

Enrolled Senate Bill 48

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CHAPTER

AN ACT

Relating to housing; creating new provisions; amending ORS 215.427 and 227.178 and sections 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 39, 49, 52, 55, 57 and 58, chapter 110, Oregon Laws 2024; and prescribing an effective date.

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

SECTION 1. ORS 215.427, as amended by section 7, chapter 102, Oregon Laws 2024, and section 8, chapter 110, Oregon Laws 2024, is amended to read:

215.427. (1) Except as provided in subsections (3), (5) and (10) of this section, for land within an urban growth boundary and applications for mineral aggregate extraction, the governing body of a county or its designee shall take final action on an application for a permit, limited land use decision or zone change, including resolution of all appeals under ORS 215.422, within 120 days after the application is deemed complete. The governing body of a county or its designee shall take final action on all other applications for a permit, limited land use decision or zone change, including resolution of all appeals under ORS 215.422, within 150 days after the application is deemed complete, except as provided in subsections (3), (5) and (10) of this section.

(2) If an application for a permit, limited land use decision or zone change is incomplete, the governing body or its designee shall notify the applicant in writing of exactly what information is missing within 30 days of receipt of the application and allow the applicant to submit the missing information. The application shall be deemed complete for the purpose of subsection (1) of this section and ORS 197A.470 upon receipt by the governing body or its designee of:

(a) All of the missing information;

(b) Some of the missing information and written notice from the applicant that no other information will be provided; or

(c) Written notice from the applicant that none of the missing information will be provided.

(3)(a) If the application was complete when first submitted or the applicant submits additional information within 180 days of the date the application was first submitted, approval or denial of the application must be based:

(A) Upon the standards and criteria that were applicable at the time the application was first submitted; or

(B) For an application relating to development of housing **within an urban growth boundary**, upon the request of the applicant, those standards and criteria that are operative at the time of the request.

(b) If an applicant requests review under different standards as provided in paragraph (a)(B) of this subsection:

(A) For the purposes of this section, any applicable timelines for completeness review and final decisions restart as if a new application were submitted on the date of the request;

(B) For the purposes of this section and ORS 197A.470 the application is not deemed complete until:

(i) The county determines that additional information is not required under subsection (2) of this section; or

(ii) The applicant makes a submission under subsection (2) of this section in response to a county's request;

(C) A county may deny a request under paragraph (a)(B) of this subsection if:

(i) The county has issued a public notice of the application; or

(ii) A request under paragraph (a)(B) of this subsection was previously made; and

(D) The county may not require that the applicant:

(i) Pay a fee, except to cover additional costs incurred by the county to accommodate the request;

(ii) Submit a new application or duplicative information, unless information resubmittal is required because the request affects or changes information in other locations in the application or additional narrative is required to understand the request in context; or

(iii) Repeat redundant processes or hearings that are inapplicable to the change in standards or criteria.

(4) On the 181st day after first being submitted, the application is void if the applicant has been notified of the missing information as required under subsection (2) of this section and has not submitted:

(a) All of the missing information;

(b) Some of the missing information and written notice that no other information will be provided; or

(c) Written notice that none of the missing information will be provided.

(5) The period set in subsection (1) of this section or the 100-day period set in ORS 197A.470 may be extended for a specified period of time at the written request of the applicant. The total of all extensions, except as provided in subsection (10) of this section for mediation, may not exceed 215 days.

(6) The period set in subsection (1) of this section applies:

(a) Only to decisions wholly within the authority and control of the governing body of the county; and

(b) Unless the parties have agreed to mediation as described in subsection (10) of this section or ORS 197.319 (2)(b).

(7) Notwithstanding subsection (6) of this section, the period set in subsection (1) of this section and the 100-day period set in ORS 197A.470 do not apply to:

(a) A decision of the county making a change to an acknowledged comprehensive plan or a land use regulation that is submitted to the Director of the Department of Land Conservation and Development under ORS 197.610; or

(b) A decision of a county involving an application for the development of residential structures within an urban growth boundary, where the county has tentatively approved the application and extends these periods by no more than seven days in order to assure the sufficiency of its final order.

(8) Except when an applicant requests an extension under subsection (5) of this section, if the governing body of the county or its designee does not take final action on an application for a permit, limited land use decision or zone change within 120 days or 150 days, as applicable, after the application is deemed complete, the county shall refund to the applicant either the unexpended portion of any application fees or deposits previously paid or 50 percent of the total amount of such fees or deposits, whichever is greater. The applicant is not liable for additional governmental fees

incurred subsequent to the payment of such fees or deposits. However, the applicant is responsible for the costs of providing sufficient additional information to address relevant issues identified in the consideration of the application.

(9) A county may not compel an applicant to waive the period set in subsection (1) of this section or to waive the provisions of subsection (8) of this section or ORS 197A.470 or 215.429 as a condition for taking any action on an application for a permit, limited land use decision or zone change except when such applications are filed concurrently and considered jointly with a plan amendment.

(10) The periods set forth in subsections (1) and (5) of this section and ORS 197A.470 may be extended by up to 90 additional days, if the applicant and the county agree that a dispute concerning the application will be mediated.

SECTION 2. ORS 227.178, as amended by section 8, chapter 102, Oregon Laws 2024, and section 9, chapter 110, Oregon Laws 2024, is amended to read:

227.178. (1) Except as provided in subsections (3), (5) and (11) of this section, the governing body of a city or its designee shall take final action on an application for a permit, limited land use decision or zone change, including resolution of all appeals under ORS 227.180, within 120 days after the application is deemed complete.

(2) If an application for a permit, limited land use decision or zone change is incomplete, the governing body or its designee shall notify the applicant in writing of exactly what information is missing within 30 days of receipt of the application and allow the applicant to submit the missing information. The application shall be deemed complete for the purpose of subsection (1) of this section or ORS 197A.470 upon receipt by the governing body or its designee of:

(a) All of the missing information;

(b) Some of the missing information and written notice from the applicant that no other information will be provided; or

(c) Written notice from the applicant that none of the missing information will be provided.

