimbursement to the department for its actual costs incurred in administering
2 sections 1 to 12 of this 2024 Act.

3 (4) The Housing and Community Services Department may assign any and all loan
4 amounts made under this section to the Department of Revenue for collection as provided
5 in ORS 293.250.

6 (5) The Housing and Community Services Department may:

7 (a) Consult with the Oregon Business Development Department about any of the powers
8 and duties conferred on the Housing and Community Services Department by sections 1 to
9 12 of this 2024 Act; and

10 (b) Adopt any rule it considers necessary or convenient for the administration of sections
11 1 to 12 of this 2024 Act by the Housing and Community Services Department.

12 **SECTION 6.** (1) Upon entering into a loan agreement with the Housing and Community
13 Services Department under section 5 of this 2024 Act, a sponsoring jurisdiction shall offer a
14 grant agreement to each developer whose application was approved under section 3 (5)(b) of
15 this 2024 Act.

16 (2) The grant agreement shall:

17 (a) Include a grant award in the amount set under section 3 (3)(d) of this 2024 Act; and

18 (b) Contain terms that:

19 (A) Are required under sections 1 to 12 of this 2024 Act or the ordinance or resolution
20 adopted by the sponsoring jurisdiction pursuant to section 2 of this 2024 Act.

21 (B) Do not conflict with sections 1 to 12 of this 2024 Act or the ordinance or resolution
22 adopted by the sponsoring jurisdiction pursuant to section 2 of this 2024 Act.

23 (3) Upon entering into a grant agreement with a developer, a sponsoring jurisdiction shall
24 adopt an ordinance or resolution setting forth the details of the eligible housing project that
25 is the subject of the agreement, including but not limited to:

26 (a) A description of the eligible housing project;

27 (b) An itemized description of the eligible costs;

28 (c) The amount and terms of the grant award;

29 (d) Written notice that the eligible housing project property is exempt from property
30 taxation in accordance with section 7 of this 2024 Act; and

31 (e) A statement declaring that the grant has been awarded in response to the housing
32 needs of communities within the sponsoring jurisdiction.

33 (4) As soon as practicable after the ordinance or resolution required under subsection (3)
34 of this section becomes effective, the sponsoring jurisdiction shall distribute the loan pro-
35 ceeds received from the department under section 5 (2) of this 2024 Act to the developer as
36 the grant moneys awarded under this section.

37 (5) The sponsoring jurisdiction shall forward to the tax officers of the county in which
38 the eligible housing project is located a copy of the grant agreement, the ordinance or re-
39 solution and any other material the sponsoring jurisdiction considers necessary for the tax
40 officers to perform their duties under sections 1 to 12 of this 2024 Act or the ordinance or
41 resolution.

42 (6) Upon request, the department may assist the sponsoring jurisdiction with, or perform
43 on behalf of the sponsoring jurisdiction, any duty required under this section.

44 **SECTION 7.** (1) Upon receipt of the copy of a grant agreement and ordinance or resolu-
45 tion from the sponsoring jurisdiction under section 6 (5) of this 2024 Act, the assessor of

1 the county in which eligible housing project property is located shall:

2 (a) Exempt the eligible housing project property in accordance with this section;

3 (b) Assess and tax the nonexempt property in the tax account as other similar property
4 is assessed and taxed; and

5 (c) Submit a written report to the sponsoring jurisdiction setting forth the assessor's
6 estimate of the amount of:

7 (A) The real market value of the exempt eligible housing project property; and

8 (B) The property taxes on the exempt eligible housing project property that would have
9 been collected if the property were not exempt.

10 (2)(a) The exemption shall first apply to the property tax year that immediately succeeds
11 the effective date of the ordinance or resolution adopted by the sponsoring jurisdiction under
12 section 6 (3) of this 2024 Act.

