

HB 3116 A -A2 STAFF MEASURE SUMMARY

Senate Committee On Business and General Government

Prepared By: Tyler Larson, LPRO Analyst

Meeting Dates: 5/2, 5/9

WHAT THE MEASURE DOES:

Adds prioritized list of required uses of proceeds from sales of foreclosed properties, for counties with a population of 650,000 or more, a requirement to repay properly noticed local government liens against such properties for utilities improvements or seismic rehabilitation. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Creation of Portland's Commercial Property Assessed Clean Energy (CPACE) program
- Impact of 2015 measure which dedicated specified proceeds from county sales to affordable housing
- Benefits of making CPACE lenders a lienholder for specified proceeds from county sale of foreclosed property

EFFECT OF AMENDMENT:

-A2 Removes requirement that proceeds applied to specified expenses not exceed tax actually paid and the costs and expenses actually incurred by county.

BACKGROUND:

Current law requires counties to use proceeds from sales of foreclosed properties to pay delinquent taxes; corresponding penalties and fees; and costs and expenses for property maintenance and related legal actions. If the county has a population of at least 650,000, proceeds from the sale of properties that are foreclosed where there is a municipal lien against the property for utilities improvements or seismic rehabilitation are also required to be used to fund certain housing assistance for youth and families with children. Multnomah County is currently the only county in Oregon with a population over 650,000.

House Bill 3116- A adds to the prioritized list of required uses of proceeds from sales of foreclosed properties a requirement to repay properly noticed local government liens against such properties for utilities improvements or seismic rehabilitation for counties with a population of 650,000 or more.