(3)(a) If the application was complete when first submitted or the applicant submits the requested additional information within 180 days of the date the application was first submitted, approval or denial of the application must be based:

(A) Upon the standards and criteria that were applicable at the time the application was first submitted; or

(B) For an application relating to development of housing **within an urban growth boundary**, upon the request of the applicant, those standards and criteria that are operative at the time of the request.

(b) If an applicant requests review under different standards as provided in paragraph (a)(B) of this subsection:

(A) For the purposes of this section, any applicable timelines for completeness review and final decisions restart as if a new application were submitted on the date of the request;

(B) For the purposes of this section and ORS 197A.470 the application is not deemed complete until:

(i) The city determines that additional information is not required under subsection (2) of this section; or

(ii) The applicant makes a submission under subsection (2) of this section in response to a city's request;

(C) A city may deny a request under paragraph (a)(B) of this subsection if:

(i) The city has issued a public notice of the application; or

(ii) A request under paragraph (a)(B) of this subsection was previously made; and

(D) The city may not require that the applicant:

(i) Pay a fee, except to cover additional costs incurred by the city to accommodate the request;

(ii) Submit a new application or duplicative information, unless information resubmittal is required because the request affects or changes information in other locations in the application or additional narrative is required to understand the request in context; or

(iii) Repeat redundant processes or hearings that are inapplicable to the change in standards or criteria.

(4) On the 181st day after first being submitted, the application is void if the applicant has been notified of the missing information as required under subsection (2) of this section and has not submitted:

(a) All of the missing information;

(b) Some of the missing information and written notice that no other information will be provided; or

(c) Written notice that none of the missing information will be provided.

(5) The 120-day period set in subsection (1) of this section or the 100-day period set in ORS 197A.470 may be extended for a specified period of time at the written request of the applicant. The total of all extensions, except as provided in subsection (11) of this section for mediation, may not exceed 245 days.

(6) The 120-day period set in subsection (1) of this section applies:

(a) Only to decisions wholly within the authority and control of the governing body of the city; and

(b) Unless the parties have agreed to mediation as described in subsection (11) of this section or ORS 197.319 (2)(b).

(7) Notwithstanding subsection (6) of this section, the 120-day period set in subsection (1) of this section and the 100-day period set in ORS 197A.470 do not apply to:

(a) A decision of the city making a change to an acknowledged comprehensive plan or a land use regulation that is submitted to the Director of the Department of Land Conservation and Development under ORS 197.610; or

(b) A decision of a city involving an application for the development of residential structures within an urban growth boundary, where the city has tentatively approved the application and extends these periods by no more than seven days in order to assure the sufficiency of its final order.

(8) Except when an applicant requests an extension under subsection (5) of this section, if the governing body of the city or its designee does not take final action on an application for a permit, limited land use decision or zone change within 120 days after the application is deemed complete, the city shall refund to the applicant, subject to the provisions of subsection (9) of this section, either the unexpended portion of any application fees or deposits previously paid or 50 percent of the total amount of such fees or deposits, whichever is greater. The applicant is not liable for additional governmental fees incurred subsequent to the payment of such fees or deposits. However, the applicant is responsible for the costs of providing sufficient additional information to address relevant issues identified in the consideration of the application.

(9)(a) To obtain a refund under subsection (8) of this section, the applicant may either:

(A) Submit a written request for payment, either by mail or in person, to the city or its designee; or

(B) Include the amount claimed in a mandamus petition filed under ORS 227.179. The court shall award an amount owed under this section in its final order on the petition.

(b) Within seven calendar days of receiving a request for a refund, the city or its designee shall determine the amount of any refund owed. Payment, or notice that no payment is due, shall be made to the applicant within 30 calendar days of receiving the request. Any amount due and not paid within 30 calendar days of receipt of the request shall be subject to interest charges at the rate of one percent per month, or a portion thereof.

(c) If payment due under paragraph (b) of this subsection is not paid within 120 days after the city or its designee receives the refund request, the applicant may file an action for recovery of the unpaid refund. In an action brought by a person under this paragraph, the court shall award to a prevailing applicant, in addition to the relief provided in this section, reasonable attorney fees and costs at trial and on appeal. If the city or its designee prevails, the court shall award reasonable attorney fees and costs at trial and on appeal if the court finds the petition to be frivolous.

(10) A city may not compel an applicant to waive the 120-day period set in subsection (1) of this section or to waive the provisions of subsection (8) of this section or ORS 197A.470 or 227.179 as a condition for taking any action on an application for a permit, limited land use decision or zone change except when such applications are filed concurrently and considered jointly with a plan amendment.

(11) The periods set forth in subsections (1) and (5) of this section and ORS 197A.470 may be extended by up to 90 additional days, if the applicant and the city agree that a dispute concerning the application will be mediated.

SECTION 3. Section 39, chapter 110, Oregon Laws 2024, is amended to read:

Sec. 39. (1) A local government may apply to the Housing Accountability and Production Office for an exemption to section 38, **chapter 110, Oregon Laws 2024**, [of this 2024 Act] only as provided in this section. After [the] **an initial** application is made, section 38, **chapter 110, Oregon Laws 2024**, [of this 2024 Act] does not apply to the applicant until the office denies the **initial** application or revokes the exemption.

(2) To qualify for an exemption under this section, the local government must demonstrate that:

(a) The local government reviews requested design and development adjustments for all applications for the development of housing that are under the jurisdiction of that local government;

(b) All listed development and design adjustments under section 38 (4) and (5), **chapter 110, Oregon Laws 2024**, [of this 2024 Act] are eligible for an adjustment under the local government's process; and

(c)(A) Within the previous five years the city has approved 90 percent of received adjustment requests; or

(B) The adjustment process is flexible and accommodates project needs as demonstrated by testimonials of housing developers who have utilized the adjustment process within the previous five years.

(3) Upon receipt of an application under this section, the office shall allow for public comment on the application for a period of no less than 45 days. The office shall enter a final order on the adjustment exemption within 120 days of receiving the application. The approval of an application may not be appealed.