13 (b) The eligible housing project property shall be disqualified from the exemption on the
14 earliest of:

15 (A) July 1 of the property tax year immediately succeeding the date on which the fee
16 payment obligation under section 9 of this 2024 Act that relates to the eligible housing
17 project is repaid in full;

18 (B) The date on which the annual fee imposed on the fee payer under section 9 of this
19 2024 Act becomes delinquent;

20 (C) The date on which foreclosure proceedings are commenced as provided by law for
21 delinquent nonexempt taxes assessed with respect to the tax account that includes the eli-
22 gible housing project; or

23 (D) The date on which a condition specified in section 10 (1) of this 2024 Act occurs.

24 (c) After the eligible housing project property has been disqualified from the exemption
25 under this subsection, the property shall be assessed and taxed as other similar property is
26 assessed and taxed.

27 (3) For each tax year that the eligible housing project property is exempt from taxation,
28 the assessor shall enter a notation on the assessment roll stating:

29 (a) That the property is exempt under this section; and

30 (b) The presumptive number of property tax years for which the exemption is granted,
31 which shall be the term of the loan agreement relating to the eligible housing project set
32 under section 3 (3)(c) of this 2024 Act.

33 **SECTION 8.** (1) Repayment of loans made under section 5 of this 2024 Act shall begin, in
34 accordance with section 9 of this 2024 Act, after completion of the eligible housing project
35 funded by the grant to which the loan relates.

36 (2)(a) The sponsoring jurisdiction shall determine the date of completion of an eligible
37 housing project.

38 (b)(A) If an eligible housing project is completed before July 1 of the assessment year,
39 repayment shall begin with the property tax year that begins on July 1 of the assessment
40 year.

41 (B) If an eligible housing project is completed on or after July 1 of the assessment year,
42 repayment shall begin with the property tax year that begins on July 1 of the succeeding
43 assessment year.

44 (c) After determining the date of completion under paragraph (b) of this subsection, the
45 sponsoring jurisdiction shall notify the Housing and Community Services Department and the

1 county tax officers of the determination.

2 (3) A loan shall remain outstanding until repaid in full.

3 **SECTION 9.** (1) The fee payer for eligible housing project property that has been granted
 4 exemption under section 7 of this 2024 Act shall pay an annual fee for the term that shall
 5 be the presumptive number of years for which the property is granted exemption under
 6 section 7 (3)(b) of this 2024 Act.

7 (2)(a) The amount of the fee for the first property tax year that the loan is outstanding
 8 shall be the portion of the increment determined under section 4 (1)(c) of this 2024 Act that
 9 is attributable to the eligible housing project property to which the fee relates.

10 (b) For each subsequent property tax year, the amount of the fee shall be 103 percent
 11 of the amount of the fee for the preceding property tax year.

12 (3)(a) Not later than July 15 of each property tax year during the term of the fee obli-
 13 gation, the sponsoring jurisdiction shall certify to the assessor each fee amount that became
 14 due under this section on or after July 16 of the previous property tax year from fee payers
 15 with respect to eligible housing projects located in the sponsoring jurisdiction.

16 (b) The assessor shall place each fee amount on the assessment and tax rolls of the
 17 county and notify:

18 (A) The sponsoring jurisdiction of each fee amount and the aggregate of all fee amounts
 19 imposed with respect to eligible housing project property located in the sponsoring jurisdic-
 20 tion.

21 (B) The Housing and Community Services Department of each fee amount and the ag-
 22 gregate of all fee amounts with respect to all eligible housing project property located in the
 23 county.

24 (4)(a) The assessor shall include on the tax statement of each tax account that includes
 25 exempt eligible housing project property the amount of the fee imposed on the fee payer with
 26 respect to the eligible housing project property.

27 (b) The fee shall be collected and enforced in the same manner as ad valorem property
 28 taxes, including nonexempt taxes, are collected and enforced.

