



2013 Housing Opportunity Agenda

Ensuring all Oregonians have the opportunity that a stable home provides

Member Organizations

211 Info
AFSCME Local #3135
Alliance for Family & Housing Success
Bienestar
CASA of Oregon
Central City Concern
City of Corvallis
City of Eugene
City of Gresham
City of Portland
City of Tigard
Clackamas County
Clackamas Housing Action Network
Coalition for a Livable Future
Community Action Partnership of Oregon
Community Action Team, Inc.
Community Alliance of Tenants
Community Housing Fund
Community Partners for Affordable Housing
Ecumenical Ministries of Oregon
Fair Housing Council of Oregon
Farmworker Housing Development Corp.
Habitat for Humanity of Oregon
Hacienda CDC
Housing Advocacy Group of Washington Co.
Housing Development Center
Impact Northwest
JOIN
Lane County Legal Aid and Advocacy Center
League of Women Voters of Oregon
Lincoln County
Metro
NAYA Family Center
Neighborhood Economic Development Corp.
Neighborhood Partnerships
NeighborWorks Umpqua
Network for Oregon Affordable Housing
Northwest Housing Alternatives
Northwest Pilot Project
Oregon Action
Oregon Food Bank
Oregon Housing Authorities
Oregon Opportunity Network
Partners for a Hunger-Free Oregon
Portland Community Reinvestment Initiatives, Inc.
Proud Ground
Raphael House
REACH CDC
Rose CDC
St. Vincent DePaul of Lane County
Shelter Care
Sisters Of The Road
Street Roots
Washington County
Willamette Neighborhood Housing Services

The Housing Alliance knows that we all have a stake in addressing the problems our communities and neighbors are facing as a result of the recession. In Oregon, we believe in protecting those most impacted by the economic downturn. Housing gives people an opportunity to build better lives, and our communities are better and stronger when we and our neighbors can afford to pay rent and still have money left over for food or medicine. We're asking the Legislature to take action in 2013 to ensure housing opportunity. The Housing Alliance will lead the following efforts:

- **Prevent homelessness through restoring the Emergency Housing Account and State Homeless Assistance Program**—This is our most flexible resource to end and prevent homelessness. This resource has seen several cuts in recent years, while the need is growing at an alarming pace. The Emergency Housing Account (or EHA) and State Homeless Assistance Program (or SHAP) help keep at risk families in their homes, and help homeless families get off the streets and stabilized. We are requesting an additional \$3 million to EHA and \$1 million to SHAP in general fund dollars to return the programs to the level of the 2007 biennium, plus inflation. (Lead)
- **Housing for Veterans** —Veterans across Oregon face housing challenges of all kinds. We must dedicate new resources toward addressing the housing needs of Oregon's Veterans. We must cover the continuum of our veterans' housing needs, including ending their homelessness, offering short and long-term rental assistance, developing housing with wrap-around services as well as increasing home-ownership opportunities. (Lead)
- **Foreclosure and housing market recovery.** In 2012, Oregon enacted historic foreclosure reform with SB 1552. We need to continue to work to restore Oregon's housing market through implementation of SB 1552 and other strategies. The Legislature has already dedicated some funds from the National Attorneys' General Settlement to the implementation of the law, but additional funds are needed. These additional resources will allow us to continue building a system to provide homeowners with essential information, counseling, legal support, mediation services and direct financial relief. (Lead)
- **Preserve Existing Affordable Housing**—Across the state, thousands of people with very low incomes live in homes with federal rent subsidies and in manufactured home parks. Many of these homes are at risk of conversion to market rate, including some housing built and owned by non-profit partners statewide. We cannot afford to lose this precious resource or displace our vulnerable neighbors. We need \$20 million in Lottery Backed Bonds to fill financing gaps and preserve these affordable homes. (Lead)
- Currently, too many Oregonians are struggling to find suitable housing, even with the aid of a housing choice voucher. The Housing Alliance will lead an effort to **remove barriers for tenants with Section 8 vouchers to renting homes in their preferred communities.** The proposal will include multiple strategies to ensure tenant success such as developing statewide strategies to better support tenants going through the leasing process, better support of housing authorities' efforts to educate and work with both landlords and HUD, as well as to amend ORS 659A.421 (1)(d) and (2)(e) to clarify that receipt of federal rent subsidies and other housing assistance - in particular Section 8 vouchers - is not grounds for denying tenancy. (Lead)

Contact us:

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The Housing Alliance will support the following items:

- Maintain the **Agricultural Workforce Housing Tax Credit**, a key tool for housing development. Decent housing for workers in Oregon's agricultural industry helps support a healthy rural economy, and meets the demands of our strong and growing agricultural industry. This tool is scheduled to sunset in 2014. (Support)
- **Support resident purchases of manufactured home parks.** In 2013, we will support a bill to increase the opportunity to purchase for resident groups. We will also support bills by the Manufactured Housing Landlord/Tenant Coalition to extend sunsets in 2014 on the tax incentive for sales of parks to residents, CDCs, or housing authorities and on the tax credit for residents displaced by a park closure. (Support)
- Protect vulnerable Oregonians through basic support systems and improve pathways out of poverty for all Oregonians. In 2013, we will support improvements to systems which help prevent homelessness:
 - Protect vulnerable families with children through **Temporary Assistance for Needy Families (TANF)**. We must help families with children meet their basic needs such as rent and heat as well as employment services. The Legislature should restore funding to help support families return to employment. (Support)
 - Institute an advisory committee to study the feasibility of protecting vulnerable Oregonians with disabilities through **General Assistance**. General Assistance provides small amounts of income support while disabled individuals await assistance from Social Security. Costs are often recouped by the state once the determination is received. The advisory committee would study how the program works, it's cost, and how it would be implemented, and report back to the 2014 Legislature. (Support)
 - Extend the sunset and expand the **Earned Income Tax Credit (EITC)**. The EITC is one of the most effective programs to help low- and moderate-income families make ends meet, reduce debt or start saving for the future. The EITC creates a pathway out of poverty for Oregon families and gives them a tool to help them manage life's many financial demands. (Support)
- Expand asset limits on Oregon Individual Development Account (IDA) Initiative Participants to help build financial resilience and access opportunity. Eligible participants with modest retirement savings are being turned away from the program due to current limits. The Legislature should exempt the first \$60,000 of retirement savings in the calculation of net worth to build financial resilience and savings. (Support)
- Find permanent solutions to improve the **Senior & Disabled Property Tax Deferral Program**. In 2011, a bill passed which had unintended consequences for seniors with low incomes and people with disabilities by abruptly and in some cases unfairly terminating people on fixed incomes who had relied on the program. In 2013, the Legislature needs to find a permanent solution that protects seniors with low incomes and people with disabilities. (Support)
- Increase **the Oregon Domestic and Sexual Violence Services (ODSVS) Fund** by an additional \$3 million for a total of \$7.2 Million per biennium. The Oregon Domestic and Sexual Violence Services Fund provides critical lifelines to Oregonians, providing emergency shelter, safety planning and support services for victims across the state. These services save lives, families and communities, and the need is great. In 2011, more than 20,000 requests for emergency shelter went unmet. (Support)
- Extend the sunset on a key **property tax exemption for affordable housing, the Homebuyer Opportunity Limited Tax Exemption Program**. This allows eligible homeowners to receive a ten year property tax exemption on structural improvements. Property owners continue to pay taxes on the assessed value of the land during the exemption period. Currently, this local option is in use only in the City of Portland. The sunset should be extended until 2025 to help make homeownership affordable. (Support)
- Fund the **Oregon Hunger Response Fund** (formerly General Fund Food Program) at \$3 million per biennium. This fund helps leverage the power of the Oregon Food Bank network by providing general fund dollars to help purchase food, transport food across the state, and ensure proper storage. (Support)
- **Restore funds** swept from the Community Mental Health Housing Trust Fund in 2012. In 2012, the Legislature swept \$5.8 Million from the Community Mental Health Housing Trust Fund—a fund designed to help build housing for individuals with severe mental health issues.