(4) In approving an exemption, the office may establish conditions of approval requiring that the city demonstrate that it continues to meet the criteria under subsection (2) of this section.

(5) Local governments with an approved or pending exemption under this section shall clearly and consistently notify applicants, including prospective applicants seeking to request an adjustment, that are engaged in housing development:

(a) That the local government is employing a local process in lieu of section 38, **chapter 110, Oregon Laws 2024** [of this 2024 Act];

(b) Of the development and design standards for which an applicant may request an adjustment in a housing development application; and

(c) Of the applicable criteria for the adjustment application.

(6) In response to a complaint and following an investigation, the office may issue an order revoking an exemption issued under this section if the office determines that the local government is:

(a) Not approving adjustments as required by the local process or the terms of the exemption;

(b) Engaging in a pattern or practice of violating housing-related statutes or implementing policies that create unreasonable cost or delays to housing production under ORS 197.320 (13)(a); or

(c) Failing to comply with conditions of approval adopted under subsection (4) of this section.

SECTION 4. Section 49, chapter 110, Oregon Laws 2024, is amended to read:

Sec. 49. As used in sections 49 to 59, **chapter 110, Oregon Laws 2024** [of this 2024 Act]:

(1) "Net residential acre" means an acre of residentially designated buildable land, not including rights of way for streets, roads or utilities or areas not designated for development due to natural resource protections or environmental constraints.

(2) “Site” means a lot or parcel or *[contiguous lots or parcels, or both,]* **any combination of lots and parcels that are contiguous or separated from one another by a street or road** with or without common ownership.

SECTION 5. Section 52, chapter 110, Oregon Laws 2024, is amended to read:

Sec. 52. A city may not add, or petition to add, a site under sections 49 to 59, **chapter 110, Oregon Laws 2024** *[of this 2024 Act]*, unless:

(1) The city has demonstrated a need for additional land based on the following factors:

(a)(A) In the previous 20 years there have been no urban growth boundary expansions for residential use adopted by a city or by Metro in a location adjacent to the city; and

(B) The city does not have within the existing urban growth boundary *[an undeveloped, contiguous tract that is zoned for residential use that is larger than 20 net residential acres]* **a tract that:**

(i) **Is larger than 20 net residential acres;**

(ii) **Is undeveloped; and**

(iii) **Consists of one or more lots or parcels with or without common ownership and that abut each other or are separated by only a street or a road; or**

(b) Within urban growth boundary expansion areas for residential use adopted by the city over the previous 20 years, or by Metro in locations adjacent to the city, 75 percent of the lands either:

(A) Are developed; or

(B) Have an acknowledged comprehensive plan with land use designations in preparation for annexation and have a public facilities plan and associated financing plan.

(2) The city has demonstrated a need for affordable housing, based on:

(a) Having a greater percentage of severely cost-burdened households than the average for this state based on the Comprehensive Housing Affordability Strategy data from the United States Department of Housing and Urban Development; or

(b) At least 25 percent of the renter households in the city being severely rent burdened as indicated under the most recent housing equity indicator data under ORS 456.602 (2)(g).

(3) The evaluation of the demonstrations required under this section and the evaluation of criteria in an application under sections 49 to 59, chapter 110, Oregon Laws 2024, must be based on the evidence, data and factors as of the time a public notice is issued under section 53 (1), chapter 110, Oregon Laws 2024.

SECTION 6. Section 55, chapter 110, Oregon Laws 2024, is amended to read:

Sec. 55. (1) As used in this section:

(a) “Affordable units” means residential units described in subsection (3)(f)(A) or (4) of this section.

(b) “Market rate units” means residential units other than affordable units.

(2) Before adopting an urban growth boundary amendment under section 50, **chapter 110, Oregon Laws 2024**, *[of this 2024 Act]* or petitioning Metro under section 51, **chapter 110, Oregon Laws 2024** *[of this 2024 Act]*, for a site larger than 15 net residential acres, a city shall adopt a binding conceptual plan as an amendment to its comprehensive plan.

(3) The conceptual plan must:

(a) Establish the total net residential acres within the site and must require for those residential areas:

(A) A diversity of housing types and sizes, including middle housing, accessible housing and other needed housing;

(B) That the development will be on lands zoned for residential or mixed-use residential uses; and

(C) The development will be built at net residential densities not less than:

(i) Seventeen dwelling units per net residential acre if sited within the Metro urban growth boundary;

(ii) Ten units per net residential acre if sited in a city with a population of 30,000 or greater;

(iii) Six units per net residential acre if sited in a city with a population of 2,500 or greater and less than 30,000; or

- (iv) Five units per net residential acre if sited in a city with a population less than 2,500;
- (b) Designate within the site:
 - (A) Recreation and open space lands; and
 - (B) Lands for commercial uses, either separate or as a mixed use, that:
 - (i) Primarily serve the immediate surrounding housing;
 - (ii) Provide goods and services at a smaller scale than provided on typical lands zoned for commercial use; and
 - (iii) Are provided at the minimum amount necessary to support and integrate viable commercial and residential uses;
- (c) If the city has a population of 5,000 or greater, include a transportation network for the site that provides diverse transportation options, including walking, bicycling and transit use if public transit services are available, as well as sufficient connectivity to existing and planned transportation network facilities as shown in the local government's transportation system plan as defined in Land Conservation and Development Commission rules;
- (d) Demonstrate that protective measures will be applied to the site consistent with the state-wide land use planning goals for:
 - (A) Open spaces, scenic and historic areas or natural resources;
 - (B) Air, water and land resources quality;
 - (C) Areas subject to natural hazards;
 - (D) The Willamette River Greenway;
 - (E) Estuarine resources;
 - (F) Coast shorelands; or
 - (G) Beaches and dunes;
- (e) Include *[a binding agreement]* **assurances that the site will be served with all necessary urban services as defined in ORS 195.065, including through:**
 - (A) **Agreements** among the city, each owner within the site and any other necessary public or private utility provider, local government or district, as defined in ORS 195.060, or combination of local governments and districts *[that the site will be served with all necessary urban services as defined in ORS 195.065, or an equivalent assurance; and];*
 - (B) **Letters from utility providers showing a capacity and willingness to provide services;**
- or**
- (C) **Equivalent assurances; and**
 - (f) Include requirements that ensure that:
 - (A) At least 30 percent of the residential units are subject to affordability restrictions, including but not limited to affordable housing covenants, as described in ORS 456.270 to 456.295, that require for a period of not less than 60 years that the units be:
 - (i) Available for rent, with or without government assistance, by households with an income of 80 percent or less of the area median income as defined in ORS 456.270; or
 - (ii) Available for purchase, with or without government assistance, by households with an income of 130 percent or less of the area median income;
 - (B) The construction of all affordable units has commenced before the city issues certificates of occupancy to the last 15 percent of market rate units;
 - (C) All common areas and amenities are equally available to residents of affordable units and of market rate units and properties designated for affordable units are dispersed throughout the site; and
 - (D) The requirement for affordable housing units is recorded before the building permits are issued for any property within the site, and the requirements contain financial penalties for noncompliance.
- (4) A city may require greater affordability requirements for residential units than are required under subsection (3)(f)(A) of this section, provided that the city significantly and proportionally offsets development costs related to:
 - (a) Permits or fees;

