

HOUSE COMMITTEE ON HUMAN DEVELOPMENT

March 26, 1993      Hearing Room E 8:30 a.m.      Tapes 108 - 109

MEMBERS PRESENT:    Rep. Mary Alice Ford, Chair Rep. Marilyn Dell Rep.  
Bill Fisher Rep. Dennis Luke Rep. John Meek Rep. Frank Shields

MEMBER EXCUSED:    Rep. Beverly Stein, Vice-Chair

STAFF PRESENT:            Melanie Zermer, Committee Administrator Pamela  
Berger, Committee Coordinator

MEASURES CONSIDERED:            HB 2150 - Type B agency, Wrk HB 2884 -  
property tax for low income, Pub

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These minutes contain materials which paraphrase and/or summarize  
statements made during this session. Only text enclosed in  
quotation marks report a speaker's exact words. For complete contents  
of the proceedings, please refer to the tapes. [--- Unable To Translate  
Graphic ---]

TAPE 108, SIDE A

CHAIR FORD:    Calls the meeting to order at 8:38 a.m.

WORK SESSION - HB 2150

Staff submits -2 proposed amendments to HB 2150 (EXHIBIT A).

CHAIR FORD: Asks Eugene Organ if the amendments are acceptable to him.

EUGENE ORGAN, OREGON DISABILITIES COMMISSION: Yes.

MOTION: MEEK MOVES ADOPTION OF THE -2 AMENDMENTS.

VOTE: THERE BEING NO OBJECTIONS, THE AMENDMENTS ARE ADOPTED.

MOTION: MEEK MOVES HB 2150, AS AMENDED, TO THE FLOOR WITH A DO PASS  
RECOMMENDATION.

VOTE: THE MOTION PASSES UNANIMOUSLY.    STEIN EXCUSED. MEEK CARRIES.

PUBLIC HEARING: HB 2884

044 BRUCE ANDERSON, OREGON HOMEBUILDERS ASSOCIATION: Submits and reads  
written testimony from Fred VanNatta, Oregon State Home Builders  
Association (EXHIBIT B).

200 BOB JOHNSON, GREAT NORTHWEST MANAGEMENT COMPANY: Testifies in  
favor of HB 2884.

MEEK: Questions about constitutionality; have you had legal opinion  
about if it were challenged?

JOHNSON: The question is what does market value mean.

MEEK: Question about property tax.

ANDERSON AND JOHNSON: Clarify.

315 FISHER: Concerned if property is not assessed at reduced rate. This bill needs to address land trust issues also.

CHAIR FORD: Did Legislative Counsel give an opinion on constitutionality of this bill?

ANDERSON: VanNatta could respond. - Continues with testimony. - Trying to access property for low income individuals should be compared against like type of housing not market value.

377 LUKE: Do you sign an agreement to guarantee a tax credit?

JOHNSON: Yes, and also need to get a deed restriction.

LUKE: Restrictions.

JOHNSON: Responds about penalties and retroactive charges if property fell out of compliance.

TAPE 109, SIDE A

090 SHIELDS: Is there is a need for a law in order to get people to provide more low income housing?

JOHNSON: Responds.

LUKE: Hardship on private industry to provide low income housing.

124 DELL: Does assessor have discretion as to method of assessing?

JOHNSON: Determination is on like property sold.

DELL: Have you gotten any input for county assessors?

JOHNSON: We were not able to find any cases in the country on this issue.

204 DELL: Assessor bases part of assessment on the percentage of low income tenants occupying building. Income approach was not main approach in the bill, why?

JOHNSON: When bill came out of Legislative Counsel it came out different than the intention was. Amendments will be presented to the Revenue committee.

237 FRED VANNATTA, OREGON HOME BUILDERS ASSOCIATION: This bill has a referral to the Revenue committee. Will have amendments drafted when bill reaches Revenue committee.

DELL: If assessor gives you determination that you are unhappy with do you go to tax court or the Board of Equalization?

JOHNSON: Board of Equalization, who will pass it on to the Revenue Department, then to the tax court.

SHIELDS: Section 8.

FISHER: When you build one of these projects, are they put on run-down property, therefore increasing that property value?

JOHNSON: Will be paying whatever revenue it generates.

350 FISHER: City and county benefits.

JOHNSON: Gives example.

FISHER: When you sell a project, would selling price be based on rent availability?

JOHNSON: There is a formula that we are required to follow.

TAPE 108, SIDE B

MEEK: Do you have other low-income projects other than those in Washington County?

JOHNSON: Yes, in Salem.

MEEK: Experienced similar problems for that project?

JOHNSON: Assessment differs in different counties. - Rent decrease as you get away from Portland area.

065 DELL: Cap rate.

JOHNSON: Refers to amendments that will be submitted to the Revenue committee.

FISHER: Clarification.

JOHNSON: Rent per square foot. - Housing Authority supports this concept.

182 FISHER:

195 LYNN SCHOESSLER, HOUSING & COMMUNITY SERVICES DEPARTMENT: Supports concept of bill. -Operational expenses. -Federal low income tax credits and non profits have same dilemma.

FISHER: Definitions under section 3, would that cover other areas?

SCHOESSLER: Responds.

DELL: This addresses income rental projects.

CHAIR FORD: Adjourns the meeting at 9:50 a.m.

Submitted by:

Reviewed by:

Pamela Berger  
Administrator

Melanie Zermer Coordinator

EXHIBIT LOG:

A - HB 2150 - Proposed amendments - staff - 1 p. B - HB 2884 - Testimony  
- Anderson - 1 p.