Questions? Contact Janet Byrd at jbyrd@neighborhoodpartnerships.org or Alison McIntosh at amcintosh@neighborhoodpartnerships.org.

Housing Alliance Principles Regarding System Change Draft 2 -- February 14, 2013

There are multiple systems change efforts underway in state government which will significantly impact all Oregonians. This includes an immediate discussion about re-structuring the Oregon Housing and Community Services agency, which will culminate in a recommendation to the Legislature in February 2014.

The stated goals of the re-structuring include creation of efficiencies within the system, to add value to the efforts to better serve the housing needs of all communities, and to integrate housing and community services into community based and community driven conversations about how to achieve the five core outcomes embodied in the Governor's Ten Year Budget.

The Housing Alliance embraces the goals of the re-structuring conversation. A safe, decent, affordable place to live provides the foundation for opportunity, success, and prosperity for all Oregonians. Efforts to streamline administration must not hinder efforts to create housing opportunity for all Oregonians, at all income levels, and in all communities.

To guide our advocacy efforts moving forward, we have system change goals and principles.

1. Resources to meet housing needs are inadequate. Reorganization should not result in a loss of resources directed to meet the most pressing housing needs. Reorganization should lead to a net gain in resources that address needs.
2. Systems change promises to improve our ability to meet the needs of all Oregonians for access to opportunity, stability, and security. To realize this promise, effort must include a focus on the people served and be designed and implemented deliberately to best serve Oregonians with low incomes or particular needs for state services.
3. We believe that all voices and perspectives must be considered and engaged and have meaningful involvement in system change planning and implementation. Processes to gather information and engage stakeholders must be thorough, creative, collaborative, and accessible to all parties.
4. We know that barriers exist that limit opportunity for some Oregonians. We must collect and examine data on disparate outcomes due to race, ethnicity, history of poverty, and geography; and work to create an equitable system and remove barriers that perpetuate disparate outcomes.
5. We recognize and value the importance of community control over and influence on decisions about governance. We also recognize the value of engaging local communities in discussions of housing needs and solutions. However, we also know that sometimes local governments overlook certain constituencies, voices, and perspectives. Strategies, tools, and venues to set and measure statewide goals and objectives, and ensure local accountability to those goals, must be firmly embedded in the process.
6. We believe that efficiency, effectiveness, transparency, accountability, and the achievement of measurable outcomes must be the goals of all efforts.
7. While we embrace change, changes must be carefully assessed for the effects they have and how those effects ripple out to other systems in order to avoid unintended consequences. This includes levels and agencies of government – federal, state, and local – as well as all community partners – for profit and non-profit, faith-based, community based, and volunteer. The urgency of change should not cause us to lose what's valuable or irreplaceable, just as fear of change should not cause us to favor simply preserving the status quo.

Senate Bill 668

Sponsored by COMMITTEE ON FINANCE AND REVENUE

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**.

Exempts from property taxation property of political subdivision used or intended to be used for affordable housing or leased or rented to persons of lower income for housing. Requires application. Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to the exemption from tax of property of a political subdivision of the state; creating new
3 provisions; amending ORS 307.110 and 307.162; and prescribing an effective date.

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

5 **SECTION 1.** ORS 307.110 is amended to read:

6 307.110. (1) Except as provided in ORS 307.120, all real and personal property of this state or
7 any institution or department thereof or of any county or city, town or other municipal corporation
8 or political subdivision of this state, held under a lease or other interest or estate less than a fee
9 simple, by any person whose real property, if any, is taxable, except employees of the state,
10 municipality or political subdivision as an incident to such employment, shall be subject to assess-
11 ment and taxation for the assessed or specially assessed value thereof uniformly with real property
12 of nonexempt ownerships.

13 (2) Each leased or rented premises not exempt under ORS 307.120 and subject to assessment and
14 taxation under this section which is located on property used as an airport and owned by and
15 serving a municipality or port shall be separately assessed and taxed.

16 (3) Nothing contained in this section shall be construed as subjecting to assessment and taxation
17 any publicly owned property described in subsection (1) of this section that is:

18 (a) Leased for student housing by a school or college to students attending such a school or
19 college.

20 (b) Leased to or rented by persons, other than sublessees or subrenters, for agricultural or
21 grazing purposes and for other than a cash rental or a percentage of the crop.

22 (c) Utilized by persons under a land use permit issued by the Department of Transportation for
23 which the department's use restrictions are such that only an administrative processing fee is able
24 to be charged.

25 (d) County fairgrounds and the buildings thereon, in a county holding annual county fairs,
26 managed by the county fair board under ORS 565.230, if utilized, in addition to county fair use, for
27 any of the purposes described in ORS 565.230 (2), or for horse stalls or storage for recreational ve-
28 hicles or farm machinery or equipment.

29 (e) The properties and grounds managed and operated by the State Parks and Recreation Di-
30 rector under ORS 565.080, if utilized, in addition to the purpose of holding the Oregon State Fair,
31 for horse stalls or for storage for recreational vehicles or farm machinery or equipment.

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 (f) State property that is used by the Oregon University System or the Oregon Health and Sci-
2 ence University to provide parking for employees, students or visitors.

3 (g) Property of a housing authority created under ORS chapter 456 which is leased or rented to
4 persons of lower income for housing pursuant to the public and governmental purposes of the
5 housing authority. For purposes of this paragraph, "persons of lower income" has the meaning given
6 [the phrase under] **that term in ORS 456.055.**

7 **(h) Property of a political subdivision of this state that is used or intended to be used for**
8 **affordable housing or is leased or rented to persons of lower income for housing pursuant**
9 **to the public and governmental purposes of the political subdivision. For purposes of this**
10 **paragraph, "affordable housing" and "persons of lower income" have the meanings given**
11 **those terms in ORS 456.055. The exemption under this paragraph shall be granted upon**
12 **compliance with ORS 307.162.**

13 [(h)] (i) Property of a health district if:

14 (A) The property is leased or rented for the purpose of providing facilities for health care
15 practitioners practicing within the county; and

16 (B) The county is a frontier rural practice county under rules adopted by the Office of Rural
17 Health.

18 (4) Property determined to be an eligible project for tax exemption under ORS 285C.600 to
19 285C.626 and 307.123 that was acquired with revenue bonds issued under ORS 285B.320 to 285B.371
20 and that is leased by this state, any institution or department thereof or any county, city, town or
21 other municipal corporation or political subdivision of this state to an eligible applicant shall be
22 assessed and taxed in accordance with ORS 307.123. The property's continued eligibility for taxation
23 and assessment under ORS 307.123 is not affected:

24 (a) If the eligible applicant retires the bonds prior to the original dates of maturity; or

25 (b) If any applicable lease or financial agreement is terminated prior to the original date of ex-
26 piration.

27 (5) The provisions of law for liens and the payment and collection of taxes levied against real
28 property of nonexempt ownerships shall apply to all real property subject to the provisions of this
29 section. Taxes remaining unpaid upon the termination of a lease or other interest or estate less than
30 a fee simple, shall remain a lien against the real or personal property.

31 (6) If the state enters into a lease of property with, or grants an interest or other estate less
32 than a fee simple in property to, a person whose real property, if any, is taxable, then within 30 days
33 after the date of the lease, or within 30 days after the date the interest or estate less than a fee
34 simple is created, the state shall file a copy of the lease or other instrument creating or evidencing
35 the interest or estate with the county assessor. This section applies notwithstanding that the prop-
36 erty may otherwise be entitled to an exemption under this section, ORS 307.120 or as otherwise
37 provided by law.

38 **SECTION 2.** ORS 307.162, as amended by section 3, chapter 42, Oregon Laws 2012, is amended
39 to read:

40 307.162. (1)(a) Before any real or personal property may be exempted from taxation under ORS
41 **307.110 (3)(h)**, 307.115, 307.118, 307.130 to 307.140, 307.145, 307.147, 307.150, 307.160, 307.181 (3) or
42 307.580 for any tax year, the institution or organization entitled to claim the exemption must file a
43 claim with the county assessor, on or before April 1 preceding the tax year for which the exemption
44 is claimed. The claim must contain statements, verified by the oath or affirmation of the president
45 or other proper officer of the institution or organization, that:

1 (A) List all real property claimed to be exempt and show the purpose for which the real property
2 is used; and

3 (B) Cite the statutes under which exemption for personal property is claimed.