- (b) System development charges;
- (c) Property taxes; or
- (d) Land acquisition and predevelopment costs.

SECTION 7. Section 57, chapter 110, Oregon Laws 2024, is amended to read:

Sec. 57. (1) Within 21 days after the adoption of an amendment to an urban growth boundary or the adoption or amendment of a conceptual plan under sections 49 to 59, **chapter 110, Oregon Laws 2024** [of this 2024 Act], and the approval by a county if required under section 50 (2), **chapter 110, Oregon Laws 2024** [of this 2024 Act], the conceptual plan or amendment must be submitted to the Department of Land Conservation and Development for review. The submission must be made by:

(a) The city, for an amendment under section 50 or 58, **chapter 110, Oregon Laws 2024** [of this 2024 Act]; or

(b) Metro, for an amendment under section 51 or 58, **chapter 110, Oregon Laws 2024** [of this 2024 Act].

(2) Within 60 days after receiving a submittal under subsection (1) of this section, the department shall:

(a) Review the submittal for compliance with the provisions of sections 49 to 59, **chapter 110, Oregon Laws 2024** [of this 2024 Act].

(b)(A) If the submittal substantially complies with the provisions of sections 49 to 59, **chapter 110, Oregon Laws 2024** [of this 2024 Act], issue an order approving the submittal; or

(B) If the submittal does not substantially comply with the provisions of sections 49 to 59, **chapter 110, Oregon Laws 2024** [of this 2024 Act], issue an order remanding the submittal to the city or to Metro with a specific determination of deficiencies in the submittal and with sufficient detail to identify a specific remedy for any deficiency in a subsequent resubmittal.

(3) If a conceptual plan is remanded to Metro under subsection (2)(b) of this section:

(a) The department shall notify the city; and

(b) The city may amend its conceptual plan and resubmit a petition to Metro under section 51, **chapter 110, Oregon Laws 2024** [of this 2024 Act].

(4) Judicial review of the department's order:

(a) Must be as a review of orders other than a contested case under ORS 183.484; and

(b) May be initiated only by the city or an owner of a proposed site **that was submitted to the department.**

(5) Following the approval of a submittal under this section, a local government must include the added lands in any future inventory of buildable lands or determination of housing capacity under ORS 197A.270, 197A.280, 197A.335 or 197A.350.

SECTION 8. Section 58, chapter 110, Oregon Laws 2024, is amended to read:

Sec. 58. (1) In lieu of amending its urban growth boundary under any other process provided by sections 49 to 59, **chapter 110, Oregon Laws 2024** [of this 2024 Act], Metro or a city outside of Metro may amend its urban growth boundary to add one or more sites [described in section 51 (1)(a) and (b) of this 2024 Act] **that satisfy the requirements of section 50 (1)(a) to (c), chapter 110, Oregon Laws 2024,** to the urban growth boundary and to remove one or more tracts of land from the urban growth boundary as provided in this section. **For Metro, a site added under this section must be designated as an urban reserve.**

(2) The acreage of the added site and removed lands must be roughly equivalent.

(3) The removed lands must have been zoned for residential uses.

(4) The added site must be zoned for residential uses at the same or greater density than the removed lands.

(5)(a) Except as provided in paragraph (b) of this subsection, land may be removed from an urban growth boundary under this section without landowner consent.

(b) A landowner may not appeal the removal of the landowner's land from an urban growth boundary under this section unless the landowner agrees to enter into a recorded agreement with

Metro or the city in which the landowner would consent to annexation and development of the land within 20 years if the land remains in the urban growth boundary.

(6) Review of an exchange of lands made under this section may only be made by:

(a) For cities outside of Metro, the county as provided in section 50 (2), **chapter 110, Oregon Laws 2024**, [of this 2024 Act] and by the Department of Land Conservation and Development, subject to judicial review, as provided in section 57, **chapter 110, Oregon Laws 2024** [of this 2024 Act]; or

(b) For Metro, the Department of Land Conservation and Development, subject to judicial review, as provided in section 57, **chapter 110, Oregon Laws 2024** [of this 2024 Act].

(7) Sections 50 (1)(d) to (g), 52, 53, 54, 55 and 56, **chapter 110, Oregon Laws 2024**, [of this 2024 Act] do not apply to a site addition made under this section.

SECTION 9. Section 10 of this 2025 Act is added to and made a part of sections 24 to 35, **chapter 110, Oregon Laws 2024**.

SECTION 10. (1)(a) For purposes of sections 24 to 35, **chapter 110, Oregon Laws 2024**, a sponsoring jurisdiction may enter into an agency loan agreement with the Housing and Community Services Department under section 28, **chapter 110, Oregon Laws 2024**, under which the sponsoring jurisdiction pledges its full faith and credit and taxing authority and any alternative source of revenue, other than the fee payable under section 32, **chapter 110, Oregon Laws 2024**, that is acceptable to the department in repayment of the total amount as determined under section 28 (2), **chapter 110, Oregon Laws 2024**.