29 (5)(a) For each property tax year in which a fee is payable under this section, the treas-
 30 urer shall:

31 (A) Estimate the amount of fire district taxes that would have been collected on eligible
 32 housing project property if the property were not exempt;

33 (B) Distribute out of the fee moneys the amounts determined under paragraph (a) of this
 34 subsection to the respective fire districts when other ad valorem property taxes are distrib-
 35 uted under ORS 311.395; and

36 (C) Transfer the net fee moneys to the Housing and Community Services Department for
 37 deposit in the Housing Project Revolving Loan Fund established under section 12 of this 2024
 38 Act in repayment of the loans to which the fees relate.

39 (b) Nonexempt taxes shall be distributed in the same manner as other ad valorem prop-
 40 erty taxes are distributed.

41 (6) Any person with an interest in the eligible housing project property on the date on
 42 which any fee amount becomes due shall be jointly and severally liable for payment of the
 43 fee amount.

44 (7) Any loan amounts that have not been repaid when the fee payer has discharged its
 45 obligations in full under this section remain the obligation of the sponsoring jurisdiction that

1 obtained the loan from the department under section 5 of this 2024 Act.

2 **SECTION 10.** (1)(a) A developer that received a grant award under section 6 of this 2024
3 Act shall become liable for immediate payment of any outstanding annual fee payments im-
4 posed under section 9 of this 2024 Act for the entire term of the fee if:

5 (A) The developer has not completed the eligible housing project within three years fol-
6 lowing the date on which the grant moneys were distributed to the developer;

7 (B) The eligible housing project changes substantially from the project for which the
8 developer's application was approved such that the project would not have been eligible for
9 the grant; or

10 (C) The developer has not complied with a requirement specified in the grant agreement.

11 (b) The sponsoring jurisdiction may, in its sole discretion, extend the date on which the
12 eligible housing project must be completed.

13 (2) If the sponsoring jurisdiction discovers that a developer willfully made a false state-
14 ment or misrepresentation or willfully failed to report a material fact to obtain a grant with
15 respect to an eligible housing project, the sponsoring jurisdiction may impose on the devel-
16 oper a penalty not to exceed 20 percent of the amount of the grant so obtained, plus any
17 applicable interest and fees associated with the costs of collection.

18 (3) Any amounts imposed under subsection (1) or (2) of this section shall be a lien on the
19 eligible housing project property and the nonexempt property in the tax account.

20 (4) The sponsoring jurisdiction shall provide written notice of any amounts that become
21 due under subsections (1) and (2) of this section to the county tax officers and the Housing
22 and Community Services Department.

23 (5)(a) Any and all amounts required to be paid under this section shall be considered to
24 be liquidated and delinquent, and the Housing and Community Services Department shall
25 assign such amounts to the Department of Revenue for collection as provided in ORS 293.250.

26 (b) Amounts collected under this subsection shall be deposited, net of any collection
27 charges, in the Housing Project Revolving Loan Fund established under section 12 of this
28 2024 Act.

29 **SECTION 11.** (1) Not later than June 30 of each year in which a grant agreement entered
30 into under section 6 of this 2024 Act is in effect, a developer that is party to the agreement
31 shall submit a report to the sponsoring jurisdiction in which the eligible housing project is
32 located that contains:

33 (a) The status of the construction or conversion of the eligible housing project property,
34 including an estimate of the date of completion;

35 (b) An itemized description of the uses of the grant moneys; and

36 (c) Any information the sponsoring jurisdiction considers important for evaluating the
37 eligible housing project and the developer's performance under the terms of the grant
38 agreement.

39 (2) Not later than August 15 of each year, each sponsoring jurisdiction shall submit to
40 the Housing and Community Services Department a report containing such information re-
41 lating to eligible housing projects within the sponsoring jurisdiction as the department re-
42 quires.

43 (3)(a) Not later than November 15 of each year, the department shall submit, in the
44 manner required under ORS 192.245, a report to the interim committees of the Legislative
45 Assembly related to housing.

1 (b) The report shall set forth in detail:

2 (A) The information received from sponsoring jurisdictions under subsection (2) of this
3 section;

4 (B) The status of the repayment of all outstanding loans made under section 5 of this
5 2024 Act and of the payment of all fees imposed under section 9 of this 2024 Act and all
6 amounts imposed under section 10 of this 2024 Act; and

7 (C) The cumulative experience of the program developed and implemented under sections
8 1 to 12 of this 2024 Act.