4 (b) If the ownership of all property included in the claim filed with the county assessor for a
5 prior year remains unchanged, a new claim is not required.

6 (c) When the property designated in the claim for exemption is acquired after March 1 and be-
7 fore July 1, the claim for that year must be filed within 30 days from the date of acquisition of the
8 property.

9 (2)(a) Notwithstanding subsection (1) of this section, a claim may be filed under this section for
10 the current tax year:

11 (A) On or before December 31 of the tax year, if the claim is accompanied by a late filing fee
12 of the greater of \$200, or one-tenth of one percent of the real market value as of the most recent
13 assessment date of the property to which the claim pertains.

14 (B) On or before April 1 of the tax year, if the claim is accompanied by a late filing fee of \$200
15 and the claimant demonstrates good and sufficient cause for failing to file a timely claim, is a
16 first-time filer or is a public entity described in ORS 307.090.

17 (b)(A) Notwithstanding subsection (1) of this section, a claimant that demonstrates good and
18 sufficient cause for failing to file a timely claim, is a first-time filer or is a public entity described
19 in ORS 307.090 may file a claim under this section for the five tax years prior to the current tax
20 year:

21 (i) Within 60 days after the date on which the county assessor mails notice of additional taxes
22 owing under ORS 311.206 for the property to which the claim filed under this subparagraph pertains;
23 or

24 (ii) At any time if no notice is mailed.

25 (B) A claim filed under this paragraph must be accompanied by a late filing fee of the greater
26 of \$200, or one-tenth of one percent of the real market value as of the most recent assessment date
27 of the property to which the claim pertains, multiplied by the number of prior tax years for which
28 exemption is claimed.

29 (c) If a claim filed under this subsection is not accompanied by the late filing fee or if the late
30 filing fee is not otherwise paid, an exemption may not be allowed for the tax years sought by the
31 claim. A claim may be filed under this subsection notwithstanding that there are no grounds for
32 hardship as required for late filing under ORS 307.475.

33 (d) The value of the property used to determine the late filing fee under this subsection and the
34 determination of the county assessor relative to a claim of good and sufficient cause are appealable
35 in the same manner as other acts of the county assessor.

36 (e) A late filing fee collected under this subsection must be deposited in the county general fund.

37 (3) As used in this section:

38 (a) "First-time filer" means a claimant that:

39 (A) Has never filed a claim for the property that is the subject of the current claim; and

40 (B) Did not receive notice from the county assessor on or before December 1 of the tax year for
41 which exemption is claimed regarding the potential property tax liability of the property.

42 (b)(A) "Good and sufficient cause" means an extraordinary circumstance beyond the control of
43 the taxpayer or the taxpayer's agent or representative that causes the failure to file a timely claim.

44 (B) "Good and sufficient cause" does not include hardship, reliance on misleading information
45 unless the information is provided by an authorized tax official in the course of the official's duties,

1 lack of knowledge, oversight or inadvertence.

2 (c) "Ownership" means legal and equitable title.

3 (4)(a) Notwithstanding subsection (1) of this section, if an institution or organization owns
 4 property that is exempt from taxation under a provision of law listed in subsection (1) of this section
 5 and fails to file a timely claim for exemption under subsection (1) of this section for additions or
 6 improvements to the exempt property, the additions or improvements may nevertheless qualify for
 7 exemption.

8 (b) The organization must file a claim for exemption with the county assessor to have the addi-
 9 tions or improvements to the exempt property be exempt from taxation. The claim must:

10 (A) Describe the additions or improvements to the exempt property;

11 (B) Describe the current use of the property that is the subject of the application;

12 (C) Identify the tax year and any preceding tax years for which the exemption is sought;

13 (D) Contain any other information required by the Department of Revenue; and

14 (E) Be accompanied by a late filing fee equal to the product of the number of tax years for
 15 which exemption is sought multiplied by the greater of \$200 or one-tenth of one percent of the real
 16 market value as of the most recent assessment date of the property that is the subject of the claim.

17 (c) Upon the county assessor's receipt of a completed claim and late filing fee, the assessor shall
 18 determine for each tax year for which exemption is sought whether the additions or improvements
 19 that are the subject of the claim would have qualified for exemption had a timely claim been filed
 20 under subsection (1) of this section. Any property that would have qualified for exemption had a
 21 timely claim been filed under subsection (1) of this section is exempt from taxation for each tax year
 22 for which the property would have qualified.

23 (d) A claim for exemption under this subsection may be filed only for tax years for which the
 24 time for filing a claim under subsections (1) and (2)(a) of this section has expired. A claim filed under
 25 this subsection, however, may serve as the claim required under subsection (1) of this section for
 26 the current tax year.

27 (e) A late filing fee collected under this subsection must be deposited in the county general fund.

28 (5) For each tax year for which an exemption granted pursuant to subsection (2) or (4) of this
 29 section applies:

30 (a) Any tax, or interest attributable thereto, that was paid with respect to the property that is
 31 declared exempt from taxation must be refunded. Refunds must be made without interest from the
 32 unsegregated tax collections account established under ORS 311.385.

33 (b) Any tax, or interest attributable thereto, that remains unpaid as of the date the exemption
 34 is granted must be abated.

35 (6) If an institution or organization owns property that is exempt from taxation under a pro-
 36 vision of law listed in subsection (1) of this section and changes the use of the property to a use that
 37 would not entitle the property to exemption from taxation, the institution or organization must no-
 38 tify the county assessor of the change to a taxable use within 30 days.

39 **SECTION 3. The amendments to ORS 307.110 and 307.162 by sections 1 and 2 of this 2013**
 40 **Act apply to property tax years beginning on or after July 1, 2013.**

41 **SECTION 4. This 2013 Act takes effect on the 91st day after the date on which the 2013**
 42 **regular session of the Seventy-seventh Legislative Assembly adjourns sine die.**

House Bill 2349

Sponsored by Representatives BAILEY, TOMEI, Senator JOHNSON (Pre-session filed.)

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**.

Extends sunset for single-unit housing property tax exemption to 2025.
Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to property tax exemption for single-unit housing; amending ORS 307.651 and 307.681; and
3 prescribing an effective date.

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

5 **SECTION 1.** ORS 307.651 is amended to read:

6 307.651. As used in ORS 307.651 to 307.687, unless the context requires otherwise:

7 (1) "Distressed area" means a primarily residential area of a city designated by a city under
8 ORS 307.657 which, by reason of deterioration, inadequate or improper facilities, the existence of
9 unsafe or abandoned structures, including but not limited to a significant number of vacant or
10 abandoned single or multifamily residential units, or any combination of these or similar factors, is
11 detrimental to the safety, health and welfare of the community.

12 (2) "Governing body" means the city legislative body having jurisdiction over the property for
13 which an exemption may be applied for under ORS 307.651 to 307.687.

14 (3) "Qualified dwelling unit" means a dwelling unit that, upon completion, has a market value
15 (land and improvements) of no more than 120 percent, or a lesser percentage as adopted by the
16 governing body by resolution, of the median sales price of dwelling units located within the city.

17 (4) "Single-unit housing" means a newly constructed structure having one or more dwelling units
18 that:

19 (a) Is, or will be, at the time that construction is completed, in conformance with all local plans
20 and planning regulations, including special or district-wide plans developed and adopted pursuant
21 to ORS chapters 195, 196, 197 and 227.

22 (b) Is constructed on or after January 1, 1990, and is completed within two years after applica-
23 tion for exemption is approved under ORS 307.674 or before [*July 1, 2015*] **January 1, 2025**, which-
24 ever is earlier.

25 (c) Upon completion, is designed for each dwelling unit within the structure to be purchased by
26 and lived in by one person or one family.

27 (d) Upon completion, has one or more qualified dwelling units within the single-unit housing.