(b) Amounts received in repayment of a project loan made under section 28, **chapter 110, Oregon Laws 2024**, shall be considered an alternative source of revenue subject to this subsection.

(2) Notwithstanding section 30, **chapter 110, Oregon Laws 2024**, eligible housing project property to which an agency loan agreement entered into on the terms set forth in subsection (1) of this section relates:

(a) Is not eligible for the property tax exemption under section 30, **chapter 110, Oregon Laws 2024**.

(b) May be granted any property tax limit, exemption or partial exemption, special assessment, credit or deferral for which the eligible housing project property is eligible other than the exemption described in paragraph (a) of this subsection.

(3) A sponsoring jurisdiction may award project funding to a developer under section 26, **chapter 110, Oregon Laws 2024**, for an eligible housing project to which an agency loan agreement entered into on the terms set forth in subsection (1) of this section relates that is located in an urban renewal area in accordance with the provisions of ORS chapter 457.

(4) Amounts received by the department in repayment of an agency loan entered into on the terms set forth in subsection (1) of this section shall be deposited in the Housing Project Revolving Loan Fund established under section 35, **chapter 110, Oregon Laws 2024**.

(5) A developer awarded project funding under section 26, **chapter 110, Oregon Laws 2024**, from a sponsoring jurisdiction that has entered into an agency loan agreement on the terms set forth in subsection (1) of this section is not liable for payment of a fee under section 32, **chapter 110, Oregon Laws 2024**, with respect to the eligible housing project for which the project funding was awarded.

SECTION 11. Section 24, **chapter 110, Oregon Laws 2024**, is amended to read:

Sec. 24. As used in sections 24 to 35, **chapter 110, Oregon Laws 2024** [of this 2024 Act]:

(1) “Agency loan” means a loan made by the Housing and Community Services Department pursuant to a program adopted under section 28, **chapter 110, Oregon Laws 2024**.

[(1)] (2) “Assessor,” “tax collector” and “treasurer” mean the individual filling that county office so named or any county officer performing the functions of the office under another name.

[(2)] (3) “County tax officers” and “tax officers” mean the assessor, tax collector and treasurer of a county.

[(3)] (4) “Eligible costs” means the following costs associated with an eligible housing project:

(a) Infrastructure costs, including, but not limited to, system development charges;

- (b) Predevelopment costs;
- (c) Construction costs; and
- (d) Land write-downs.

[(4)] (5) “Eligible housing project” means a project to construct housing, or to convert a building from a nonresidential use to housing, that is:

(a) Affordable to households with low income or moderate income as those terms are defined in ORS 458.610;

(b) If for-sale property, a single-family dwelling, middle housing as defined in ORS 197A.420 or a multifamily dwelling that is affordable as described in paragraph (a) of this subsection continuously from initial sale for a period, to be established by the Housing and Community Services Department and the sponsoring jurisdiction, of not less than the term of the **agency** loan related to the for-sale property; or

(c) If rental property:

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

(ii) A multifamily dwelling;

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

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

(B) Rented at a monthly rate that is affordable to households with an annual income not greater than 120 percent of the area median income, such affordability to be maintained for a period, to be established by the department and the sponsoring jurisdiction, of not less than the term of the **agency** loan related to the rental property.

[(5)] (6) “Eligible housing project property” means the taxable real and personal property constituting the improvements of an eligible housing project.

[(6)] (7) “Fee payer” means, for any property tax year, the person responsible for paying ad valorem property taxes on eligible housing project property to which a **project** grant awarded under section 29, **chapter 110, Oregon Laws 2024**, [of this 2024 Act] relates.

[(7)] (8) “Fire district taxes” means property taxes levied by fire districts within whose territory all or a portion of eligible housing project property is located.

[(8)] (9) “Nonexempt property” means property other than eligible housing project property in the tax account that includes eligible housing project property.

[(9)] (10) “Nonexempt taxes” means the ad valorem property taxes assessed on nonexempt property.

(11) “**Project funding**” means a **project grant** or a **project loan**.

(12) “**Project funding agreement**” means an agreement entered into between a sponsoring jurisdiction and a developer under section 29, chapter 110, Oregon Laws 2024, for a **project grant** or a **project loan**.

(13) “**Project grant**” means a grant awarded by a sponsoring jurisdiction under a **project funding program** adopted pursuant to section 25, chapter 110, Oregon Laws 2024.

(14) “**Project loan**” means a loan made by a sponsoring jurisdiction under a **project funding program** adopted pursuant to section 25, chapter 110, Oregon Laws 2024.

[(10)] (15) “Sponsoring jurisdiction” means:

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

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

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

SECTION 12. Section 25, chapter 110, Oregon Laws 2024, is amended to read:

Sec. 25. (1)(a) A sponsoring jurisdiction may adopt by ordinance or resolution a **project funding** program under which the sponsoring jurisdiction awards **project grants** and **makes project loans** to developers for eligible costs.

(b) Before adopting the **project funding** program, the sponsoring jurisdiction shall consult with the governing body of any city or county with territory inside the boundaries of the sponsoring jurisdiction.

(2) The ordinance or resolution shall set forth:

(a) The kinds of eligible housing projects for which a developer may seek *[a grant]* **project funding** under the program; and

(b) Any eligibility requirements to be imposed on projects and developers in addition to those required under sections 24 to 35, **chapter 110, Oregon Laws 2024** *[of this 2024 Act]*.

(3) A *[grant award]* **project grant and a project loan**:

(a) Shall be in the amount determined under section 26 (3), **chapter 110, Oregon Laws 2024** *[of this 2024 Act]*; and

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

(4)(a) Eligible housing project property for which a developer receives a **project grant** for eligible costs may not be granted any exemption, partial exemption or special assessment of ad valorem property taxes other than the exemption granted under section 30 *[of this 2024 Act]*, **chapter 110, Oregon Laws 2024**.