9 (c) The report may include recommendations for legislation.

10 **SECTION 12.** (1) The Housing Project Revolving Loan Fund is established in the State
11 Treasury, separate and distinct from the General Fund. Interest earned by the Housing
12 Project Revolving Loan Fund shall be credited to the fund.

13 (2) Moneys in the fund may be invested as provided by ORS 293.701 to 293.857, and the
14 earnings from the investments shall be credited to the fund.

15 (3) Moneys in the Housing Project Revolving Loan Fund shall consist of:

16 (a) Amounts appropriated or otherwise transferred or credited to the fund by the Legis-
17 lative Assembly;

18 (b) Net fee moneys transferred under section 9 of this 2024 Act;

19 (c) Amounts deposited in the fund under section 10 of this 2024 Act;

20 (d) Interest and other earnings received on moneys in the fund; and

21 (e) Other moneys or proceeds of property from any public or private source that are
22 transferred, donated or otherwise credited to the fund.

23 (4) Moneys in the Housing Project Revolving Loan Fund are continuously appropriated
24 to the Housing and Community Services Department for the following purposes:

25 (a) Making loans to sponsoring jurisdictions under section 5 of this 2024 Act; and

26 (b) Reimbursing the actual costs incurred by the department under sections 1 to 12 of
27 this 2024 Act.

28 (5) Moneys in the Housing Project Revolving Loan Fund at the end of a biennium shall
29 be retained in the fund and used for the purposes set forth in subsection (4) of this section.

30 **SECTION 13.** The Housing and Community Services Department shall have developed and
31 begun operating the loan program that the department is required to develop under section
32 5 of this 2024 Act, including regional trainings and outreach for jurisdictional partners, no
33 later than June 30, 2025.

34 **SECTION 14.** There is appropriated to the Housing and Community Services Department,
35 for the biennium ending June 30, 2025, out of the General Fund, the amount of \$50,000,000,
36 for deposit in the Housing Project Revolving Loan Fund established under section 12 of this
37 2024 Act, to be used for the purpose of carrying out the provisions of sections 1 to 12 of this
38 2024 Act.

39 **SECTION 15.** Section 16 of this 2024 Act is added to and made a part of ORS 456.255 to
40 456.267.

41 **SECTION 16.** (1) The Housing and Community Services Department shall provide grants
42 to nonprofit organizations that provide resources and education to tenants to allow the or-
43 ganization to:

44 (a) Engage with tenants of a specific publicly supported housing development that have
45 received notices of withdrawal under ORS 456.259; or

1 **(b) Develop the organization’s capacity to engage with tenants as described in paragraph**
2 **(a) of this subsection.**

3 **(2) As used in this section, “engage with tenants” includes in-person outreach with indi-**
4 **vidual tenants or hosting meetings or training with groups of tenants for the purposes of**
5 **assisting tenants to:**

6 **(a) Understand their legal rights under ORS chapter 90 and ORS 456.255 to 456.267;**

7 **(b) Find and apply for housing or private or public housing programs or assistance; or**

8 **(c) Take other steps to obtain, retain or afford housing or to relocate.**

9 **(3) In providing grants under this section, the department shall consider the service area**
10 **of the organization and the amount of tenants within the service area that may be impacted**
11 **by anticipated withdrawals.**

12 **SECTION 17.** **Section 16 of this 2024 Act is repealed on January 2, 2026.**

13 **SECTION 18.** **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 ending June**
15 **30, 2025, out of the General Fund, the amount of \$2,000,000, to provide grants under section**
16 **17 of this 2024 Act.**

17 **SECTION 19.** **This 2024 Act takes effect on the 91st day after the date on which the 2024**
18 **regular session of the Eighty-second Legislative Assembly adjourns sine die.**

19