28 (e) Is not a floating home, as defined in ORS 830.700, or a manufactured structure, as defined
29 in ORS 446.561, other than a manufactured home described in ORS 197.307 (8)(a) to (f).

30 (5) "Structure" does not include the land, nor any site development to the land, as both are
31 defined under ORS 307.010.

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 **SECTION 2.** ORS 307.681 is amended to read:

2 307.681. (1) Except as provided in ORS 307.684, if, after an application has been approved under
3 ORS 307.674, the city finds that construction of single-unit housing was not completed within two
4 years after the date the application was approved or on or before January 1, [2015] **2025**, whichever
5 is earlier, or that any provision of ORS 307.651 to 307.687 is not being complied with, or any pro-
6 vision required by the city pursuant to ORS 307.651 to 307.687 is not being complied with, the city
7 shall give notice to the owner, mailed to the owner's last-known address, of the proposed termination
8 of the exemption. The notice shall state the reasons for the proposed termination and shall require
9 the owner to appear at a specified time, not less than 20 days after mailing the notice, to show
10 cause, if any, why the exemption should not be terminated.

11 (2) If the owner fails to show cause why the exemption should not be terminated, the city shall
12 adopt an ordinance or resolution stating its findings and terminating the exemption. A copy of the
13 ordinance or resolution shall be filed with the county assessor and a copy sent to the owner at the
14 owner's last-known address within 10 days after its adoption.

15 **SECTION 3. This 2013 Act takes effect on the 91st day after the date on which the 2013**
16 **regular session of the Seventy-seventh Legislative Assembly adjourns sine die.**

17

D R A F T

SUMMARY

Exempts from property taxation property of political subdivision used or intended to be used for affordable housing or leased or rented to persons of lower income for housing.

Provides refund for taxes and interest paid for property tax year beginning on July 1, 2012.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to the exemption from tax of property of a political subdivision of
3 the state; creating new provisions; amending ORS 307.110; and prescribing
4 an effective date.

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

6 **SECTION 1.** ORS 307.110 is amended to read:

7 307.110. (1) Except as provided in ORS 307.120, all real and personal
8 property of this state or any institution or department thereof or of any
9 county or city, town or other municipal corporation or political subdivision
10 of this state, held under a lease or other interest or estate less than a fee
11 simple, by any person whose real property, if any, is taxable, except em-
12 ployees of the state, municipality or political subdivision as an incident to
13 such employment, shall be subject to assessment and taxation for the as-
14 sessed or specially assessed value thereof uniformly with real property of
15 nonexempt ownerships.

16 (2) Each leased or rented premises not exempt under ORS 307.120 and
17 subject to assessment and taxation under this section which is located on
18 property used as an airport and owned by and serving a municipality or port

1 shall be separately assessed and taxed.

2 (3) Nothing contained in this section shall be construed as subjecting to
3 assessment and taxation any publicly owned property described in subsection
4 (1) of this section that is:

5 (a) Leased for student housing by a school or college to students attend-
6 ing such a school or college.

7 (b) Leased to or rented by persons, other than sublessees or subrenters,
8 for agricultural or grazing purposes and for other than a cash rental or a
9 percentage of the crop.

10 (c) Utilized by persons under a land use permit issued by the Department
11 of Transportation for which the department's use restrictions are such that
12 only an administrative processing fee is able to be charged.

13 (d) County fairgrounds and the buildings thereon, in a county holding
14 annual county fairs, managed by the county fair board under ORS 565.230,
15 if utilized, in addition to county fair use, for any of the purposes described
16 in ORS 565.230 (2), or for horse stalls or storage for recreational vehicles or
17 farm machinery or equipment.

18 (e) The properties and grounds managed and operated by the State Parks
19 and Recreation Director under ORS 565.080, if utilized, in addition to the
20 purpose of holding the Oregon State Fair, for horse stalls or for storage for
21 recreational vehicles or farm machinery or equipment.

22 (f) State property that is used by the Oregon University System or the
23 Oregon Health and Science University to provide parking for employees,
24 students or visitors.

25 (g) Property of a housing authority created under ORS chapter 456 which
26 is leased or rented to persons of lower income for housing pursuant to the
27 public and governmental purposes of the housing authority. For purposes of
28 this paragraph, "persons of lower income" has the meaning given [*the phrase*
29 *under*] **that term in** ORS 456.055.

30 **(h) Property of a political subdivision of this state that is used or**
31 **intended to be used for affordable housing or is leased or rented to**

1 **persons of lower income for housing pursuant to the public and gov-**
2 **ernmental purposes of the political subdivision. For purposes of this**
3 **paragraph, “affordable housing” and “persons of lower income” have**
4 **the meanings given those terms in ORS 456.055.**

5 [(h)] (i) Property of a health district if:

6 (A) The property is leased or rented for the purpose of providing facilities
7 for health care practitioners practicing within the county; and

8 (B) The county is a frontier rural practice county under rules adopted by
9 the Office of Rural Health.

10 (4) Property determined to be an eligible project for tax exemption under
11 ORS 285C.600 to 285C.626 and 307.123 that was acquired with revenue bonds
12 issued under ORS 285B.320 to 285B.371 and that is leased by this state, any
13 institution or department thereof or any county, city, town or other munici-
14 pal corporation or political subdivision of this state to an eligible applicant
15 shall be assessed and taxed in accordance with ORS 307.123. The property’s
16 continued eligibility for taxation and assessment under ORS 307.123 is not
17 affected:

18 (a) If the eligible applicant retires the bonds prior to the original dates
19 of maturity; or

20 (b) If any applicable lease or financial agreement is terminated prior to
21 the original date of expiration.

22 (5) The provisions of law for liens and the payment and collection of taxes
23 levied against real property of nonexempt ownerships shall apply to all real
24 property subject to the provisions of this section. Taxes remaining unpaid
25 upon the termination of a lease or other interest or estate less than a fee
26 simple, shall remain a lien against the real or personal property.

27 (6) If the state enters into a lease of property with, or grants an interest
28 or other estate less than a fee simple in property to, a person whose real
29 property, if any, is taxable, then within 30 days after the date of the lease,
30 or within 30 days after the date the interest or estate less than a fee simple
31 is created, the state shall file a copy of the lease or other instrument creat-

1 ing or evidencing the interest or estate with the county assessor. This sec-
2 tion applies notwithstanding that the property may otherwise be entitled to
3 an exemption under this section, ORS 307.120 or as otherwise provided by
4 law.

5 **SECTION 2. The amendments to ORS 307.110 by section 1 of this**
6 **2013 Act apply to property tax years beginning on or after July 1, 2012.**

7 **SECTION 3. (1)(a) To receive a refund under this section, an appli-**
8 **cation must be filed with the county assessor within 60 days after the**
9 **effective date of this 2013 Act.**

10 **(b) An application filed under this section must:**

11 **(A) Contain information necessary to substantiate the claim for a**
12 **refund.**

13 **(B) Be accompanied by a filing fee of \$200.**

14 **(2) For the property tax year beginning on July 1, 2012:**

15 **(a) If property taxes on property described in ORS 307.110 (3)(h)**
16 **have not been paid, the taxes and any interest on the taxes are abated.**

17 **(b) If property taxes on property described in ORS 307.110 (3)(h)**
18 **have been paid, the tax collector of the county in which the property**
19 **is located shall notify the governing body of the county of any refund**
20 **required by operation of the amendments to ORS 307.110 by section 1**
21 **of this 2013 Act.**

22 **(3)(a) Upon receipt of notice from the tax collector under subsection**
23 **(2)(b) of this section, the governing body shall cause a refund of any**
24 **amount of property taxes and interest on the property taxes that has**
25 **been paid to be made from the refund reserve account, if the county**
26 **has established a refund reserve account under ORS 311.807, or from**
27 **the unsegregated tax collections account described in ORS 311.385.**

28 **(b) A refund under this subsection shall be made without interest.**

29 **(4) The Department of Revenue, the county assessor and the tax**
30 **collector shall make the necessary corrections in the records of their**
31 **offices.**

1 **SECTION 4. This 2013 Act takes effect on the 91st day after the date**
2 **on which the 2013 regular session of the Seventy-seventh Legislative**
3 **Assembly adjourns sine die.**

4

House Bill 2417

Sponsored by Representative MATTHEWS (Presession filed.)