(b) **A sponsoring jurisdiction may not award a project grant to a developer under section 26, chapter 110, Oregon Laws 2024, for an eligible housing project that is located in an urban renewal area.**

(5) A sponsoring jurisdiction may amend an ordinance or resolution adopted pursuant to this section at any time. The amendments shall apply only to applications submitted under section 26, **chapter 110, Oregon Laws 2024**, *[of this 2024 Act]* on or after the effective date of the ordinance or resolution.

SECTION 13. Section 26, chapter 110, Oregon Laws 2024, is amended to read:

Sec. 26. (1)(a) A sponsoring jurisdiction that adopts a *[grant]* **project funding** program pursuant to section 25, **chapter 110, Oregon Laws 2024**, *[of this 2024 Act]* shall prescribe an application process, including forms and deadlines, by which a developer may apply for *[a grant]* **project funding** with respect to an eligible housing project.

(b) An application for *[a grant]* **project funding** must include, at a minimum:

(A) A description of the eligible housing project;

(B) A detailed explanation of the affordability of the eligible housing project;

(C) An itemized description of the eligible costs for which the *[grant]* **project funding** is sought;

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

(E) A project pro forma demonstrating that the project would not be economically feasible but for receipt of the *[grant]* **project funding** moneys; and

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

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

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

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

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

(A) The sponsoring jurisdiction may in its sole discretion extend the review process beyond 90 days if the volume of applications would make timely completion of the review process unlikely.

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

(3) The sponsoring jurisdiction shall:

(a) Review each application;

(b) **Provide the tax officers of the county in which the eligible housing project property is located with the estimated real market value and tax lot information of the property;**

[(b)] (c) Request that the county tax officers provide to the sponsoring jurisdiction the [amounts] **increment** determined under section 27, **chapter 110, Oregon Laws 2024** [of this 2024 Act];

[(c)] (d) Set the term of the **agency** loan that will fund the [grant] **project funding** award for a period not to exceed the greater of:

(A) Ten years following July 1 of the first property tax year for which the completed eligible housing project property is estimated to be taken into account; or

(B) If agreed upon by the sponsoring jurisdiction and the department, the period required for the **agency** loan principal, and fees, **if any**, to be repaid in full;

[(d)] (e) Set the amount of the [grant] **project funding** that may be awarded to the developer under section 29 (2) [of this 2024 Act], **chapter 110, Oregon Laws 2024**, by multiplying the increment determined under **section 27, chapter 110, Oregon Laws 2024**, [section 27 (1)(c) of this 2024 Act] by the term of the **agency** loan; and

[(e)(A)] (f)(A) Provisionally approve the application as submitted;

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

(C) Reject the application.

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

(b) The department shall review the provisionally approved applications for completeness, including, but not limited to, the completeness of the project pro forma submitted with the application under subsection (1)(b)(E) of this section and the [amounts] **increment** computed under **section 27, chapter 110, Oregon Laws 2024**, [section 27 (1) of this 2024 Act] and notify the sponsoring jurisdiction of its determination.

(5)(a) If the department has determined that a provisionally approved application is incomplete, the sponsoring jurisdiction may:

(A) Consult with the applicant developer and reconsider the provisionally approved application after the applicant revises it; or

(B) Reject the provisionally approved application.

(b) If the department has determined that a provisionally approved application is complete, the approval shall be final.

(c) The sponsoring jurisdiction shall notify each applicant and the department of the final approval or rejection of an application and the amount of the [grant] **project funding** award.

(d) The rejection of an application and the amount of a grant award may not be appealed, but a developer may reapply for [a grant] **project funding** at any time within the applicable deadlines of the [grant] **project funding** program for the same or another eligible housing project.

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

SECTION 14. Section 27, chapter 110, Oregon Laws 2024, is amended to read:

Sec. 27. (1) Upon request of the sponsoring jurisdiction under **section 26 (3)(c), chapter 110, Oregon Laws 2024** [section 26 (3)(b) of this 2024 Act], the assessor of the county in which is located the eligible housing project to which an application being reviewed under section 26, **chapter 110, Oregon Laws 2024**, [of this 2024 Act] relates shall:

(a) Using the last certified assessment roll for the property tax year in which the application is received under section 26, **chapter 110, Oregon Laws 2024** [of this 2024 Act]:

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

(B) Subtract the amount of operating taxes as defined in ORS 310.055 and local option taxes as defined in ORS 310.202 levied by fire districts from the amount determined under subparagraph (A) of this paragraph.

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

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

(B) Subtract the estimated amount of operating taxes and local option taxes levied by fire districts from the **estimated** amount determined under subparagraph (A) of this paragraph.

(c) Determine the amount of the increment that results from subtracting the amount determined under subsection (1)(a) of this section from the **estimated** amount determined under subsection (1)(b) of this section.

(2) As soon as practicable after determining [amounts] **the increment** under this section, the county tax officers shall provide written notice **of the increment** to the sponsoring jurisdiction [of the amounts].

SECTION 15. Section 28, chapter 110, Oregon Laws 2024, is amended to read:

Sec. 28. (1)(a) The Housing and Community Services Department shall develop a program to make **agency** loans to sponsoring jurisdictions to fund **project grants and project loans** awarded under the sponsoring jurisdiction's [grant] **project funding** program adopted pursuant to section 25 [of this 2024 Act], **chapter 110, Oregon Laws 2024**.

(b) The **agency** loans shall be interest free for the term set by the sponsoring jurisdiction under **section 26, chapter 110, Oregon Laws 2024** [section 26 (3)(c) of this 2024 Act].

(2) For each application approved under section 26 (5)(b), **chapter 110, Oregon Laws 2024** [of this 2024 Act], the Housing and Community Services Department shall:

(a) Enter into [a] **an agency** loan agreement with the sponsoring jurisdiction for a payment in an amount equal to the total of:

(A) **The agency** loan proceeds in an amount equal to the [grant] **project funding** award for the application set under **section 26 (3), chapter 110, Oregon Laws 2024** [section 26 (3)(d) of this 2024 Act]; and

(B) The administrative costs set forth in subsection (3) of this section; and

(b) Pay to the sponsoring jurisdiction the total amount set forth in paragraph (a) of this subsection out of the Housing Project Revolving Loan Fund established under section 35, **chapter 110, Oregon Laws 2024** [of this 2024 Act].

(3) The administrative costs referred to in subsection (2)(a)(B) of this section are:

(a) An amount not greater than five percent of the **agency** loan proceeds to reimburse the sponsoring jurisdiction for the costs of administering the [grant] **project funding** program, other than the costs of tax administration; and

(b) An amount equal to one percent of the **agency** loan proceeds to be transferred to the county in which the sponsoring jurisdiction is situated to reimburse the county for the costs of the tax administration of the [grant] **project funding** program by the county tax officers.

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

(5) The Housing and Community Services Department may:

(a) Consult with the Oregon Business Development Department about any of the powers and duties conferred on the Housing and Community Services Department by sections 24 to 35, **chapter 110, Oregon Laws 2024** [of this 2024 Act]; and

(b) Adopt any rule it considers necessary or convenient for the administration of sections 24 to 35, **chapter 110, Oregon Laws 2024**, [of this 2024 Act] by the Housing and Community Services Department.

SECTION 16. Section 29, chapter 110, Oregon Laws 2024, is amended to read:

Sec. 29. (1) Upon entering into [a] **an agency** loan agreement with the Housing and Community Services Department under section 28, **chapter 110, Oregon Laws 2024** [of this 2024 Act], a sponsoring jurisdiction shall offer [a grant] **a project funding** agreement to each developer whose ap-

plication **for project funding** was approved under section 26 (5)(b), **chapter 110, Oregon Laws 2024** [of this 2024 Act].

(2) The [grant] **project funding** agreement shall:

(a) Include a **project grant award or project loan** in the amount set under **section 26 (3), chapter 110, Oregon Laws 2024** [section 26 (3)(d) of this 2024 Act]; and

(b) Contain terms that:

(A) Are required under sections 24 to 35, **chapter 110, Oregon Laws 2024**, [of this 2024 Act] or the ordinance or resolution adopted by the sponsoring jurisdiction pursuant to section 25, **chapter 110, Oregon Laws 2024** [of this 2024 Act].

(B) Do not conflict with sections 24 to 35, **chapter 110, Oregon Laws 2024**, [of this 2024 Act] or the ordinance or resolution adopted by the sponsoring jurisdiction pursuant to section 25, **chapter 110, Oregon Laws 2024** [of this 2024 Act].

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

(a) **With respect to a project grant or a project loan:**

[a)] (A) A description of the eligible housing project;

[b)] (B) An itemized description of the eligible costs;

[c)] (C) The amount and terms of the grant **project award or project loan principal; and**

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

[e)] (D) A statement declaring that the [grant] **project funding** has been awarded in response to the housing needs of communities within the sponsoring jurisdiction[.]; and

(b) **With respect to a project grant, written notice that the eligible housing project property is exempt from property taxation in accordance with section 30, chapter 110, Oregon Laws 2024.**

(4) Unless otherwise specified in the [grant] **project funding** agreement, as soon as practicable after the ordinance or resolution required under subsection (3) of this section becomes effective, the sponsoring jurisdiction shall distribute the **agency** loan proceeds received from the department under section 28 (2)(a)(A), **chapter 110, Oregon Laws 2024**, [of this 2024 Act] to the developer as the **project grant moneys or project loan principal** awarded under this section.

(5) The sponsoring jurisdiction shall forward to the tax officers of the county in which the eligible housing project is located a copy of the [grant] **project funding** agreement, the ordinance or resolution and any other material the sponsoring jurisdiction considers necessary for the tax officers to perform their duties under sections 24 to 35, **chapter 110, Oregon Laws 2024**, [of this 2024 Act] or the ordinance or resolution.

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

SECTION 17. Section 30, chapter 110, Oregon Laws 2024, is amended to read:

Sec. 30. (1) Upon receipt of the copy of a **project** grant agreement and ordinance or resolution from the sponsoring jurisdiction under section 29 (5), **chapter 110, Oregon Laws 2024** [of this 2024 Act], the assessor of the county in which eligible housing project property is located shall:

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

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

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

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

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

(2)(a) The exemption shall first apply to the first property tax year that begins after completion of the eligible housing project to which the grant relates.

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

(A) July 1 of the property tax year immediately succeeding the date on which the fee payment obligation under section 32, **chapter 110, Oregon Laws 2024**, [of this 2024 Act] that relates to the eligible housing project, **if any**, is repaid in full;

(B) The date on which the annual fee imposed on the fee payer under section 32, **chapter 110, Oregon Laws 2024**, **if any**, [of this 2024 Act] becomes delinquent;

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

(D) The date on which a condition specified in **section 33 (1), chapter 110, Oregon Laws 2024**, [section 33 of this 2024 Act] occurs.

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

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

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

(b) The presumptive number of property tax years for which the exemption is granted, which shall be the term of the **agency** loan agreement relating to the eligible housing project set under **section 26, chapter 110, Oregon Laws 2024** [section 26 (3)(c) of this 2024 Act].

SECTION 18. Section 31, chapter 110, Oregon Laws 2024, is amended to read:

Sec. 31. (1) Repayment of **agency** loans made under section 28, **chapter 110, Oregon Laws 2024**, [of this 2024 Act] shall begin, in accordance with section 32, **chapter 110, Oregon Laws 2024** [of this 2024 Act], after completion of the eligible housing project funded by the **project grant or project loan** to which the **agency** loan relates, **or after another date or other circumstances agreed to by the parties to a project funding agreement under section 10 of this 2025 Act**.

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

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

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

(c) After determining the date of completion under paragraph (a) of this subsection, the sponsoring jurisdiction shall notify the Housing and Community Services Department and the county tax officers of the determination.

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

SECTION 19. Section 32, chapter 110, Oregon Laws 2024, is amended to read:

Sec. 32. (1) **Unless repayment of the agency loan made under section 28, chapter 110, Oregon Laws 2024, has been otherwise provided for under section 10 of this 2025 Act**, the fee payer for eligible housing project property that has been granted exemption under section 30, **chapter 110, Oregon Laws 2024**, [of this 2024 Act] shall pay an annual fee for the term that shall be the presumptive number of **property tax** years for which the property is granted exemption under section 30 (3)(b), **chapter 110, Oregon Laws 2024** [of this 2024 Act].