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**.

Increases amount of fees charged and collected by county clerks to record or file certain real property documents. Directs transfer of increased fees to Housing and Community Services Department accounts for housing-related programs. Requires that 25 percent of moneys deposited in Housing and Community Services Department accounts be allocated to assist veterans with housing-related needs.

A BILL FOR AN ACT

1
2 Relating to document fee increases to provide housing assistance for veterans; amending ORS
3 205.323, 306.815, 458.610, 458.650, 458.655 and 458.665; and providing for revenue raising that
4 requires approval by a three-fifths majority.

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

6 **SECTION 1.** ORS 205.323 is amended to read:

7 205.323. (1) In addition to and not in lieu of the fees charged and collected under ORS 205.320
8 and other fees, the county clerk shall charge and collect the following fees for the recording or fil-
9 ing of any instrument described in ORS 205.130:

- 10 (a) A fee of \$1, to be credited as provided in subsection (4)(a) of this section;
11 (b) A fee of \$10, to be credited as provided in subsection (4)(b) of this section; and
12 (c) A fee of [~~\$15~~] **\$20**, to be credited as provided in subsection (4)(c) of this section.

13 (2) Subsection (1) of this section does not apply to the recording or filing of the following:

14 (a) Instruments that are otherwise exempt from recording or filing fees under any provision of
15 law;

16 (b) Any satisfaction of judgment or certificate of satisfaction of judgment; or

17 (c) Internal county government instruments not otherwise charged a recording or filing fee.

18 (3) Subsection (1)(c) of this section does not apply to the recording or filing of:

19 (a) Instruments required under ORS 517.210 to maintain mining claims;

20 (b) Warrants issued by the Employment Department pursuant to ORS 657.396, 657.642 and
21 657.646; or

22 (c) A certified copy of a judgment, a lien record abstract as described in ORS 18.170 or a sat-
23 isfaction of a judgment, including a judgment noticed by recordation of a lien record abstract.

24 (4) Of the amounts charged and collected under this section:

25 (a) The recording or filing fee charged and collected under subsection (1)(a) of this section must
26 be deposited and credited to the Oregon Land Information System Fund established under ORS
27 306.132.

28 (b) The recording or filing fee charged and collected under subsection (1)(b) of this section shall
29 be credited as follows:

30 (A) Five percent of the fee must be credited for the benefit of the county;

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) Five percent of the fee must be credited for the benefit of the county clerk for the purposes
2 described in ORS 205.320 (18); and

3 (C) 90 percent of the fee must be credited to and deposited in the County Assessment and Tax-
4 ation Fund created under ORS 294.187.

5 (c) The recording or filing fee charged and collected under subsection (1)(c) of this section must
6 be credited to and deposited in the County Assessment and Taxation Fund created under ORS
7 294.187.

8 (5) The Department of Revenue is exempt from paying the fee under subsection (1)(c) of this
9 section.

10 **SECTION 2.** ORS 458.610 is amended to read:

11 458.610. For purposes of ORS 458.600 to 458.665:

12 (1) "Council" means the State Housing Council established in ORS 456.567.

13 (2) "Department" means the Housing and Community Services Department established in ORS
14 456.555.

15 (3) "Low income" means individuals or households that receive more than 50 percent and not
16 more than 80 percent of the median family income for the area, subject to adjustment for areas with
17 unusually high or low incomes or housing costs, all as determined by the council based on infor-
18 mation from the United States Department of Housing and Urban Development.

19 (4) "Minority" means an individual:

20 (a) Who has origins in one of the black racial groups of Africa but who is not Hispanic;

21 (b) Who is of Hispanic culture or origin;

22 (c) Who has origins in any of the original peoples of the Far East, Southeast Asia, the Indian
23 subcontinent or the Pacific Islands; or

24 (d) Who is an American Indian or Alaskan Native having origins in one of the original peoples
25 of North America.

26 (5) "Organization" means a:

27 (a) Nonprofit corporation established under ORS chapter 65;

28 (b) Housing authority established under ORS 456.055 to 456.235; or

29 (c) Local government as defined in ORS 197.015.

30 (6) "Persons with disabilities" means persons with handicaps described in 42 U.S.C. 3602(h).

31 (7) "Very low income" means individuals or households that receive 50 percent or less of the
32 median family income for the area, subject to adjustment for areas with unusually high or low in-
33 comes or housing costs, all as determined by the council based on information from the United
34 States Department of Housing and Urban Development.

35 **(8) "Veteran" has the meaning given that term in ORS 408.225.**

36 **SECTION 3.** ORS 458.650 is amended to read:

37 458.650. (1) The Emergency Housing Account shall be administered by the Housing and Com-
38 munity Services Department to assist homeless persons and those persons who are at risk of be-
39 coming homeless. **The department must expend a minimum of 25 percent of moneys deposited**
40 **in the account pursuant to ORS 294.187 for assistance to veterans who are homeless or at**
41 **risk of becoming homeless.** For purposes of this section, "account" means the Emergency Housing
42 Account.

43 (2) The State Housing Council shall develop policy for giving grants to organizations that shall
44 use the funds to provide to low and very low income persons, including but not limited to, persons
45 more than 65 years of age, persons with disabilities, farmworkers and Native Americans:

1 (a) Emergency shelters and attendant services;

2 (b) Transitional housing services designed to assist persons to make the transition from
3 homelessness to permanent housing and economic independence;

4 (c) Supportive housing services to enable persons to continue living in their own homes or to
5 provide in-home services for such persons for whom suitable programs do not exist in their ge-
6 ographic area;

7 (d) Programs that provide emergency payment of home payments, rents or utilities; or

8 (e) Some or all of the needs described in paragraphs (a) to (d) of this subsection.

9 (3)(a) The council shall require as a condition of awarding a grant that the organization dem-
10 onstrate to the satisfaction of the council that the organization has the capacity to deliver any
11 service proposed by the organization.

12 (b) Any funds granted under this section shall not be used to replace existing funds. Funds
13 granted under this section may be used to supplement existing funds. An organization may use funds
14 to support existing programs or to establish new programs.

15 (c) The council, by policy, shall give preference in granting funds to those organizations that
16 coordinate services with those programs established under ORS 458.625.

17 (4) The department may expend funds from the account for administration of the account as
18 provided for in the legislatively approved budget, as that term is defined in ORS 291.002, for the
19 department.

20 **SECTION 4.** ORS 458.655 is amended to read:

21 458.655. (1) The Home Ownership Assistance Account shall be administered by the Housing and
22 Community Services Department to expand [*the*] **this** state's supply of homeownership housing for
23 low and very low income families and individuals, including, but not limited to, [*housing for*] persons
24 over 65 years of age, persons with disabilities, minorities, **veterans** and farmworkers. **The depart-**
25 **ment must expend a minimum of 25 percent of moneys deposited in the account pursuant**
26 **to ORS 294.187 to expand this state's supply of homeownership housing for low and very low**
27 **income veterans and families of veterans.** The State Housing Council shall have a policy of dis-
28 tributing funds statewide while concentrating funds in those areas of [*the*] **this** state with the
29 greatest need, as determined by the council, for low and very low income homeownership housing.
30 However, the council's policy of distributing funds may differ from the distribution policy for the
31 Housing Development and Guarantee Account.

32 (2) Funds in the Home Ownership Assistance Account shall be granted to organizations that
33 both sponsor and manage low income homeownership programs, including lease-to-own programs, for
34 the construction of new homeownership housing or for the acquisition or rehabilitation of existing
35 structures for homeownership housing for persons of low or very low income, or both.

36 (3) The council shall develop a policy for disbursing grants for any or all of the following pur-
37 poses:

38 (a) To aid low income homeownership programs, including program administration, in purchas-
39 ing land, providing assistance with down payment costs, or providing homeownership training and
40 qualification services or any combination thereof. Funds in the Home Ownership Assistance Account
41 may not be used by an organization to pay for its general operations or to pay for more than 25
42 percent of construction or rehabilitation costs.