(2)(a) The amount of the fee for the first property tax year in which repayment of the **agency** loan is due under section 31 (1), **chapter 110, Oregon Laws 2024**, [of this 2024 Act] shall equal the total of:

(A) The portion of the increment determined under **section 27, chapter 110, Oregon Laws 2024**, [section 27 (1)(c) of this 2024 Act] that is attributable to the eligible housing project property to which the fee relates; and

(B) The administrative costs described in section 28 (3), **chapter 110, Oregon Laws 2024**, [of this 2024 Act] divided by the term of the **project** grant agreement entered into under section 29, **chapter 110, Oregon Laws 2024** [of this 2024 Act].

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

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

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

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

(B) The Housing and Community Services Department of each fee amount and the aggregate of all fee amounts with respect to all eligible housing project property located in the county.

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

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

(5)(a) For each property tax year in which a fee is payable under this section, the treasurer shall:

(A) Estimate the amount of operating taxes as defined in ORS 310.055 and local option taxes as defined in ORS 310.202 levied by fire districts that would have been collected on eligible housing project property if the property were not exempt;

(B) Distribute out of the fee moneys the **estimated** amounts determined under subparagraph (A) of this paragraph to the respective fire districts when other ad valorem property taxes are distributed under ORS 311.395; and

(C) Transfer the net fee moneys to the Housing and Community Services Department for deposit in the Housing Project Revolving Loan Fund established under section 35, **chapter 110, Oregon Laws 2024**, [of this 2024 Act] in repayment of the loans to which the fees relate.

(b) Nonexempt taxes shall be distributed in the same manner as other ad valorem property taxes are distributed.

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

(7) Any **agency** loan amounts that have not been repaid when the fee payer has discharged its obligations in full under this section remain the obligation of the sponsoring jurisdiction that obtained the **agency** loan from the department under section 28, **chapter 110, Oregon Laws 2024** [of this 2024 Act].

(8) Any fee amounts collected in excess of the **agency** loan amount shall be distributed in the same manner as other ad valorem property taxes are distributed.

SECTION 20. Section 33, chapter 110, Oregon Laws 2024, is amended to read:

Sec. 33. (1)(a) A developer that received a **project** grant award under section 29, **chapter 110, Oregon Laws 2024**, [of this 2024 Act] shall become liable for immediate payment of [any] outstanding annual fee payments, **if any**, imposed under section 32, **chapter 110, Oregon Laws 2024**, [of this 2024 Act] for the entire term of the fee if:

(A) The developer has not completed the eligible housing project within three years following the date on which the **project** grant moneys were distributed to the developer;

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

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

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

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

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

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

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

(b) Amounts collected under this subsection shall be deposited, net of any collection charges, in the Housing Project Revolving Loan Fund established under section 35, **chapter 110, Oregon Laws 2024** [of this 2024 Act].

SECTION 21. Section 34, chapter 110, Oregon Laws 2024, is amended to read:

Sec. 34. (1) Not later than June 30 of each year in which a [grant] **project funding** agreement entered into under section 29, **chapter 110, Oregon Laws 2024**, [of this 2024 Act] is in effect, a developer that is party to the agreement shall submit a report to the sponsoring jurisdiction in which the eligible housing project is located that contains:

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

(b) An itemized description of the uses of the [grant] **project funding** moneys; and

(c) Any information the sponsoring jurisdiction considers important for evaluating the eligible housing project and the developer's performance under the terms of the [grant] **project funding** agreement.

(2) Not later than August 15 of each year, each sponsoring jurisdiction shall submit to the Housing and Community Services Department a report containing such information relating to eligible housing projects within the sponsoring jurisdiction as the department requires.

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

(b) The report shall set forth in detail:

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

(B) The status of the repayment of all outstanding **agency** loans made under section 28, **chapter 110, Oregon Laws 2024**, [of this 2024 Act] and of the payment of all fees imposed under section 32, **chapter 110, Oregon Laws 2024**, [of this 2024 Act] and all amounts imposed under section 33, **chapter 110, Oregon Laws 2024** [of this 2024 Act]; and

(C) The cumulative experience of the **project funding** program developed and implemented under sections 24 to 35 [of this 2024 Act], **chapter 110, Oregon Laws 2024**.

(c) The report may include recommendations for legislation.

SECTION 22. Section 35, chapter 110, Oregon Laws 2024, is amended to read:

Sec. 35. (1) The Housing Project Revolving Loan Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned by the Housing Project Revolving Loan Fund shall be credited to the fund.

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

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

(a) Amounts appropriated or otherwise transferred or credited to the fund by the Legislative Assembly;

(b) Net fee moneys transferred under section 32, **chapter 110, Oregon Laws 2024** [of this 2024 Act];

(c) Amounts deposited in the fund under section 33, **chapter 110, Oregon Laws 2024** [of this 2024 Act];

(d) Repayment amounts deposited in the fund under section 10 of this 2025 Act;

[(d)] **(e)** Interest and other earnings received on moneys in the fund; and

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

(4) Moneys in the Housing Project Revolving Loan Fund are continuously appropriated to the Housing and Community Services Department for the purpose of paying amounts determined under section 28, **chapter 110, Oregon Laws 2024** [of this 2024 Act].

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

SECTION 23. This 2025 Act takes effect on the 91st day after the date on which the 2025 regular session of the Eighty-third Legislative Assembly adjourns sine die.

Passed by Senate June 23, 2025

.....
Obadiah Rutledge, Secretary of Senate

.....
Rob Wagner, President of Senate

Passed by House June 26, 2025

.....
Julie Fahey, Speaker of House

Received by Governor:

.....M.,....., 2025

Approved:

.....M.,....., 2025

.....
Tina Kotek, Governor

Filed in Office of Secretary of State:

.....M.,....., 2025

.....
Tobias Read, Secretary of State