43 (b) To match public and private moneys available from other sources for purposes of the pro-
44 vision of low or very low income homeownership housing.

45 (c) To administer the Home Ownership Assistance Account as provided for in the legislatively

1 approved budget, as that term is defined in ORS 291.002, for the department.

2 (4) The council, in developing policy under subsection (3) of this section, shall give preference
3 in making grants to those entities that propose to:

4 (a) Provide the greatest number of low and very low income homeownership housing units con-
5 structed, acquired or rehabilitated for the amount of account money expended by matching account
6 funds with other grant, loan or eligible in-kind contributions;

7 (b) Ensure the longest use for the units as low or very low income homeownership housing units,
8 such as by including some form of equity recapture, land trust or shared equity provisions, as de-
9 termined by the council;

10 (c) Include social services for occupants and proposed occupants of the proposed housing, in-
11 cluding but not limited to, programs that address home health care, mental health care, alcohol and
12 drug treatment and post-treatment care, child care, homeownership training, mortgage qualification
13 service, credit repair and case management; and

14 (d) Support a comprehensive strategy to reverse the decreasing rates of homeownership among
15 minorities, giving priority to activities that support adopted comprehensive community plans that
16 incorporate recognized best practices or demonstrate proven success in increasing homeownership
17 for minorities.

18 **SECTION 5.** ORS 458.665 is amended to read:

19 458.665. (1) The Housing and Community Services Department shall administer the General
20 Housing Account.

21 (2) The department shall disburse moneys credited to the account to accomplish the purposes
22 described in ORS 456.515 to 456.725, **except that the department must expend a minimum of**
23 **25 percent of moneys deposited in the account pursuant to ORS 294.187 to meet the critical**
24 **housing needs of veterans in this state.**

25 (3) The department may disburse moneys in the account by contract, grant, loan or otherwise
26 as the department determines necessary.

27 (4) The department may set interest rates on loans made with moneys in the account.

28 (5) The department shall establish guidelines for the types of loans financed with moneys in the
29 account by rule.

30 (6) The department may use moneys in the account to pay allowable administrative expenses
31 incurred under ORS 456.515 to 456.725.

32 (7) The department may, in the director's discretion, return moneys received for deposit in the
33 account to the original source of the moneys.

34 (8) The department may accept moneys for deposit in the account pursuant to ORS 458.620 (4)
35 and enter into agreements regarding the use of moneys deposited with the original source of the
36 moneys.

37 (9) The department shall adopt rules that:

38 (a) **Subject to subsection (2) of this section,** govern the allocation of moneys deposited in the
39 account to best meet critical housing needs and build organizational capacity of partners throughout
40 *[the]* **this** state; and

41 (b) Require equitable distribution of resources over time based on objective measures of need,
42 including the number and percentage of low and very low income households in an area.

43 **SECTION 6.** ORS 306.815 is amended to read:

44 306.815. (1) A city, county, district or other political subdivision or municipal corporation of this
45 state shall not impose, by ordinance or other law, a tax or fee upon the transfer of a fee estate in

1 real property, or measured by the consideration paid or received upon transfer of a fee estate in real
2 property.

3 (2) A tax or fee upon the transfer of a fee estate in real property does not include any fee or
4 charge that becomes due or payable at the time of transfer of a fee estate in real property, unless
5 that fee or charge is imposed upon the right, privilege or act of transferring title to real property.

6 (3) Subsection (1) of this section does not apply to any fee established under ORS 203.148.

7 (4) Subsection (1) of this section does not apply to any tax if the ordinance or other law im-
8 posing the tax is in effect and operative on March 31, 1997.

9 (5) Subsection (1) of this section does not apply to any tax or fee that is imposed upon the
10 transfer of a fee estate in real property if the fee that is imposed under ORS 205.323, for the re-
11 cording or filing of the instrument conveying the real property being transferred, is less than [\$27]
12 **\$32.**

13

House Bill 2639

Sponsored by Representative KOTEK (Pre-session filed.)

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**.

Redefines "source of income" for purposes of prohibiting discrimination in selling, renting or leasing real property. Creates exceptions.

Directs Housing and Community Services Department to develop Housing Choice Landlord Guarantee Program to mitigate damages to dwelling units of landlords caused by tenants receiving tenant-based assistance under federal Housing Choice Voucher Program.

Creates Housing Choice Landlord Guarantee Program Fund and continuously appropriates moneys in fund to department to carry out Housing Choice Landlord Guarantee Program.

Directs department to establish and administer Stable Rental Housing Program to make grants to qualifying organizations to provide rental and financial assistance to persons at risk of experiencing homelessness or persons requiring assistance to maintain housing stability.

Creates Stable Rental Housing Account and continuously appropriates moneys in account to department to carry out Stable Rental Housing Program.

Directs department and State Housing Council to cooperate with local housing authorities to obtain federal approval and waivers of requirements under certain federal rent subsidy assistance programs.

Becomes operative July 1, 2014.

A BILL FOR AN ACT

1
2 Relating to housing; creating new provisions; amending ORS 456.561 and 659A.421; and appropriating
3 money.

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

5 **SECTION 1.** ORS 659A.421 is amended to read:

6 659A.421. (1) As used in this section:

7 (a) "Dwelling" means:

8 (A) A building or structure, or portion of a building or structure, that is occupied, or designed
9 or intended for occupancy, as a residence by one or more families; or

10 (B) Vacant land offered for sale or lease for the construction or location of a building or
11 structure, or portion of a building or structure, that is occupied, or designed or intended for occu-
12 pancy, as a residence by one or more families.

13 (b) "Purchaser" includes an occupant, prospective occupant, renter, prospective renter, lessee,
14 prospective lessee, buyer or prospective buyer.

15 (c) "Real property" includes a dwelling.

16 (d)(A) "Source of income" [*does not include*] **includes** federal rent subsidy payments under 42
17 U.S.C. 1437f[,] **and any other local, state or federal housing assistance.**

18 **(B) "Source of income" does not include** income derived from a specific occupation or income
19 derived in an illegal manner.

20 (2) A person may not, because of the race, color, religion, sex, sexual orientation, national ori-
21 gin, marital status, familial status or source of income of any person:

22 (a) Refuse to sell, lease or rent any real property to a purchaser, **except that a person may**
23 **refuse to lease or rent real property to a prospective renter or prospective lessee:**

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 **(A) Based upon the past conduct of a prospective renter or prospective lessee as a former**
 2 **renter or former lessee that would make the prospective renter or prospective lessee an**
 3 **unsuitable renter or lessee; or**

4 **(B) When the amount of rent exceeds the income of the prospective renter or prospective**
 5 **lessee, taking into account the value of any local, state or federal housing assistance for**
 6 **which the prospective renter or prospective lessee is eligible.**

7 (b) Expel a purchaser from any real property.

8 (c) Make any distinction, discrimination or restriction against a purchaser in the price, terms,
 9 conditions or privileges relating to the sale, rental, lease or occupancy of real property or in the
 10 furnishing of any facilities or services in connection therewith.

11 (d) Attempt to discourage the sale, rental or lease of any real property to a purchaser.

12 (e) Publish, circulate, issue or display, or cause to be published, circulated, issued or displayed,
 13 any communication, notice, advertisement or sign of any kind relating to the sale, rental or leasing
 14 of real property that indicates any preference, limitation, specification or unlawful discrimination
 15 based on race, color, religion, sex, sexual orientation, national origin, marital status, familial status
 16 or source of income.

17 (f) Assist, induce, incite or coerce another person to commit an act or engage in a practice that
 18 violates this section.

19 (g) Coerce, intimidate, threaten or interfere with any person in the exercise or enjoyment of,
 20 or on account of the person having exercised or enjoyed or having aided or encouraged any other
 21 person in the exercise or enjoyment of, any right granted or protected by this section.

22 (h) Deny access to, or membership or participation in, any multiple listing service, real estate
 23 brokers' organization or other service, organization or facility relating to the business of selling or
 24 renting dwellings, or discriminate against any person in the terms or conditions of the access,
 25 membership or participation.

26 (i) Represent to a person that a dwelling is not available for inspection, sale or rental when the
 27 dwelling in fact is available for inspection, sale or rental.

28 (j) Otherwise make unavailable or deny a dwelling to a person.

29 (3)(a) A person whose business includes engaging in residential real estate related transactions
 30 may not discriminate against any person in making a transaction available, or in the terms or con-
 31 ditions of the transaction, because of race, color, religion, sex, sexual orientation, national origin,
 32 marital status, familial status or source of income.

33 (b) As used in this subsection, "residential real estate related transaction" means any of the
 34 following:

35 (A) The making or purchasing of loans or providing other financial assistance:

36 (i) For purchasing, constructing, improving, repairing or maintaining a dwelling; or

37 (ii) Secured by residential real estate; or

38 (B) The selling, brokering or appraising of residential real property.

39 (4) A real estate licensee may not accept or retain a listing of real property for sale, lease or
 40 rental with an understanding that a purchaser may be discriminated against with respect to the sale,
 41 rental or lease thereof because of race, color, religion, sex, sexual orientation, national origin,
 42 marital status, familial status or source of income.

43 (5) A person may not, for profit, induce or attempt to induce any other person to sell or rent
 44 any dwelling by representations regarding the entry or prospective entry into the neighborhood of
 45 a person or persons of a particular race, color, religion, sex, sexual orientation, national origin,

1 marital status, familial status or source of income.

2 (6) This section does not apply with respect to sex distinction, discrimination or restriction if
 3 the real property involved is such that the application of this section would necessarily result in
 4 common use of bath or bedroom facilities by unrelated persons of opposite sex.

5 (7)(a) This section does not apply to familial status distinction, discrimination or restriction with
 6 respect to housing for older persons.

7 (b) As used in this subsection, "housing for older persons" means housing:

8 (A) Provided under any state or federal program that is specifically designed and operated to
 9 assist elderly persons, as defined by the state or federal program;

10 (B) Intended for, and solely occupied by, persons 62 years of age or older; or

11 (C) Intended and operated for occupancy by at least one person 55 years of age or older per
 12 unit. Housing qualifies as housing for older persons under this subparagraph if:

13 (i) At least 80 percent of the dwellings are occupied by at least one person 55 years of age or
 14 older per unit; and

15 (ii) Policies and procedures that demonstrate an intent by the owner or manager to provide
 16 housing for persons 55 years of age or older are published and adhered to.

17 (c) Housing does not fail to meet the requirements for housing for older persons if:

18 (A) Persons residing in the housing as of September 13, 1988, do not meet the requirements of
 19 paragraph (b)(B) or (C) of this subsection. However, new occupants of the housing shall meet the
 20 age requirements of paragraph (b)(B) or (C) of this subsection; or

21 (B) The housing includes unoccupied units that are reserved for occupancy by persons who meet
 22 the age requirements of paragraph (b)(B) or (C) of this subsection.

23 (d) Nothing in this section limits the applicability of any reasonable local, state or federal re-
 24 strictions regarding the maximum number of occupants permitted to occupy a dwelling.

25 (8) The provisions of subsection (2)(a) to (d) and (f) of this section that prohibit actions based
 26 upon sex, sexual orientation or familial status do not apply to the renting of space within a single-
 27 family residence if the owner actually maintains and occupies the residence as the owner's primary
 28 residence and all occupants share some common space within the residence.

29 (9) Any violation of this section is an unlawful practice.

30 **SECTION 2. As used in sections 2 to 6 of this 2013 Act:**

31 (1) **"Housing Choice Voucher Program" means the federal tenant-based assistance pro-**
 32 **gram established under 42 U.S.C. 1437f(o).**

33 (2) **"Landlord" means an owner of a dwelling unit that has entered into an agreement**
 34 **with a local housing authority to receive tenant-based assistance payments under the Hous-**
 35 **ing Choice Voucher Program and that has entered into a rental or lease agreement with a**
 36 **tenant determined to be eligible to receive assistance under the Housing Choice Voucher**
 37 **Program.**

38 (3) **"Local housing authority" means a housing authority as defined in ORS 456.005 that**
 39 **has entered into a contract with the Secretary of Housing and Urban Development of the**
 40 **United States pursuant to which the housing authority is authorized to make tenant-based**
 41 **assistance payments to landlords within a designated county or area of operation under the**
 42 **Housing Choice Voucher Program.**

43 (4) **"Tenant" means an individual or a family who is determined to be eligible to receive**
 44 **tenant-based assistance payments under the Housing Choice Voucher Program and who has**
 45 **entered into a rental or lease agreement with a landlord.**

1 **SECTION 3.** (1) The Housing and Community Services Department shall develop and im-
 2 plement the Housing Choice Landlord Guarantee Program for the purpose of providing fi-
 3 nancial assistance to landlords to mitigate damages caused by tenants as a result of
 4 occupancy under the Housing Choice Voucher Program.

5 (2) Landlords that are eligible for assistance under the Housing Choice Landlord Guar-
 6 antee Program must obtain a judgment against the tenant in the small claims department
 7 of a circuit court for the county in which the property is located. Assistance is limited to
 8 reimbursement for only those amounts in the judgment that are related to damages:

9 (a) Caused as a result of the tenant's occupancy under the Housing Choice Voucher
 10 Program;

11 (b) That exceed normal wear and tear; and

12 (c) That are in excess of \$500 but not more than twice the monthly rent.

13 (3) The department may contract with a public or private provider for the administration
 14 of the Housing Choice Landlord Guarantee Program. The department is not subject to the
 15 provisions of ORS chapter 279A or 279B in awarding a contract under the provisions of this
 16 subsection. The department shall establish by rule procedures for inviting proposals and
 17 awarding contracts under this subsection.

18 (4) The department shall adopt rules to implement the provisions of this section, includ-
 19 ing but not limited to prescribing additional qualifications and requirements that must be
 20 met by landlords and the form of application that must be submitted to the department to
 21 receive assistance under the program.

22 **SECTION 4.** (1) When a landlord is determined to be eligible to receive assistance under
 23 sections 2 to 6 of this 2013 Act, the Housing and Community Services Department shall enter
 24 into a repayment agreement with the responsible tenant that provides for repayment by the
 25 tenant to the department of the full amount of the assistance paid to the landlord.

26 (2)(a) Consistent with the requirements of federal law, all local housing authorities that
 27 participate in the Housing Choice Voucher Program shall, upon written notice from the de-
 28 partment that a tenant has failed to repay the full amount required under subsection (1) of
 29 this section, be prohibited from approving a dwelling unit for the responsible tenant, and
 30 may not enter into a contract with a landlord that provides for occupancy of the landlord's
 31 dwelling unit by that tenant at any future time, regardless of the area of operation of the
 32 local housing authority wherein the dwelling unit that sustained the damages was located.

33 (b) Notwithstanding paragraph (a) of this subsection, this subsection does not apply when
 34 the tenant has made or is making a good faith effort to comply with the repayment agree-
 35 ment.

36 (3) The department shall, in accordance with ORS chapter 183, provide an opportunity for
 37 the tenant to contest the department's determination that the tenant has failed to repay
 38 amounts due under a repayment agreement or that the tenant has not made or is not mak-
 39 ing a good faith effort to comply with the repayment agreement. The department shall serve
 40 a notice of noncompliance upon the tenant in accordance with ORS 183.415 that states:

41 (a) The amount remaining unpaid by the tenant under the repayment agreement; and

42 (b) That the department may prohibit all local housing authorities, regardless of the area
 43 of operation of the local housing authority wherein the dwelling unit that sustained the
 44 damages was located, from approving a dwelling unit for the tenant in the future and from
 45 entering into a contract with a landlord that provides for the tenant's occupancy of the

1 landlord's dwelling unit by that tenant at any future time.

2 (4) The department may waive the requirements of this section for good cause as set
3 forth in rules adopted by the department.

4 **SECTION 5.** (1) There is created within the State Treasury, separate and distinct from
5 the General Fund, the Housing Choice Landlord Guarantee Program Fund. Interest earned
6 by the Housing Choice Landlord Guarantee Program Fund shall be credited to the fund.

7 (2) Moneys in the Housing Choice Landlord Guarantee Program Fund shall consist of:

8 (a) Amounts donated to the fund;

9 (b) Amounts appropriated or otherwise transferred to the fund by the Legislative As-
10 sembly;

11 (c) Investment earnings received on moneys in the fund; and

12 (d) Other amounts deposited in the fund from any source.

13 (3) Moneys in the fund are continuously appropriated to the Housing and Community
14 Services Department to carry out the provisions of sections 2 to 6 of this 2013 Act.

15 (4) The department may use moneys in the fund to pay the administrative costs associ-
16 ated with the fund and with processing applications, making payments to landlords and ad-
17 ministering repayment agreements under sections 2 to 6 of this 2013 Act.

18 **SECTION 6.** (1) Local housing authorities shall report annually to the Housing and
19 Community Services Department regarding information required to be provided to the Sec-
20 retary of Housing and Urban Development regarding each local housing authority's partic-
21 ipation in the Housing Choice Voucher Program and any additional information, data or
22 outcomes prescribed by the department by rule.

23 (2) Local housing authorities shall annually review internal procedures and processes,
24 particularly with respect to the length of initial rental and lease terms so as to coordinate
25 the length of the terms with market standards, for the purpose of achieving the maximum
26 use and benefit in the best interests of tenants and landlords from tenant-based assistance
27 payments under the Housing Choice Voucher Program.

28 (3) The department shall prepare and submit a report to the committees of the Legisla-
29 tive Assembly that have authority over the subject area of housing on the date of the con-
30 vening of each regular session of the Legislative Assembly regarding the reports submitted
31 to the department by local housing authorities under subsection (1) of this section and how
32 the department has integrated information from these reports into the comprehensive state
33 plan required under ORS 456.572.

34 **SECTION 7.** (1) The Housing and Community Services Department shall establish and
35 administer the Stable Rental Housing Program to provide rental assistance to persons re-
36 quiring assistance to achieve or maintain housing stability.

37 (2) Subject to the approval of the State Housing Council, the department shall make
38 grants from the Stable Rental Housing Account created in section 8 of this 2013 Act to or-
39 ganizations as defined in ORS 458.610 for purposes of providing:

40 (a) Rental assistance to persons of low income and very low income, as those terms are
41 defined in ORS 458.610, who are also identified as being at risk of experiencing homelessness
42 or who require rental assistance to maintain housing stability.

43 (b) Financial assistance with expenses found to support housing stability, including but
44 not limited to application fees, security deposits, move-in expenses, past-due rent, utility
45 payments, transportation expenses, essential furnishings and any other expenses as pre-

1 scribed by the department by rule.

2 (c) Support services to assist persons of low income and very low income who are at risk
 3 of experiencing homelessness or who require rental assistance to maintain housing stability,
 4 and the administrative costs of providing the services, to access housing for the purpose of
 5 achieving or maintaining housing stability.

6 (3) The department shall, in consultation with and subject to the approval of the State
 7 Housing Council, adopt rules for determining the eligibility of organizations to receive grants
 8 under this section that must, at a minimum, include the requirement that the organization
 9 demonstrate it has the capacity to deliver the assistance and services proposed by the or-
 10 ganization and to measure and report on outcomes related to homelessness and housing
 11 stability.

12 (4) The department may contract with a public or private provider for the administration
 13 of the Stable Rental Housing Program under this section. The department is not subject to
 14 the provisions of ORS chapter 279A or 279B in awarding a contract under the provisions of
 15 this subsection. The department shall establish by rule procedures for inviting proposals and
 16 awarding contracts under this subsection.

17 (5) The department shall adopt rules to implement the provisions of this section.

18 **SECTION 8.** (1) There is created within the State Treasury, separate and distinct from
 19 the General Fund, the Stable Rental Housing Account. Interest earned by the Stable Rental
 20 Housing Account shall be credited to the account.

21 (2) Moneys in the Stable Rental Housing Account shall consist of:

22 (a) Amounts donated to the account;

23 (b) Amounts appropriated or otherwise transferred to the account by the Legislative
 24 Assembly;

25 (c) Investment earnings received on moneys in the account; and

26 (d) Other amounts deposited in the account from any source.

27 (3) Moneys in the account are continuously appropriated to the Housing and Community
 28 Services Department to develop and implement the Stable Rental Housing Program under
 29 section 7 of this 2013 Act.

30 (4) The department may use moneys in the account to pay the administrative costs as-
 31 sociated with the account and with making grants under section 7 of this 2013 Act.

32 **SECTION 9.** The Housing and Community Services Department shall prepare and submit
 33 a report, after review and approval by the State Housing Council, regarding the status and
 34 outcomes of the Stable Rental Housing Program established under section 7 of this 2013 Act
 35 to the committees of the Legislative Assembly that have authority over the subject area of
 36 housing on the date of the convening of the 2015 regular session of the Legislative Assembly.

37 **SECTION 10.** ORS 456.561 is amended to read:

38 456.561. (1) The Housing and Community Services Department may effect loans, grants and other
 39 funding awards to accomplish department housing programs, subject to any requirement under this
 40 section for review and approval by the State Housing Council of proposals for loans, grants or other
 41 funding awards.

42 (2) The department shall submit a loan, grant or other funding award proposal arising under
 43 ORS 456.515 to 456.725 [*programs*] and section 7 of this 2013 Act to the council for review if the
 44 proposal is for:

45 (a) A housing loan on property that has a purchase price in excess of an applicable threshold

1 property purchase price established by rule under ORS 456.555 (9); [or]

2 (b) A housing grant or other housing funding award in excess of an applicable threshold amount
3 established by rule under ORS 456.555 (10); or

4 (c) **A grant made pursuant to the Stable Rental Housing Program established under
5 section 7 of this 2013 Act.**

6 (3) The council shall review each loan, grant or other funding award proposal submitted by the
7 department under this section and approve or disapprove the loan, grant or other funding award
8 proposal.

9 (4) Council review of loan, grant or other funding award proposals under this section shall be
10 held at a public hearing of the council. The council meeting notice required by ORS 192.640 shall
11 include notice of the loan, grant or other funding award proposal review, the names of the appli-
12 cants and the subject of the loan, grant or funding award proposal. The council shall provide notice
13 of a loan, grant or other funding award proposal review to the loan, grant or other funding award
14 applicant not less than five days before the review hearing.

15 **SECTION 11. The Housing and Community Services Department and State Housing
16 Council shall cooperate with and assist local housing authorities as defined in section 2 of
17 this 2013 Act to obtain federal approval, renewal of an existing waiver of federal require-
18 ments or a new waiver of federal requirements, as necessary to make the use and distrib-
19 ution of federal rent subsidy and assistance payments under 42 U.S.C. 1437f as efficient and
20 beneficial as possible to increase the supply of decent, safe, sanitary and affordable housing
21 for persons of low income and very low income in this state.**

22 **SECTION 12. In addition to and not in lieu of any other appropriation, there is appro-
23 priated to the Housing and Community Services Department, for the biennium beginning July
24 1, 2013, out of the General Fund, the amount of \$_____, which may be expended for pur-
25 poses of carrying out the provisions of sections 2 to 6 of this 2013 Act.**

26 **SECTION 13. In addition to and not in lieu of any other appropriation, there is appro-
27 priated to the Housing and Community Services Department, for the biennium beginning July
28 1, 2013, out of the General Fund, the amount of \$_____, which may be expended for pur-
29 poses of carrying out the provisions of sections 7 and 8 of this 2013 Act.**

30 **SECTION 14. Sections 2 to 9 and 11 of this 2013 Act and the amendments to ORS 456.561
31 and 659A.421 by sections 1 and 10 of this 2013 Act become operative on July 1, 2014.**

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